ANNUAL REPORT

OF

Albion Telephone Company, Inc.
NAME

P.O. Box 98 Albion, ID 83311
ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED December 31, 2005

ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO THE IDAHO PUBLIC UTILITIES COMMISSION FOR THE YEAR ENDING DECEMBER 31, 2005

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.

Title	Name	Address	
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.)

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

Name	Title	Wages and Bonuses Paid
ODeen K. Redman	President	276122
Richard L. Redman	Vice-President	184001

NOTES TO THE FINANCIAL STATEMENTS

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

BALANCE SHEET
Assets and Other Debits

	Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
	Current Assets			
1120	Cash and Equivalents	3100130	2080617	-1019513
1130	Cash			
1140	Special Cash Deposits			
1150	Working Cash Advances			
1160	Temporary Investments			
1180	Telecommunications Accts. Receivable	384746	431576	46830
1181	Accts. Rec. Allow. -Telecommunications	-19237	-21579	-2342
1190	Other Accounts Receivable	584569	1009325	424756
1191	Accounts Receivable Allow. - Other			
1200	Notes Receivable			
1201	Notes Receivable Allowance			
1210	Interest & Dividends Receivable			
1220	Material and Supplies	143222	171085	27863
1280	Prepayments	49488	58373	8885
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	40299	40299	0
1402	Investment in Nonaffiliated Companies	322422	322422	0
1406	Nonregulated Investments	2765851	3189177	423326
1407	Unamortized Debt Issuance Expense			
1408	Sinking Funds			
1410	Other Noncurrent Assets			
1438	Deferred Maintenance & Retirements			
1439	Deferred Charges	1321870	1034050	-287820
1500	Other Jurisdiction Assets - Net			
	Property, Plant and Equipment			
2001	Telecommunications Plants in Service	29677817	31500711	1822894
2002	Prop. Held for Future Telecom. Use			
2003	Telecom. Plant under Constr. - Short Term	212961	622463	409502
2004	Telecom. Plant under Constr. - Long Term			
2005	Telecom. Plant Adjustment			
2006	Nonoperating Plant			
2007	Goodwill	4324455	4324455	0
	Depreciation and Amortization Accounts			
3100	Accumulated Depreciated	-18616449	-20683696	-2067247
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			
	TOTAL ASSETS	22838146	22625280	-212866

BALANCE SHEET
Liabilities & Stockholders' Equity

	Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
	Current Liabilities			
4010	Accounts Payable	73341	57912	-15429
4020	Notes Payable			
4030	Advance Billings and Payments	368012	149405	-218607
4040	Customer Deposits	7210	5670	-1540
4050	Current Maturities - Long -Term Debt	866907	883874	16967
4060	Current Maturities - Capital leases			
4070	Income Taxes - Accrued			0
4080	Other Taxes - Accrued	71670	82424	10754
4100	Net Current Defer. Oper. Income Taxes			
4110	Net Current Defer. Nonoper. Income Taxes			
4120	Other Accrued Liabilities			
4130	Other Current Liabilities	278636	383753	105117
	Long-Term Debt			
4210	Funded Debt	10592229	9647636	-944593
4220	Premium on Long-Term Debt			
4230	Discount on Long-Term Debt			
4240	Reacquired Debt			
4250	Obligations Under Capital Leases			
4260	Advances from Affiliated Companies			
4270	Other Long-Term Debt			
	Other Liabilities & Deferred Credits			
4310	Other Long-Term Liabilities			
4320	Unamort. Oper. Invest. Tax Credits - Net			
4330	Unamort. Nonoper. Invest. Tax Credits - Net			
4340	Net Noncurrent Defer. Oper. Income Taxes			
4350	Net Noncur. Defer. Nonoper. Income Taxes			
4360	Other Deferred Credits			
4370	Other Juris. Liab. & Def. Credits - Net			
	Stockholders' Equity			
4510	Capital Stock	40200	40200	0
4520	Additional Paid-In Capital			
4530	Treasury Stock			
4540	Other Capital			
4550	Retained Earnings	10539941	11374406	834465
	TOTAL LIAB. & OTHER CREDITS	22838146	22625280	-212866

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	64813	10000			74813
2112	Motor Vehicles	293459	27550	-35266		285743
2113	Aircraft	362337		-120216		242121
2114	Special Purpose Vehicles	0				
2115	Garage Work Equipment					
2116	Other Work Equipment	411377	15751	-10504		416624
2121	Buildings	923178	33554			956732
2122	Furniture	85523				85523
2123	Office Equipment	6506				6506
2124	General Purpose Computers	236008	5007			241015
2211	Analog Electronic Switching	18708				18708
2212	Digital Electronic Switching	4987521	714263			5701784
2215	Electro-Mechanical Switching					
2220	Operator Systems					
2231	Radio Systems	135010	11396			146406
2232	Circuit Equipment	5980896	409742			6390638
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	221735	616			222351
2422	Underground Cable	228865	8597			237462
2423	Buried Cable	15466097	785423	-33019		16218501
2424	Submarine Cable					
2426	Intrabuilding Network Cable	19327				19327
2431	Aerial Wire	43160				43160
2441	Conduit Systems					
2681	Capital Leases					
2682	Leasehold Improvements					
2690	Intangibles					
	TOTAL PLANT ACCOUNTS	29677817	2021899	-199005	0	31500711

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS
IDAHO Operations Only

		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	64813	10000			74813
2112	Motor Vehicles	293459	27550	-35266		285743
2113	Aircraft	362337		-120216		242121
2114	Special Purpose Vehicles	0				
2115	Garage Work Equipment					
2116	Other Work Equipment	411377	15751	-10504		416624
2121	Buildings	923178	33554			956732
2122	Furniture	85523				85523
2123	Office Equipment	6506				6506
2124	General Purpose Computers	236008	5007			241015
2211	Analog Electronic Switching	18708				18708
2212	Digital Electronic Switching	4987521	714263			5701784
2215	Electro-Mechanical Switching					
2220	Operator Systems					
2231	Radio Systems	122036	11396			133432
2232	Circuit Equipment	5980896	409742			6390638
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	221735	616			222351
2422	Underground Cable	228865	8597			237462
2423	Buried Cable	15418460	785423	-33019		16170864
2424	Submarine Cable					
2426	Intrabuilding Network Cable	19327				19327
2431	Aerial Wire	43160				43160
2441	Conduit Systems					
2681	Capital Leases					
2682	Leasehold Improvements					
2690	Intangibles					
	TOTAL PLANT ACCOUNTS	29617206	2021899	-199005	0	31440100

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

		TOTAL Company Basis				
		Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
Analysis of Entries in Accumulated Depreciation						
2112	Motor Vehicles	333459	0.250		-21185	312274
2113	Aircraft	362337	0.100	117189	-90155	389371
2114	Special Purpose Vehicles	406174	0.125	14791	-10504	410461
2115	Garage Work Equipment					
2116	Other Work Equipment					
2121	Buildings	505743	0.030	27765		533508
2122	Furniture	85523	0.125			85523
2123	Office Equipment	6506				6506
2124	General Purpose Computers	236008	0.200	2432		238440
2211	Analog Electronic Switching	17501	0.125			17501
2212	Digital Electronic Switching	3624499	0.125	609020		4233519
2215	Electro-Mechanical Switching					
2220	Operator Systems					
2231	Radio Systems	135010	0.200			135010
2232	Circuit Equipment	3552761	0.100	561662		4114423
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	101306	0.075			101306
2421	Aerial Cable	178378	0.086	19070		197448
2422	Underground Cable	183797	0.065	14876		198673
2423	Buried Cable	8732339	0.065	855306	-33020	9554625
2424	Submarine Cable					
2426	Intrabuilding Network Cable	19327	0.200			19327
2431	Aerial Wire	43160	0.146			43160
2441	Conduit Systems					
	TOTAL	18616449		2222111	-154864	20683696

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

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	333459	0.250		-21185	312274
2113 Aircraft	362337	0.100	117189	-90155	389371
2114 Special Purpose Vehicles	406174	0.125	14791	-10504	410461
2115 Garage Work Equipment					
2116 Other Work Equipment		0.125			
2121 Buildings	505743	0.030	27765		533508
2122 Furniture	85523	0.125			85523
2123 Office Equipment	6506				6506
2124 General Purpose Computers	236008	0.200	2432		238440
2211 Analog Electronic Switching	17501	0.125			17501
2212 Digital Electronic Switching	3624499	0.125	609020		4233519
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	122037	0.200			122037
2232 Circuit Equipment	3552761	0.100	561662		4114423
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	101306	0.075			101306
2421 Aerial Cable	178378	0.086	19070		197448
2422 Underground Cable	183797	0.065	14876		198673
2423 Buried Cable	8699336	0.065	851994	-33020	9518310
2424 Submarine Cable					
2426 Intrabuilding Network Cable	19327	0.200			19327
2431 Aerial Wire	43160	0.146			43160
2441 Conduit Systems					
TOTAL	18570473		2218799	-154864	20634408

*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.

Description	Date Acquired	Book Cost of Investments Disposed of This year	Book Cost of Investments Held at End of Year
Telsat			40299
CoBank Patronage			322422
Rocky Mountain Wireless			148
Syringa Networks			1089348
Internet			1097
Syringa Electronic Equip.			727803
Syringa Fiber			428816
Independent Cable Systems			73811
ICS Electronics			170224
ICS Cable			415794
Spec Access Eq Non-Reg			7689
Declo Wireless DSL Elec			242724
Declo Wireless DSL Cable			31723
Totals			3551898

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.

	Amount at End of Year	
Name of Company	Notes Receivable	Accounts Receivable
Customers		409997
Qwest		16873
CABS		192428
RedBan		353151
NECA		361403
Telsat		10239
Idaho USF		44029
Misc.		31202
Totals		1419322

NOTES PAYABLE

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

Name of Creditor	Date of Note	Interest Rate	Due Date	Face Amount
Totals				

ACCOUNTS PAYABLE

Report below all Accounts Payable amounting to more than $100.00

Name of Creditor	Amount
Federal Excise Tax	15423
Misc	20812
Idaho USF	626
ATC Long Distance	12054
Sales Tax - Idaho	8997
Totals	57912

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 Total	Premium/ Discount Year Amortized	Interest for year Rate	Interest for year Amount
RUS Notes	Various	Various		6239992			2% to 5%	267574
CoBank	10-1996	12-2011		3407644			Variable	228589

CAPITAL STOCK

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

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

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

Class & Series of Stock	Number of Shares Authorized	Par Value per Share	Outstanding per Balance Sheet	
			Shares	Amount
Common	100000	4.02	90000	3618000

INCOME & RETAINED EARNINGS STATEMENT

	Item	Total Company	Idaho Only
	Total Operating Income (from page 15)	8764579	8734260
	Total Operating Expenses (from page 17)	6755693	6733249
7100	Other Operating Income and Expense		
7210	Operating Investment Tax Credits-Net	0	0
7220	Operating Federal Income Taxes	-5924	-5924
7230	Operating State and Local Income Taxes	-6520	-6895
7240	Operating Other Taxes	165870	165870
7250	Provision for Deferred Operating Income Taxes-Net	0	0
7200	Operating Taxes (Total)	153426	153051
7310	Dividend Income		
7320	Interest Income	55505	55505
7330	Income from Sinking and Other Funds		
7340	Allowance for Funds Used During Construction		
7350	Gains/Losses from the Disposition of Certain Property	149835	149835
7360	Other Nonoperating Income	5608	5608
7370	Special Charges		
7300	Nonoperating Income and Expense	210948	210948
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		
7400	Nonoperating Taxes		
7510	Interest on Funded Debt	496163	496163
7520	Interest Expense-Capital Leases		
7530	Amortization of Debt Issuance Expense		
7540	Other Interest Deductions	-17997	-17997
7500	Interest and Related Items	478166	478166
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		
7910	Income Effect of Jurisdictional Ratemaking Differences-Net		
7990	Nonregulated Net Income	516225	516225
	AMOUNT TRANSFERRED TO RETAINED EARNINGS	2104467	2096967

OPERATING REVENUES

	Item	Total Company	Idaho Only
	Local Network Services Revenues		
5001	Basic Area Revenue	1769236	1754215
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	155501	155501
5069	Other Local Exchange Settlements		
	Network Access Services Revenues		
5081	End User Revenue (SLC)	396177	396177
5082	Switched Access Revenue (Interstate)	5275911	5260613
5083	Special Access Revenue	426479	426479
5084	State Access Revenue (Intrastate)	674030	674030
	Long Distance Network Services Revenues		
5100	Long Distance Message Revenue - All		
	Miscellaneous Revenues		
5230	Directory Revenue		
5240	Rent Revenue	6691	6691
5250	Corporate Operations Revenue		
5261	Special Billing Arrangements Revenue		
5262	Customer Operations Revenue	0	0
5263	Plant Operations Revenue		
5264	Other Incidental Regulated Revenue		
5269	Other Revenue Settlements		
5270	Carrier Billing & Collection Revenue	31740	31740
	Uncollectible Revenues		
5301	Uncollectible Revenue - Telecommunications	28814	28814
5302	Uncollectible Revenue - Other		
	TOTAL OPERATING REVENUES	8764579	8734260

Please identify the following revenues:

NECA USF $____1847726_____. To what account were they booked? 5082.12

State USF $_____528352_____. To what account were they booked? 5084.50

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses		
6112 Motor Vehicle Expense	36040	36040
6113 Aircraft Expense	10177	10177
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense		
6116 Other Work Equipment Expense		
6120 General Support Expenses	59415	54035
6121 Land and Building Expenses	95506	95506
6122 Furniture and Artworks Expense		
6123 Office Equipment Expense		
6124 General Purpose Computers Expense		
6210 Central Office Switching Expenses	507047	507047
6211 Analog Electronic Expense		
6212 Digital Electronic Expense		
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	372916	372916
6231 Radio Systems Expense		
6232 Circuit Equipment Expense	76632	76632
6310 Information Origination/Termination Expense		
6311 Station Apparatus Expense	7770	7770
6341 Large Private Branch Exchange Expense		
6351 Public Telephone Terminal Equipment Expense		
6362 Other Terminal Equipment Expense		
6410 Cable and Wire Facilities Expenses		
6411 Pole Expense		
6421 Aerial Cable Expense		
6422 Underground Cable Expense		
6423 Buried Cable Expense	1793604	1789504
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense	8889	8889
6441 Conduit Systems Expense		
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	2967996	2958516

OPERATING REVENUES

Item	Total Company	Idaho Only
	2967996	2958516
Plant Nonspecific Operations Expense		
6510 Other Property/Plant/Equipment Expenses		
6511 Property Held for Future Telecomm. Use Expenses		
6512 Provisioning Expense		
6530 Network Operations Expense		
6531 Power Expense		
6532 Network Administration Expense	100555	99043
6533 Testing Expense		
6534 Plant Operations Administration Expense		
6535 Engineering Expense		
6540 Access Expense	36625	36625
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	2104921	2101609
6562 Depreciation Expense-Property Held for Future Use		
6563 Amortization Expense - Tangible		
6564 Amortization Expense - Intangible		
6565 Amortization Expense - Other		
Total Plant Nonspecific Operations Expenses	2242101	2237277
Customer Operations Expense		
6610 Marketing	29284	29284
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services	154462	154462
6621 Call Completion Services		
6622 Number Services		
6623 Customer Services	180562	178542
Total Customer Operations Expense	364308	362288
Corporate Operations Expense		
6710 Executive and Planning		
6711 Executive	460867	460867
6712 Planning		
6720 General and Administrative	217692	217692
6721 Accounting and Finance	494538	488418
6722 External Relations		
6723 Human Resources		
6724 Information Management		
6725 Legal	8191	8191
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative		
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	1181288	1175168
TOTAL OPERATING EXPENSES	6755693	6733249

CENTRAL OFFICE DATA
as of December 31, 2005 (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___
Host_X__
Remote_X__

Check one:
Digital_X__
Analog___

Check one:
Electronic_X__
Electro-Mechanical___
Other:_____

Access Line Capacity
Design:_10244_____

Installed/Equipped:_5742_____

Access Lines in Use
Customer Lines:___4699_____
(Include Centrex, PAL, Semi-Pub.)

Public Telephone Lines__35___

Company Official Lines__72___

Company Test Lines__113___

Classification of Customer Access

	Residence				Business					
	Multi-Line 1-Party	Single Line 1-Party	Single Line Multi-Party	Subtotal Residence	Centrex N.A.R.	Multi-Line 1-Party	Single Line 1-Party	Single Line Multi-Party	Subtotal Business	Total Residence & Business
Beginning of Year	_____	3713	_____	3713	_____	_____	1020	_____	1020	4764
New Connects	_____	334	_____	334	_____	_____	72	_____	72	406
Disconnects	_____	372	_____	372	_____	_____	68	_____	68	440
End of Year	_____	3675	_____	3675	_____	_____	1024	_____	1024	4699

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

Directory Listings:
Number of Customers with Nonpublished or Nonlisted:__463___

Custom Calling:
Number of customers with at least one feature:_1588_____
Total number of features subscribed to:__18___

Rev 3/02

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING 2005.

Local Exchange	Average # of Customer Lines in Use	Local Calls Number (1000s)	Local Calls Avg./ Line	Toll Calls Originated (Total of all Carriers) Intrastate	Interstate	Total	Avg./ Line
1 ALL	4720			182742	209016	391758	83
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, 2005.

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__X__ No_____

Included in directory Yes__X__ No_____

Date of notification ____2-1-05_____

Alternate method of notification _____

_____

_____

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 30

Category of complaints (if known):

Deposit Disputes ____X_____

Charges on Bill ____X_____

CERTIFICATE

State of Idaho)
) ss
County of Cassia)

WE, the undersigned ODeen Redman and Darla Redman,

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 28th day of March, (Year) 2006.

Marijane Jolley.
Notary Public

My Commission expires July 25, (Year) 2006.

MARIJANE JOLLEY
NOTARY PUBLIC
STATE OF IDAHO

Rev 3/02

gdk/excel/jnelson/anulrpts/telannualrpt

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

OF

Albion Telephone Company, Inc.

Name of Respondent

TO THE
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 38720
BOISE, ID 83720-0074
(ipuc@puc.state.id.us)

Notes to Separated Results of Idaho Operations

1 Local service revenue is separated between billed (accrued) and EAS net settlements. The EAS billed amount represents EAS surcharges and measured EAS services. The EAS net settlements amount equals the contracted amount of EAS settlement payments to the independents. Note: EAS settlement expense is recorded in expense account 6728. Some portion of local billing is assigned to the interstate jurisdiction. See FCC Part 36.212.

2 Account 508X is for access charges. Split the account between customer access line charges (CALC), switched and special.

3 Account 51XX applies to interstate and intrastate billed toll.
a. The intraLATA gross billed toll should equal the billed toll combined.
b. The private line amount should equal the ITC's private line toll.
c. The settlement amount is the operator surcharge revenues billed and retained by the ITCs and recorded as a debit to 5100 MTS Toll Revenue accounts.

4 Accounts 5270 and 5280 cover billing and collection access revenues for interstate and intrastate respectively.

5 Summary and Detail accounts:
a. Operating Expenses - The summary (page 1) should agree with the details (pages 5 and 6).
b. Telecom Plant in Service - The summary (page 2) should agree with the totals (page 3).
c. Depreciation & Amortization Reserves - The summaries (page 2) should agree with the totals (page 4).

6 Details of general taxes and the computation of state and federal income taxes are found on page 7.

7 The Equal Access Equipment is determined as defined in FCC Part 36.191.

8 Account 6511 Property Held for Future Use Expenses and Account 6562 Amortization Expenses Associated with Property Held for Future Use are not "above-the-line" items in Idaho.

9 Account 6540 includes access charges and B & C expenses paid to LECs. See FCC Part 36.354. Carrier access charge B & C expenses in account 6623 are expenses associated with the billing and collecting of access charges to interexchange carriers. See FCC Part 36.381.

10 Equal Access Provision expenses are determined as defined in FCC Part 36.421.

11 Universal Service Fund expenses adjustment is determined as defined in FCC Part 36.631. The expense adjustment is added to interstate expenses and deducted from state expenses. The effect is zero on total Idaho operations.

12 Lifeline Connection Assistance expense adjustment is determined as defined in FCC Part 36.741. The expense adjustment is added to interstate expenses and deducted from state expenses. The effect is zero on total Idaho operation.

13 Line 7 = revenues - expenses - general taxes (excluding SIT).

14 Line 9 is the basis for all income tax separations. See FCC Part 36.412.

15 Line 10 = SIT Base Miscellaneous Adds and Deducts. This may be obtained from tax workpapers or, if multi-state operation, backed into by dividing the current SIT by .08 then subtracting line 9. If the "backed into" approach is used, make sure prior year adjustments are first removed from current SIT.

16 Current SIT should reflect the removal of all prior period adjustments.

17 Line 13 = FIT Base Miscellaneous Adds and Deducts. This may be obtained from tax workpapers or backed into by taking the current FIT plus claimed ITC, dividing the effective FIT rate and then subtracting line 12 and line 9. If the "backed into" approach is used, make sure prior year adjustments are first removed from current FIT.

18 Current FIT should reflect the removal of all prior period adjustments.

19 Separation Paramenters drive the allocation of certain plant and expense costs to operation and services. The parameters are designed to perform validity tests on separation studies and provide a basis to forecast future test year separations. All parameters reflect study area annual totals.

20 Current Composite SPF - It represents a composite of the pre and post-conversion SPF for those companies involved in toll route conversions to EAS during the year.

21 COE Cat 3 - See FCC Part 36.125 and PUC Order 93-1133, Appendix A.

22 Exchange Trunk MOU - See FCC Part 36.155.

23 Host/Remote MOU Kilometers - See FCC Part 36.157.

24 Equal Access MOU - See FCC Part 36.191.

25 Operator Standard Work Seconds - Used to separate operator services expenses if different from those used for COE Cat. 1 plant.

26 Tandem Switching MOU - See FCC Part 36.124.

27 Unseparated Loop Cost - See FCC Part 36.621.

28 Gross Billed Revenues are defined differently for the following expenses:
a. Marketing - See FCC Part 36.372
b. Payment and Collection, End User - See FCC Part 36.377(a)(2).
c. Payment and Collection, CXR - See FCC Part 36.377(a)(5).

29 Service Order Contacts:
a. Service Order Processing, End User - See FCC Part 36.377)a)(1).
b. Service Order Processing, CXR - See FCC Part 36.377(a)(4).

30 Billing Inquiry Contacts:
   a. Billing Inquiry, End User - See FCC Part 36.377(a)(3).
   b. Billing Inquiry, CXR - See FCC Part 36.377(a)(6).

31 SP and RC Messaging - These messages are used to separate Account 6623, Revenue Accounting - Toll Ticket Processing expenses - See FCC Part 36.379.

32 Big Three Expense Facto - See FCC Part 36.392.

2004 FORM I INPUT MASTER

COMPANY NAME: Albion Telephone Company, Inc. | For The Year Ended: December 31, 2004 | Seperated Results of Idaho Operations

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation: MTS & WATS Switched Access	Interstate Operation: TOLL PLS Special Access	Interstate Operation: Total	Intrastate Operation: MTS & WATS Switched Access	Intrastate Operation: TOLL PLS Special Access	Intrastate Operation: EAS	Intrastate Operation: Local (other)	Intrastate Operation: Total
SUMMARY											
Operating Revenues											
50XX Local -Billed	(1)	1.	1,854,528			0				1854528	1,854,528
-EAS Billed	(1)	2.	0			0					0
-EAS Settlement	(1)	3.	0			0					0
508X Access-SLC (End User)	(2)	4.	392,394	392393.92		392,394					0
-Switched (TS+NTS)	(2)	5.	5,260,491	4556616.19		4,556,616	703875.04				703,875
-Special	(2)	6.	406,533		330628.72	330,629		75904.31			75,904
51XX Toll -Message	(3a)	7.	0			0					0
-Private Line	(3b)	8.	0			0					0
-Settlement	(3c)	9.	0			0					0
52XX Misc. -Billing & Collection	(4)	10.	41,392	16419.89		16,420	24971.77				24,972
-Directory Advertising		11.	0			0					0
-Operating Rents		12.	10,000			0				9999.95	10,000
-Other Misc.		13.	77			0				77.05	77
530X Less: Uncollectible Rev. (-)		14.	-31,337			0				-31337.29	-31,337
Total Revenues		15.	**7,934,078**	**4,965,430**	**330,629**	**5,296,059**	**728,847**	**75,904**	**0**	**1,833,268**	**2,638,019**
Operating Expenses											
61XX-64XX Plant Specific Oper.	(5a)	16.	2,195,080	890,219	127,018	1,017,237	368,893	26,117	44,344	738,489	1,177,843
65XX Plant Nonspecific Operations	(5a)	17.	150,514	80,165	6,698	86,863	20,093	1,418	2,519	39,621	63,651
656X Depreciation & Amortization	(5a)	18.	1,967,616	897,322	105,381	1,002,703	289,676	20,614	32,154	622,469	964,913
66XX Customer Operations	(5a)	19.	278,279	113,684	0	113,684	65,160	0	0	99,435	164,595
67XX Corporate Operations	(5a)	20.	1,086,531	471,790	53,120	524,910	181,604	10,921	18,540	350,556	561,621
---- Other Operating	(5a)	21.	0	0	0	0	0	0	0	0	0
Total Expenses	(5a)	22.	**5,678,020**	**2,453,180**	**292,217**	**2,745,397**	**925,426**	**59,070**	**97,557**	**1,850,570**	**2,932,623**
Operating Taxes:	(6)										
7240 General Taxes		23.	0			0					0
7230 State/Local Inc. Tax (Current)		24.	220,298	94475	11442	105917	36126	2323	3,863	72069	114,381
7220 Federal Income Tax (Current)		25.	649,456	278520	33732	312252	106503	6848	11387	212466	337,204
7250 Net Deferred Income Taxes		26.	-673,266	-288731	-34969	-323700	-110408	-7099	-11804	-220255	-349,566
7210 Net Investment Tax Credits		27.	0			0					0
Total Taxes		28.	**196,488**	**84,264**	**10,205**	**94,469**	**32,221**	**2,072**	**3,446**	**64,280**	**102,019**
Net Operating Income		29.	**2,059,570**	**2,427,986**	**28,206**	**2,456,192**	**-228,801**	**14,762**	**-101,003**	**-81,582**	**-396,623**
SUMMARY (continued)											
Average Rate Base											
2001 Telecom. Plant in Service	(5b)	1.	30,371,816	12,124,644	1,737,389	13,862,033	5,211,642	367,918	653,500	10,276,723	16,509,783
2005 Plant Acquisition Adjustment		2.	0			0					0
3100 Less: Accumulated Depr. (-)	(5c)	3.	-17,696,085	-7,454,612	-973,482	-8,428,094	-2,879,798	-203,551	-354,740	-5,829,902	-9,267,991
34xx-36xx Accumulated Amort. (-)	(5)	4.	0			0					0
4100-4340 Accum. Deferred Tax (-)		5.	-208,728	-83326	-11940	-95,266	-35817	-2528	-4491	-70626	-113,462
1220 Materials and Supplies		6.	146731	49714	7471	57,185	30123	2079	4994	52350	89,546

---- Equal Access Equipment	(7)	7.	0			0					0
---- Other Rate Base		8.	592,321	243844	31572	275,416	101261	6571	11371	197702	316,905
Total Average Rate Base		9.	**13,206,055**	**4,880,264**	**791,010**	**5,671,274**	**2,427,411**	**170,489**	**310,634**	**4,626,247**	**7,534,781**
PLANT IN SERVICE DETAIL											
21XX General Support Facilities		1.	**0**			**0**					0
22XX Central Office Equipment:											
CAT 1-Operator Systems		2.	0			0					0
CAT 2-Tandem Switching (Alloc.)		3.	0			0					0
CAT 2-Tandem Switching (Assign.)		4.	0			0					0
CAT 3-Local Switching		5.	3,838,733	3262923		3,262,923				575810	575,810
CAT 4.12 -Exch. Trunk (Joint Use)		6.	535,292			0				535292	535,292
CAT 4.12 -Exch. Trunk (Ded. Use)		7.	568,120		553042	553,042		15078			15,078
CAT 4.13 -Subscr. Line (Joint Use)		8.	3,711,137	909504	40707	950,211	909504	32415		1819007	2,760,926
CAT 4.13 -Subscr. Line (Ded. Use)		9.	0			0					0
CAT 4.23 -IX Trunk (Joint Use)		10.	667,124	476957	39089	516,046	125018	26060			151,078
CAT 4.23 -IX Trunk Ckt. (Ded. Use)		11.	69,356		55965	55,965		13391			13,391
CAT 4.3 -Host/Remote Trunk Ckt.		12.	737,328	444771		444,771	116579			175978	292,557
Other COE		13.	0			0					0
Total COE		14.	**10,127,090**	**5,094,155**	**688,803**	**5,782,958**	**1,151,101**	**86,944**	**0**	**3,106,087**	**4,344,132**
23XX Information Orig./Term. Equipment:											
CAT 1-Regulated CPE		15.	0			0					0
Other IOT		16.	0			0					0
Total IOT		17.	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
24XX Cable & Wire Facilities:											
CAT 1.3-Subscriber Line (Common)		18.	12,074,816	2959225	132448	3,091,673	2959225	105468		5918450	8,983,143
CAT 1.1,2-Subscriber Line (Ded.)		19.	0			0					0
CAT 2-Exch. Trunk (Joint Use)		20.	592,480			0			592480		592,480
CAT 2-Exch. Trunk (Ded. Use)		21.	649,701		600646	600,646		49055			49,055
CAT 3-IX Trunk (Joint Use)		22.	2,781,000	2199608	85461	2,285,069	420845	75086			495,931
CAT 3-IX Trunk (Ded. Use)		23.	84,814		67802	67,802		17012			17,012
CAT 4-Host/Remote Trunk		24.	1,225,952	739519	193835	933,354				292598	292,598
Other C&WF		25.	0			0					0
Total C&WF		26.	**17,408,763**	**5,898,352**	**1,080,192**	**6,978,544**	**3,380,070**	**246,621**	**592,480**	**6,211,048**	**10,430,219**
26XX Other Assets:											
Capital Leases		27.	0			0					0
Leasehold Improvements		28.	0			0					0
Intangibles		29.	0			0					0
Total Other Assets		30.	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Telecom. Plant in Service	(5b)	31.	**27,535,853**	**10,992,507**	**1,768,995**	**12,761,502**	**4,531,171**	**333,565**	**592,480**	**9,317,135**	**14,774,351**
Depreciation & Amortization											
Accumulated Depreciation Detail											
311X General Support Facilities		1.	-2,296,339	-916715	-131360	-1,048,075	-394039	-27817	-49410	-776998	-1,248,264
312X Central Office Switching		2.	-2,910,305	-2473759		-2,473,759				-436546	-436,546
312X Operator Systems		3.	0			0					0
312X Central Office Transmission		4.	-3,517,961	-1024465	-385345	-1,409,810	-643972	-48640		-1415539	-2,108,151

313X Information Orig./Term. Equip.		5.	0			0					0
314X Cable & Wire Facilities		6.	-8,971,480	-3039674	-456777	-3,496,451	-1841786	-127094	-305330	-3200819	-5,475,029
Total Accumulated Depreciation	(5c)	7.	**-17,696,085**	**-7,454,613**	**-973,482**	**-8,428,095**	**-2,879,797**	**-203,551**	**-354,740**	**-5,829,902**	**-9,267,990**
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**	**0**
OPERATING EXPENSE DETAIL											
61XX-64XX Plant Specific Operations											
6110-20 General Support Facilities		1.	124,892	49858	7144	57,002	21431	1513	2687	42259	67,890
621X Central Office Switching		2.	496,095	249547	33742	283,289	56389	4259		152158	212,806
6220 Operator Systems		3.	0			0					0
623X Central Office Transmission		4.	350,090	176103	23812	199,915	39793	3006		107376	150,175
63XX Information Orig./Term. Equip.		5.	0			0					0
64XX Cable & Wire Facilities		6.	1,224,002	414710	62319	477,029	251280	17340	41657	436696	746,973
Total Plant Specific	(5a)	7.	**2,195,079**	**890,218**	**127,017**	**1,017,235**	**368,893**	**26,118**	**44,344**	**738,489**	**1,177,844**
65XX Plant Nonspecific Operations	(8)										
6512 Provisioning		8.	0			0					0
653X Network Operations		9.	117,094	46745	6698	53,443	20093	1418	2519	39621	63,651
6540 Access Paid to LECs	(9)	10.	33,420	33420		33,420					0
Total Plant Nonspecific	(5a)	11.	**150,514**	**80,165**	**6,698**	**86,863**	**20,093**	**1,418**	**2,519**	**39,621**	**63,651**
656X Depreciation & Amortization	(8)										
6561 General Support Facilities		12.	60,210	24036	3444	27,480	10332	729	1296	20373	32,730
6561 Central Office Switching		13.	491,538	417807		417,807				73731	73,731
6561 Operator Systems		14.	0			0					0
6561 Central Office Transmission		15.	509,166	148274	55772	204,046	93204	7040		204876	305,120
6561 Information Orig./Term. Equip.		16.	0			0					0
6561 Cable & Wire Facilities		17.	906,701	307204	46164	353,368	186140	12845	30858	323490	553,333
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
Total Depreciation & Amortization	(5a)	22.	**1,967,615**	**897,321**	**105,380**	**1,002,701**	**289,676**	**20,614**	**32,154**	**622,470**	**964,914**
OPERATING EXPENSE (continued)											
66XX Customer Operations											
661X Marketing		1.	0			0					0
662X Operator Services		2.	0			0					0
662X Directory Publishing-Alpha.		3.	0			0					0
662X Directory Publishing-Classified		4.	0			0					0
662X Directory Publishing-Foreign		5.	0			0					0
6623 Service Order Proc.-End User		6.	94,448	42101		42,101	4937			47410	52,347
6623 Payment & Collection-End User		7.	48,050	15332		15,332	9615			23103	32,718
6623 Billing Inquiry-End User		8.	28,604	9127		9,127	5724			13753	19,477
6623 Service Order Proc.-CXR		9.	418	209		209	209				209
6623 Payment & Collection-CXR		10.	2,584	1292		1,292	1292				1,292
6623 Billing Inquiry-CXR		11.	1,144	572		572	572				572

6623 Coin Administration		12.	0			0					0
6623 Rev. Acctg.-Toll Ticket Proc.		13.	0			0					0
6623 Rev. Acctg.-Local Mess. Proc.		14.	37,421	16054		16,054	21367				21,367
6623 Rev. Acctg.-Other Bill & Coll.		15.	45,504	15168		15,168	15168			15168	30,336
6623 Rev. Acctg.-SLC Billing		16.	4,132	4132		4,132					0
6623 Rev. Acctg.-CXR B & C	(9)	17.	12,554	6277		6,277	6277				6,277
6623 B & C Amts Paid to LECs	(9)	18.	0			0					0
6623 Other Customer Service		19.	3,422	3422		3,422					0
Total Customer Operations	(5a)	20.	**278,281**	**113,686**	**0**	**113,686**	**65,161**	**0**	**0**	**99,434**	**164,595**
67XX Corporate Operations:											
671X Executive & Planning		21.	416,851	169203	21399	190,602	73159	4400	7469	141221	226,249
672X General & Administrative		22.	669,681	302587	31721	334,308	108445	6522	11071	209335	335,373
6728 EAS Settlement Expense		23.	0			0					0
Total Corporate Operations	(5a)	24.	**1,086,532**	**471,790**	**53,120**	**524,910**	**181,604**	**10,922**	**18,540**	**350,556**	**561,622**
---- Other Operating Expenses:											
---- Equal Access Provision	(10)	25.	0			0					0
---- Universal Service Fund	(11)	26.	0			0					0
---- Lifeline Connection Assistance	(12)	27.	0			0					0
Total Other	(5a)	28.	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Operating Expenses	(5a)	29.	**5,678,021**	**2,453,180**	**292,215**	**2,745,395**	**925,427**	**59,072**	**97,557**	**1,850,570**	**2,932,626**
OPERATING TAXES DETAIL											
7240 General Taxes											
7240 Property		1.	150,015	60402	8532	68,934	25595	1807	3209	50470	81,081
7240 Gross Receipts		2.	0			0					0
7240 PUC Fee		3.	0			0					0
7240 Franchise Fees		4.	0			0					0
7240 Other		5.	0			0					0
Total General Taxes		6.	**150,015**	**60,402**	**8,532**	**68,934**	**25,595**	**1,807**	**3,209**	**50,470**	**81,081**
72XX Income Taxes (Calculated)											
Net Income Before SIT & FIT	(13)	7.	2,106,042	2,451,848	29,882	2,481,730	-222,175	15,025	-100,766	-67,772	-375,688
Less Fixed Charges (-)		8.	235,395	86724	14186	100,910	43304	3052	5548	82581	134,485
Subtotal (lines 7-8)	(14)	9.	1,870,647	2,365,124	15,696	2,380,820	-265,479	11,973	-106,314	-150,353	-510,173
Other SIT Base Add/Ded. (+-)	(15)	10.	0			0					0
SIT Taxable Inc. (lines 9+-10)		11.	**1,870,647**	**2,365,124**	**15,696**	**2,380,820**	**-265,479**	**11,973**		**-150,353**	**-510,173**
7230 SIT-Current (at 8%)	(16)	12.	12,258	5,513	892	6,405	1,886	132	241	3,594	5,853
Other FIT Base Add/Ded. (+-)	(17)	13.	0			0					0
FIT Taxable Inc. (lines 9-12+-13)		14.	**1,858,389**	**2,359,611**	**14,804**	**2,374,415**	**-267,365**	**11,841**		**-153,947**	-409,471
Gross FIT		15.	454,768	204,513	33,091	237,604	69,971	4,910	8,951	133,332	217,164
7210P Claimed ITC (-)		16.	0			0					0
Surtax Elimination (-)		17.	0			0					0
7220 FIT-Current (lines 15-16-17)	(18)	18.	**454,768**	**204,513**	**33,091**	**237,604**	**69,971**	**4,910**	**8,951**	**133,332**	**217,164**

2003 FORM I INPUT MASTER'

For The Year Ended: December 31, 2004

COMPANY NAME: Albion Telephone Company, Inc. Results of Idaho Operations

Description	Note	Line	Total Idaho Operations Subject To	Interstate	Intrastate	Operation

	No.	No.	Separations	Toll	Toll	EAS	Local (Other)
Separation Parameters	(19)						
Plant							
SLU Minutes of Use (MOU)		1.	90,184,712	25347570	6592010	20387268	37857864
SLU Factor		2.	1.000000	0.28106	0.0731	0.22606	0.41978
Base SPF - January 1		3.	1.000000	0.25	0.25		0.5
Base SPF - December 31		4.	1.000000	0.25	0.25		0.5
Current Composite SPF	(20)	5.	1.000000	0.25	0.25		0.5
1996 Weighted DEM		6.	1.000000	0.85			0.15
1996 Unweighted DEM		7.	1.000000	0.31309	0.10419	0.13074	0.45198
Current CAT 3 Dial Equipment Minutes	(21)	8.	90,184,713	25347648	6591933	20387268	37857864
Current Composite DEM Factor		9.	1.000000	0.85			0.15
Exchange Trunk - Joint Use MOU	(22)	10.	0				
Host/Remote MOU Kilometers	(23)	11.	90,184,713	25347648	6591933	20387268	37857864
Equal Access MOU	(24)	12.	0				
Operator Standard Work Seconds	(25)	13.	0				
Tandem Switching MOU	(26)	14.	0				
IX Conversation MOU		15.	31,939,580	25306313	6633267		
IX Conversation Minute Kilometers		16.	190,191,538	159645592	30545946		
Other Parameters							
Access Lines		17.	4923				
Unseparated Loop Cost @ 11.1 ROR	(27)	18.	1410586				
Gross Billed Revenues							
-Marketing Allocation Basis	(28a)	19.	0				
-Payment & Collection-End User	(28b)	20.	3,042,153	970696	608739		1462718
-Payment & Collection-CXR	(28c)	21.	2,666	1333	1333		
Service Order Contacts							
-Service Order Proc.-End User	(29a)	22.	3,558	1586	186		1786
-Service Order Proc.-CXR	(29b)	23.	433	216	217		
Billing Inquiry Contacts							
-Billing Inquiry-End User	(30a)	24.	3,042,153	970696	608739		1462718
-Billing Inquiry-CXR	(30b)	25.	1,180	590	590		
SP+RC Toll Messages	(31)	26.	1,113,798	477663	636135		
EAS/Local Messages (Msg. Proc.)		27.	0				
'BIG 3' Expense Factor-Message	(32)	28.	0.938	0.405908	0.175504	0.017917	0.338781
-PLS & Special Access		29.	0.062	0.051336	0.010555		
Operator Services Expense -- Factor		30.	0				
Access Minutes of Use (End Office)		31.	19,426,008	15975569	3450439		

Part 69

SUMMARY OF REVENUE REQUIREMENT BY ACCESS ELEMENT

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE: LIMITED PAY	COMMON LINE: COMMON LINE	TRAFFIC SENSITIVE: LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT: SWITCHING	TERM	FACILITY	SPECIAL ACCESS: CHANNEL TERM	CHANNEL MILEAGE TERM	CHANNEL MILEAGE FACILITY	TOTAL NON ACCESS
1		NET INVESTMENT FOR SETTLEMENTS	5,671,274	A-2,LN 34	0	1,983,773	914,724	0	0	0	0	0	441,546	1,537,569	667,939	45,535	80,177	11
2		RATE OF RETURN	11.2500%		11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%	11.2500%
3		RETURN ON INVESTMENT	638,018	LN 1*LN 2	0	223,174	102,906	0	0	0	0	0	49,674	172,977	75,143	5,123	9,020	1
4		ALLOW FOR FUNDS USED DURING CONSTR	0	A-8,LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5		NET RETURN FOR SETTLEMENTS	638,018	LN 3-LN 4	0	223,174	102,906	0	0	0	0	0	49,674	172,977	75,143	5,123	9,020	1
6		FEDERAL INCOME TAX	237,604	LN 30	0	84,985	33,934	0	0	0	0	0	18,701	66,081	28,529	1,929	3,446	0
7		LESS: FEDERAL ITC AMORTIZATION	0	A-12,LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8		NET FEDERAL INCOME TAX	237,604	LN 6-LN 7	0	84,985	33,934	0	0	0	0	0	18,701	66,081	28,529	1,929	3,446	0
9		STATE AND LOCAL INCOME TAX	6,405	LN 36	0	2,291	915	0	0	0	0	0	504	1,781	769	52	93	0
10		STATE ITC AMORTIZATION	0	A-12,LN 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		NET STATE AND LOCAL INCOME TAX	6,405	LN 9-LN 10	0	2,291	915	0	0	0	0	0	504	1,781	769	52	93	0
12		PROVISION FOR DEFERRED INCOME TAX	0	RECORDS	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13		OPERATING EXPENSE & OTHER TAXES	2,814,378	A-8,LN 19	0	798,194	893,665	0	0	0	0	0	199,174	512,268	261,353	20,514	26,670	102,541
14		NONOPERATING EXP	964	A-8,LN 23	0	297	250	0	0	0	0	0	71	225	102	7	12	0
15		UNCOLLECTIBLES	0	A-8,LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		BASIS FOR GROSS RECEIPTS TAX	3,697,369		0	1,108,942	1,031,670	0	0	0	0	0	268,123	753,332	365,895	27,624	39,240	102,543
17		GROSS RECEIPTS TAX RATE	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
18		GROSS RECEIPTS TAX	0	LN16*LN17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		SUBTOTAL REVENUE REQUIREMENT	3,697,369	LN16+LN18	0	1,108,942	1,031,670	0	0	0	0	0	268,123	753,332	365,895	27,624	39,240	102,543
20		ALLOCATION OF LOCAL SW LINE PORT COST	0	LN 45		105,484	-105,484	0										
21		TIC REVENUE REALLOCATION	0	LN 49	0	95,943	19,995	0	0	0	0	0	-39,661	-111,434	29,725	2,244	3,188	
22		TOTAL REVENUE REQUIREMENT	3,697,369	LNS 19+20+21	0	1,310,369	946,181	0	0	0	0	0	228,462	641,898	395,620	29,868	42,428	102,543
23		% DISTRIBUTION	100.0000%		0.0000%	35.4406%	25.5907%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	6.1790%	17.3609%	10.7000%	0.8078%	1.1475%	2.7734%
		OPTIONAL GROSS UP INCOME TAX CALCULATION																
24		RETURN ON INVESTMENT	638,018	LN 3	0	223,174	102,906	0	0	0	0	0	49,674	172,977	75,143	5,123	9,020	1
25		INTEREST AND RELATED ITEMS	100,911	A-12,14+16	0	31,063	26,199	0	0	0	0	0	7,401	23,599	10,654	763	1,231	0
26		OTHER INCOME ADJUSTMENTS	0	A-12,LN 21	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL INCOME ADJUSTMENTS	100,911	LN25+LN26	0	31,063	26,199	0	0	0	0	0	7,401	23,599	10,654	763	1,231	0
28		RETURN LESS INCOME ADJ	537,108	LN24-LN27	0	192,111	76,707	0	0	0	0	0	42,273	149,377	64,489	4,359	7,789	1
29		FEDERAL ITC AMORTIZATION	0	A-12,LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30		FIT BASE	537,108		0	192,111	76,707	0	0	0	0	0	42,273	149,377	64,489	4,359	7,789	1
31		FEDERAL TAXABLE INCOME	774,712		0	277,096	110,641	0	0	0	0	0	60,974	215,458	93,018	6,288	11,235	1
32	30.67%	FEDERAL INCOME TAX	237,604	LN 31*FTR	0	84,985	33,934	0	0	0	0	0	18,701	66,081	28,529	1,929	3,446	0
33		FEDERAL SURTAX ALLOCATION	0	/LN 30	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34		NET FEDERAL TAX BEFORE ITC AMORT	237,604	LN32-LN33	0	84,985	33,934	0	0	0	0	0	18,701	66,081	28,529	1,929	3,446	0
35		STATE ITC AMORTIZATION	0	A-12,LN 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0
36		SIT BASE	774,712		0	277,096	110,641	0	0	0	0	0	60,974	215,458	93,018	6,288	11,235	1
37	Code A	STATE TAXABLE INCOME	781,117		0	279,387	111,556	0	0	0	0	0	61,478	217,240	93,787	6,340	11,328	1
38	0.82%	STATE INCOME TAX	6,405	LN 37*STR	0	2,291	915	0	0	0	0	0	504	1,781	769	52	93	0
39		STATE SURTAX ALLOCATION	0	/LN 36	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40		NET STATE INCOME TAX BEFORE ITC AMORT	6,405	LN38-LN39	0	2,291	915	0	0	0	0	0	504	1,781	769	52	93	0
41		FEDERAL TAX AT MAXIMUM RATE	289,212		0	103,444	41,304	0	0	0	0	0	22,762	80,434	34,725	2,347	4,194	0
42		ADDITIONAL INCOME ADJUSTMENT FOR FIT	95,843		0	34,281	13,688	0	0	0	0	0	7,543	26,655	11,508	778	1,390	0
		BASIS FOR ALLOCATION OF I/S TIC REVENUES																
43		ACCESS REVENUE REQUIREMENT	3,594,826	LN 19	0	1,108,942	1,031,670	0	0	0	0	0	268,123	753,332	365,895	27,624	39,240	
44		FEDERAL SUPPORT/LOCAL SWITCHING SUPPORT	-713,477	Records	0	-33,420	-680,057	0	0	0	0	0	0	0	0	0	0	
45		ALLOCATION OF LOCAL SW LINE PORT COSTS	0	(LN 43-44)* 30.%		105,484	-105,484	0										
46		INTERSTATE TIC REVENUE	-216,489	Records								0	-56,827	-159,662				
47		BASIS FOR TIC REVENUE ALLOCATION	2,664,860	LNS 43 thru 46	0	1,181,006	246,129	0	0	0	0	0	211,297	593,669	365,895	27,624	39,240	
48		% DISTRIBUTION	100.0000%		0.0000%	44.3177%	9.2361%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.9290%	22.2777%	13.7304%	1.0366%	1.4725%	
49		INTERSTATE TIC REVENUE REALLOCATION	216,489	/LN 48	0	95,943	19,995	0	0	0	0	0	17,165	48,229	29,725	2,244	3,188	

SUM1

REVENUE REQUIREMENT SUMMARY BY PRIMARY ELEMENT

SUM1

LN	A/C	DESCRIPTION	TOTAL COMPANY	TOTAL COMMON LINE	LIMITED PAY	PUBLIC INTEREST PAY	INSIDE WIRE	CPE	BFP		SWITCHED ACCESS		SPECIAL ACCESS		BILLING & COLLECTION		IX CATEGORY
1		GENERAL SUPPORT FACILITIES	1,294,366	398,430	0	0	0	0	398,430		733,659		162,222		55		0
2		CENTRAL OFFICE SWITCHING	3,262,923	0	0				0		3,262,923		0		0		0
3		OPERATOR SYSTEMS	0	0	0				0		0		0		0		0
4		CENTRAL OFFICE TRANSMISSION	2,520,036	909,504	0	0			909,504		921,729		688,804		0		0
5		INFORMATION ORIG/TERM	0	0	0	0	0	0	0		0		0		0		0
6		CABLE AND WIRE FACILITIES	6,784,708	2,959,225	0	0			2,959,225		2,939,127		886,356		0		0
7		TANGIBLE ASSETS	0	0	0	0	0	0	0		0		0		0		0
8		INTANGIBLE ASSETS	0	0	0	0	0	0	0		0		0		0		0
9		TOTAL PLANT IN SERVICE	13,862,032	4,267,159	0	0	0	0	4,267,159		7,857,437		1,737,382		55		0
10		PROPERTY HELD FOR FUTURE USE	0	0	0	0	0	0	0		0		0		0		0
11		PLANT UNDER CONSTRUCTION	94,582	29,115	0	0	0	0	29,115		53,612		11,854		0		0
12		RESERVED FOR FUTURE USE															
13		TELEPHONE PLANT ADJUSTMENT	0	0	0	0	0	0	0		0		0		0		0
14		TOTAL PROPERTY, PLANT & EQUIP.	13,956,614	4,296,274	0	0	0	0	4,296,274		7,911,049		1,749,236		55		0
15		ACCUM DEPRECIATION - PLANT IN SERVICE	8,428,094	2,356,445	0	0	0	0	2,356,445		5,098,128		973,476		44		0
16		ACCUM DEPRECIATION - FUTURE USE	0	0	0	0	0	0	0		0		0		0		0
17		ACCUM AMORTIZATION - TANGIBLE PROPERTY	0	0	0	0	0	0	0		0		0		0		0
18		ACCUM AMORTIZATION - INTANGIBLE PROP.	0	0	0	0	0	0	0		0		0		0		0
19		ACCUM AMORTIZATION - TEL PLANT ADJ.	0	0	0	0	0	0	0		0		0		0		0
20		OTHER L/T LIAB - POST RET BENEFITS	0	0	0	0	0	0	0		0		0		0		0
21		OPERATING DEFERRED INCOME TAX	95,266	29,326	0	0	0	0	29,326		54,000		11,940		0		0
22		OTHER DEFERRED CREDITS - NET	0	0	0	0	0	0	0		0		0		0		0
23		CUSTOMER DEPOSITS	2,834	872	0	0	0	0	872		1,607		355		0		0
24		NET TELEPHONE PLANT	5,430,420	1,909,630	0	0	0	0	1,909,630		2,757,315		763,465		10		0
25		MATERIALS AND SUPPLIES	57,185	17,603	0	0	0	0	17,603		32,414		7,167		0		0
26		RTB STOCK	0	0	0	0	0	0	0		0		0		0		0
27		NONCURRENT ASSETS - POST RET BENEFITS	0	0	0	0	0	0	0		0		0		0		0
28		EQUAL ACCESS EQUIPMENT	0	0							0		0		0		0
29		OTHER JURISDICTIONAL ASSETS	0	0	0	0	0	0	0		0		0		0		0
30		CASH WORKING CAPITAL	183,669	56,539	0	0	0	0	56,539		104,110		23,020		1		0
31		NET TEL PLANT, M&S & WORKING CAPITAL	5,671,274	1,983,773	0	0	0	0	1,983,773		2,893,839		793,652		11		0
32		RETURN ON INVESTMENT FOR SETTLEMENTS	638,018	223,174	0	0	0	0	223,174		325,557		89,286		1		0
33		PLANT SPECIFIC EXPENSE	1,017,236	297,759	0	0	0	0	297,759		595,369		124,106		2		0
34		PLANT NON SPECIFIC EXPENSES EXCL DEP	86,863	49,872	0	0	0	0	49,872		30,294		6,698		0		0
35		DEPRECIATION & AMORTIZATION	1,002,702	236,227	0	0	0	0	236,227		661,094		105,380		1		0
36		MARKETING EXPENSE	0	0	0	0	0	0	0		0		0		0		0
37		OTHER CUSTOMER OPERATIONS EXPENSES	113,684	30,230	0	0	0	0	30,230		6,684		5,118		71,652		0
38		CORPORATE OPERATIONS EXPENSES	524,910	162,872	0	0	0	0	162,872		272,565		58,588		30,886		0
39		EQUAL ACCESS EXPENSE	0	0	0	0	0	0	0		0		0		0		0
40		OTHER OPERATING TAXES	68,935	21,220	0	0	0	0	21,220		39,074		8,640		0		0
41		GROSS RECEIPTS TAX	0	0	0	0	0	0	0		0		0		0		0
42		UNCOLLECTIBLES/RENT REVENUES	0	0	0	0	0	0	0		0		0		0		0
43		NON OPERATING EXPENSE	1,011	311	0	0	0	0	311		573		127		0		0
44		SUBTOTAL OPERATING EXPENSE	2,815,342	798,491	0	0	0	0	798,491		1,605,653		308,657		102,541		0
45		STATE INCOME TAX - NET OF ITC	6,405	2,291	0	0	0	0	2,291		3,200		914		0		0
46		SUBTOTAL OPER EXPENSE & TAX	2,821,747	800,782	0	0	0	0	800,782		1,608,853		309,571		102,541		0
47		FEDERAL INCOME TAX - NET OF ITC	237,604	84,985	0	0	0	0	84,985		118,715		33,903		0		0
48		REALLOCATION OF INTERSTATE ACCESS COSTS	0	201,427	0	0	0	0	201,427		-236,584		35,157		0		0
49		TOTAL REVENUE REQUIREMENT	3,697,369	1,310,369	0	0	0	0	1,310,369		1,816,541		467,916		102,543		0
50		% DISTRIBUTION	100.0000%	35.4406%	0.0000%	0.0000%	0.0000%	0.0000%	35.4406%		49.1306%		12.6554%		2.7734%		0.0000%

SUMMARY OF TELEPHONE PLANT AND RESERVES

A-2, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE: LIMITED PAY	COMMON LINE: COMMON LINE	TRAFFIC SENSITIVE: LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT: SWITCHING	TERM	FACILITY	SPECIAL ACCESS: CHANNEL TERM	CHANNEL MILEAGE: TERM	FACILITY	TOTAL NON ACCESS
		NET INVESTMENT SUMMARY																
1	2110	GENERAL SUPPORT FACILITIES	1,294,366	A-3,LN 12	0	398,430	336,040	0	0	0	0	0	94,926	302,693	136,648	9,789	15,784	55
2	2210	CENTRAL OFFICE SWITCHING	3,262,923	A-4,LN 21+25		0	3,262,923	0				0	0					0
3	2220	OPERATOR SYSTEMS	0	A-4,LN 17		0	0	0	0	0		0	0					0
4	2230	CENTRAL OFFICE TRANSMISSION	2,520,036	A-4,LN 41	0	909,504	0	0				0	921,729		593,750	95,054		0
5	2310	INFORMATION ORIG/TERM	0	A-5,LN 10	0	0									0			
6	2410	CABLE AND WIRE FACILITIES	6,784,708	A-5,LN 21	0	2,959,225	0	0						2,939,127	733,094		153,263	0
7	2680	TANGIBLE ASSETS	0	A-3,LN 22	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	2690	INTANGIBLE ASSETS	0	A-3,LN 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9		TOTAL PLANT IN SERVICE	13,862,032		0	4,267,159	3,598,963	0	0	0	0	0	1,016,655	3,241,820	1,463,491	104,844	169,047	55
10		% DISTRIBUTION	100.0000%		0.0000%	30.7831%	25.9627%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.3341%	23.3863%	10.5576%	0.7563%	1.2195%	0.0004%
11	2002	PROPERTY HELD FOR FUTURE USE	0	A-6,LN 6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	2003	PLANT UNDER CONSTRUCTION	94,582	A-6,LN 13	0	29,115	24,556	0	0	0	0	0	6,937	22,119	9,986	715	1,153	0
13	XXXX	RESERVED FOR FUTURE USE	0	A-6,LN 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	2005	TELEPHONE PLANT ADJUSTMENT	0	A-6,LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15		TOTAL PROPERTY, PLANT & EQUIP.	13,956,614		0	4,296,274	3,623,519	0	0	0	0	0	1,023,592	3,263,939	1,473,477	105,559	170,200	55
16		% DISTRIBUTION	100.0000%		0.0000%	30.7831%	25.9627%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.3341%	23.3863%	10.5576%	0.7563%	1.2195%	0.0004%
17	3100	ACCUM DEPRECIATION - PLANT IN SERVICE	8,428,094	A-7,LN 9	0	2,356,445	2,745,858	0	0	0	0	0	592,516	1,759,755	820,609	61,104	91,763	44
18	3200	ACCUM DEPRECIATION - FUTURE USE	0	A-7,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	3400	ACCUM AMORTIZATION - TANGIBLE PROPERTY	0	A-7,LN 17	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	3500	ACCUM AMORTIZATION - INTANGIBLE PROP.	0	A-7,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	3600	ACCUM AMORTIZATION - TEL PLANT ADJ.	0	A-7,LN 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	4310	OTHER L/T LIAB - POST RET BENEFITS	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	4340	OPERATING DEFERRED INCOME TAX	95,266	A-7,LN 30	0	29,326	24,734	0	0	0	0	0	6,987	22,279	10,058	721	1,162	0
24	4370	OTHER DEFERRED CREDITS - NET	0	A-7,LN 40	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	4040	CUSTOMER DEPOSITS	2,834	A-3,LN 18	0	872	736	0	0	0	0	0	208	663	299	21	35	0
26		NET TELEPHONE PLANT	5,430,420		0	1,909,630	852,192	0	0	0	0	0	423,881	1,481,242	642,511	43,713	77,240	10
27		% DISTRIBUTION	100.0000%		0.0000%	35.1654%	15.6929%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.8057%	27.2768%	11.8317%	0.8050%	1.4224%	0.0002%
28	1220	MATERIALS AND SUPPLIES	57,185	A-3,LN 24	0	17,603	14,847	0	0	0	0	0	4,194	13,373	6,037	433	697	0
29	1402	RTB STOCK	0	A-3,LN 25	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	1410	NONCURRENT ASSETS - POST RET BENEFITS	0	A-3,LN 26	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	1439	EQUAL ACCESS EQUIPMENT	0	A-3,LN 16			0											
32	1500	OTHER JURISDICTIONAL ASSETS	0	A-3,LN 27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33	XXXX	CASH WORKING CAPITAL	183,669	A-3,LN 18	0	56,539	47,686	0	0	0	0	0	13,470	42,954	19,391	1,389	2,240	1
34		NET TELEPHONE PLANT, M&S AND CASH WORKING CAPITAL	5,671,274		0	1,983,773	914,724	0	0	0	0	0	441,546	1,537,569	667,939	45,535	80,177	11
35		% DISTRIBUTION	100.0000%		0.0000%	34.9793%	16.1291%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.7856%	27.1115%	11.7776%	0.8029%	1.4137%	0.0002%

GENERAL SUPPORT FACILITIES AND MISCELLANEOUS PLANT ALLOCATION

A-3, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE: LIMITED PAY	COMMON LINE: COMMON LINE	TRAFFIC SENSITIVE: LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT: SWITCHING	TERM	FACILITY	SPECIAL ACCESS: CHANNEL TERM	CHANNEL MILEAGE: TERM	FACILITY	TOTAL NON ACCESS
		BASIS FOR GENERAL SUPPORT FACILITIES																
1		BIG THREE EXPENSE EXCL GENERAL SUPPORT	1,155,288		0	358,675	299,520	0	0	0	0	0	77,705	221,268	109,073	8,013	11,538	69,495
2		% DISTRIBUTION	100.0000%		0.0000%	31.0464%	25.9260%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	6.7261%	19.1526%	9.4412%	0.6936%	0.9987%	6.0154%
3		CENTRAL OFFICE EQUIPMENT	5,782,959	A-4,LN 42	0	909,504	3,262,923	0	0	0		0	921,729		593,750	95,054		0
4		INFORMATION ORIG/TERM	0	A-5,LN 10	0	0									0			
5		CABLE & WIRE FACILITIES	6,784,708	A-5,LN 21	0	2,959,225	0	0						2,939,127	733,094		153,263	0
6		TOTAL	12,567,667		0	3,868,729	3,262,923	0	0	0		0	921,729	2,939,127	1,326,843	95,054	153,263	0
7		% DISTRIBUTION	100.0000%		0.0000%	30.7832%	25.9628%	0.0000%	0.0000%	0.0000%		0.0000%	7.3341%	23.3864%	10.5576%	0.7563%	1.2195%	0.0000%
	2110	GENERAL SUPPORT ASSETS																
8		ALLOCATED TO B&C BASED ON BIG THREE EXP	55	DIRECT														55
9		ALLOCATED BASED ON BIG THREE INVESTMENT	1,294,311	LN 7	0	398,430	336,040	0	0	0		0	94,926	302,693	136,648	9,789	15,784	0
10		BILLING NAME & ADDRESS (BNA)	0	DIRECT							0							
11		DIRECT NON ACCESS	0	DIRECT														0
12		TOTAL GENERAL SUPPORT ASSETS	1,294,366		0	398,430	336,040	0	0	0	0	0	94,926	302,693	136,648	9,789	15,784	55
13		% DISTRIBUTION	100.0000%		0.0000%	30.7819%	25.9617%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.3338%	23.3854%	10.5571%	0.7563%	1.2194%	0.0042%
14		COE,IOT,CWF AND GENERAL SUPPORT	13,862,032		0	4,267,159	3,598,963	0	0	0	0	0	1,016,655	3,241,820	1,463,491	104,844	169,047	55
15		% DISTRIBUTION	100.0000%		0.0000%	30.7831%	25.9627%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.3341%	23.3863%	10.5576%	0.7563%	1.2195%	0.0004%
16	1439	EQUAL ACCESS EQUIPMENT	0	DIRECT			0											
17		COE,IOT,CWF,GENERAL SUPPORT AND EQUAL ACCESS EQUIPMENT	13,862,032		0	4,267,159	3,598,963	0	0	0	0	0	1,016,655	3,241,820	1,463,491	104,844	169,047	55
18		% DISTRIBUTION	100.0000%		0.0000%	30.7831%	25.9627%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.3341%	23.3863%	10.5576%	0.7563%	1.2195%	0.0004%
19	2680	TANGIBLE ASSETS																
20		CAPITAL LEASES	0	LN 15	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		LEASEHOLD IMPROVEMENTS	0	LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	2690	INTANGIBLE ASSETS	0	LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	1220	MATERIALS AND SUPPLIES	57,185	LN 18	0	17,603	14,847	0	0	0	0	0	4,194	13,373	6,037	433	697	0
25	1402	RTB STOCK	0	LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	1410	NONCURRENT ASSETS - POST RET BENEFITS	0	LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	1500	OTHER JURISDICTIONAL ASSETS	0	LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28		COE,IOT,CWF,GEN SUPP & EQUAL ACCESS FOR APPORTIONING PRESUBSCRIPTION	12,124,596		0	4,267,159	3,598,963	0	0	0	0	0	1,016,655	3,241,820				
29		% DISTRIBUTION	100.0000%		0.0000%	35.1942%	29.6832%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	8.3851%	26.7375%				
30		COE,IOT & CWF EXCL CCL FOR ASSIGNING CARRIER ACCESS BILLING EXPENSES	8,698,938				3,262,923	0	0	0		0	921,729	2,939,127	1,326,843	95,054	153,263	
31		% DISTRIBUTION	100.0000%				37.5094%	0.0000%	0.0000%	0.0000%		0.0000%	10.5959%	33.7872%	15.2529%	1.0927%	1.7619%	

CENTRAL OFFICE EQUIPMENT ALLOCATION

A-4, 1 of 2

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE: LIMITED PAY	COMMON LINE: COMMON LINE	TRAFFIC SENSITIVE: LOCAL SWITCHING	TRAFFIC SENSITIVE: SS7	TRAFFIC SENSITIVE: INFO	TRAFFIC SENSITIVE: OPERATOR TRANSFER	TRAFFIC SENSITIVE: BNA	TRAFFIC SENSITIVE: TANDEM SWITCHED TRANSPORT: SWITCHING	TRAFFIC SENSITIVE: TANDEM SWITCHED TRANSPORT: TERM	TRAFFIC SENSITIVE: TANDEM SWITCHED TRANSPORT: FACILITY	SPECIAL ACCESS: CHANNEL TERM	SPECIAL ACCESS: CHANNEL MILEAGE TERM	SPECIAL ACCESS: CHANNEL MILEAGE FACILITY	TOTAL NON ACCESS
		ALLOCATION FACTORS																
1		STANDARD WORK SECONDS																100.0000%
2		- MANUAL BOARDS	100.0000%	AL-1,LN 9			0.0000%		0.0000%	0.0000%								100.0000%
3		- TSPS COMPLEX	100.0000%	AL-1,LN 10			0.0000%		0.0000%	0.0000%								
4		EQUIVALENT ACCESS LINES - MSG COE	100.0000%	AL-1,LN 2	0.0000%	100.0000%												
5		IX CIRCUIT TERMINATIONS - MSG COE	100.0000%	AL-1,LN 6								0.0000%	100.0000%					
		CENTRAL OFFICE EQUIPMENT																
6	2220	OPERATOR SYSTEMS																0
7		MANUAL SWITCHBOARDS	0	LN 2			0		0	0								
8		AUXILIARY SWITCHBOARDS																
9		- DIRECTORY ASSISTANCE	0	DIRECT					0									
10		- INTERCEPT	0	DIRECT			0											0
11		- OTHER	0	DIRECT														0
12		SERVICE OBSERVING BOARDS	0	LN 27		0	0	0	0	0		0	0					
13		TSPS																0
14		- OPERATOR	0	LN 3			0		0	0								0
15		- RTA	0	LN 27		0	0	0	0	0		0	0					0
16		- OTHER	0	LN 27		0	0	0	0	0		0	0					0
17		TOTAL OPERATOR SYSTEMS	0			0	0	0	0	0		0	0					
	2210	TANDEM SWITCHING EQUIPMENT																
18		ACCESS	0	DIRECT								0						0
19		NON ACCESS	0	DIRECT									0					
20		TANDEM SWITCHED TRANSPORT	0	DIRECT								0	0					0
21		TOTAL TANDEM SWITCH	0															
	2210	LOCAL SWITCHING EQUIPMENT																
22a		ACCESS - TS	3,262,923	DIRECT			3,262,923											
22b		ACCESS - NTS	0	DIRECT		0												
23		EQUAL ACCESS	0	DIRECT			0											
24		SS7 SWITCHING	0	DIRECT				0										
25		TOTAL LOCAL SWITCH	3,262,923			0	3,262,923	0										
26		TOTAL CAT1 EXCL SVC OBS, CAT 2 AND 3	3,262,923			0	3,262,923	0	0	0		0	0					0
27		% DISTRIBUTION	100.0000%	LN 26		0.0000%	100.0000%	0.0000%	0.0000%	0.0000%		0.0000%	0.0000%					0.0000%

CENTRAL OFFICE EQUIPMENT ALLOCATION

A-4, 2 of 2

					COMMON LINE		TRAFFIC SENSITIVE								SPECIAL ACCESS			
												TANDEM SWITCHED TRANSPORT			CHANNEL	CHANNEL MILEAGE		TOTAL
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	TERM	TERM	FACILITY	NON ACCESS
28	2230	CENTRAL OFFICE TRANSMISSION																
29		EXCHANGE LINE WIDEBAND	553,042	DIRECT		0									553,042			
30		EXCHANGE TRUNK - BASIC	0	DIRECT									0			0		
31		EXCHANGE TRUNK - WIDEBAND	0	DIRECT									0			0		
32		SUBSCRIBER LINE	950,211	LN 4/DIRECT	0	909,504									40,707			
33		INTEREXCHANGE CIRCUIT																
34		- FURNISHED OTHERS	0	DIRECT									0			0		
35a		- ACCESS - WIDEBAND	55,965	DIRECT									0			55,965		
35b		- ACCESS - BASIC	516,046	DIRECT									476,957			39,089		
35c		- ACCESS - TANDEM MULTIPLEX	0	DIRECT								0				0		
35d		- ACCESS - VOICE GRADE MULTIPLEX	0	DIRECT			0									0		
36		- ACCESS - SS7	0	DIRECT				0										0
37		- NON ACCESS	0	DIRECT														0
38		TOTAL IX CIRCUIT	572,011				0	0				0	476,957			95,054		
39		HOST/REMOTE CIRCUIT	444,771	DIRECT									444,771			0		
40		EQUIPMENT RENTED OTHERS	0	DIRECT														0
41		TOTAL CENTRAL OFFICE TRANSMISSION	2,520,036		0	909,504	0	0				0	921,729		593,750	95,054		0
42		TOTAL CENTRAL OFFICE EQUIPMENT	5,782,959		0	909,504	3,262,923	0	0	0		0	921,729		593,750	95,054		0
43		% DISTRIBUTION	100.0000%		0.0000%	15.7273%	56.4231%	0.0000%	0.0000%	0.0000%		0.0000%	15.9387%		10.2672%	1.6437%		0.0000%
		COE RATIOS																
44		OPERATOR SYSTEMS	0.0000%	LN 17		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%		0.0000%	0.0000%					0.0000%
45		TANDEM SWITCHING	0.0000%	LN 21								0.0000%	0.0000%					0.0000%
46		LOCAL SWITCHING	100.0000%	LN 25		0.0000%	100.0000%	0.0000%										0.0000%
47		CENTRAL OFFICE SWITCHING	100.0000%	LN 21+25		0.0000%	100.0000%	0.0000%				0.0000%	0.0000%					0.0000%
48		CENTRAL OFFICE TRANSMISSION	100.0000%	LN 41	0.0000%	36.0909%	0.0000%	0.0000%				0.0000%	36.5760%		23.5612%	3.7719%		0.0000%

INFORMATION ORIGINATION/TERMINATION AND CABLE AND WIRE FACILITIES

A-5, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE: LIMITED PAY	COMMON LINE: COMMON LINE	TRAFFIC SENSITIVE: LOCAL SWITCHING	TRAFFIC SENSITIVE: SS7	TRAFFIC SENSITIVE: INFO	TRAFFIC SENSITIVE: OPERATOR TRANSFER	TRAFFIC SENSITIVE: BNA	TRAFFIC SENSITIVE: TANDEM SWITCHED TRANSPORT: SWITCHING	TRAFFIC SENSITIVE: TANDEM SWITCHED TRANSPORT: TERM	TRAFFIC SENSITIVE: TANDEM SWITCHED TRANSPORT: FACILITY	SPECIAL ACCESS: CHANNEL TERM	SPECIAL ACCESS: CHANNEL MILEAGE TERM	SPECIAL ACCESS: CHANNEL MILEAGE FACILITY	TOTAL NON ACCESS
		ALLOCATION FACTORS																
1		EQUIVALENT ACCESS LINES - MSG CWF	100.0000%	AL-1,LN 4	0.0000%	100.0000%												
2		IX CIRCUIT MILES - MSG CWF	100.0000%	AL-1,LN 8										100.0000%				
3	2310	INFORMATION ORIG/TERM																
4		OTHER IOT EQUIPMENT																
5		PUBLIC INTEREST PAYSTATION EQUIP	0	DIRECT		0												
6		COINLESS PUBLIC TELEPHONE	0	DIRECT	0													
7		OTHER	0	DIRECT		0									0			
8		SUBTOTAL	0		0	0									0			
9		NEW CUSTOMER PREMISE EQUIP	0	DIRECT		0									0			
10		TOTAL ORIG/TERM EQUIP	0		0	0									0			
11		% DISTRIBUTION	0.0000%		0.0000%	0.0000%									0.0000%			
12	2410	CABLE AND WIRE FACILITIES																
13		SUBSCRIBER LINE	3,091,673	LN 1/DIRECT	0	2,959,225									132,448			
14		EXCHANGE LINE WIDEBAND	600,646	DIRECT		0									600,646			
15a		EXCHANGE TRUNK - BASIC	0	DIRECT										0			0	
15b		EXCHANGE TRUNK - WIDEBAND	0	DIRECT										0			0	
16		IX TRUNK - WIDEBAND	67,802	DIRECT										0			67,802	
17a		IX TRUNK - ACCESS	2,285,069	LN 2/DIRECT										2,199,608			85,461	
17b		IX TRUNK - SS7	0	DIRECT				0										0
18		IX TRUNK - NON ACCESS	0	DIRECT										739,519			0	
19		HOST/REMOTE	739,519	DIRECT														0
20		EQUIPMENT FURNISHED OTHERS	0	DIRECT										2,939,127	733,094		153,263	0
21		TOTAL CABLE AND WIRE FACILITIES	6,784,708		0	2,959,225	0	0						43.3199%	10.8051%		2.2589%	0.0000%
22		% DISTRIBUTION	100.0000%		0.0000%	43.6161%	0.0000%	0.0000%										
23		TOTAL CWF EXCLUDING CAT 1.3	3,825,483		0	0	0	0						2,939,127	733,094		153,263	0
24		% DISTRIBUTION	100.0000%		0.0000%	0.0000%	0.0000%	0.0000%						76.8302%	19.1634%		4.0064%	0.0000%

OTHER TELECOMMUNICATIONS PLANT ALLOCATION

A-6, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE: LIMITED PAY	COMMON LINE: COMMON LINE	TRAFFIC SENSITIVE: LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT: SWITCHING	TERM	FACILITY	SPECIAL ACCESS: CHANNEL TERM	CHANNEL MILEAGE: TERM	FACILITY	TOTAL NON ACCESS
		OTHER TELECOMMUNICATIONS PLANT																
1	2002	PROPERTY HELD FOR FUTURE USE																
2		GENERAL SUPPORT	0	A-3,LN 13	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0		0	0	0	0	0	0	0
4		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0		0	0	0	0	0
5		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
7		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
8	2003	PLANT UNDER CONSTRUCTION																
9		GENERAL SUPPORT	0	A-3,LN 13	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0		0	0	0	0	0	0	0
11		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0		0	0	0	0	0
12		UNDISTRIBUTED	94,582	A-2,LN 10	0	29,115	24,556	0	0	0	0	0	6,937	22,119	9,986	715	1,153	0
13		TOTAL	94,582		0	29,115	24,556	0	0	0	0	0	6,937	22,119	9,986	715	1,153	0
14		% DISTRIBUTION	100.0000%		0.0000%	30.7831%	25.9627%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.3341%	23.3863%	10.5576%	0.7563%	1.2195%	0.0004%
15	XXXX	RESERVED FOR FUTURE USE																
16		GENERAL SUPPORT	0	A-3,LN 13	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0		0	0	0	0	0	0	0
18		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0		0	0	0	0	0
19		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
22	2005	TELECOMMUNICATIONS PLANT ADJUST.																
23		GENERAL SUPPORT	0	A-3,LN 13	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CENTRAL OFFICE EQUIPMENT	0	A-4,LN 43	0	0	0	0	0	0		0	0	0	0	0	0	0
25		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0		0	0	0	0	0
26		UNDISTRIBUTED	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
28		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

ACCUMULATED DEPRECIATION, AMORTIZATION AND DEFERRED INCOME TAXES

A-7, 1 of 1

LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE: LIMITED PAY	COMMON LINE: COMMON LINE	TRAFFIC SENSITIVE: LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT: SWITCHING	TERM	FACILITY	SPECIAL ACCESS: CHANNEL TERM	CHANNEL MILEAGE: TERM	FACILITY	TOTAL NON ACCESS
1	3100	ACCUM DEPRECIATION - PLANT IN SERVICE																
2		GENERAL SUPPORT	1,048,074	A-3,LN 13	0	322,617	272,098	0	0	0	0	0	76,864	245,097	110,647	7,927	12,781	44
3		CENTRAL OFFICE SWITCHING EQUIPMENT	2,473,759	A-4,LN 47	0	0	2,473,759	0				0	0	0	0	0	0	0
4		OPERATOR SYSTEMS EQUIPMENT	0	A-4,LN 44	0	0	0	0	0	0		0	0	0	0	0	0	0
5		CENTRAL OFFICE TRANSMISSION	1,409,809	A-4,LN 48	0	508,813	0	0				0	515,652	0	332,167	53,177	0	0
6		UNDISTRIBUTED COE	0	A-4,LN 43	0	0	0	0	0	0		0	0	0	0	0	0	0
7		INFORMATION ORIG/TERM	0	A-5,LN 11	0	0	0	0				0	0	0	0	0	0	0
8		CABLE AND WIRE FACILITIES	3,496,451	A-5,LN 22	0	1,525,015	0	0				0	0	1,514,658	377,795	0	78,983	0
9		TOTAL ACCUM DEPR - TPIS	8,428,094		0	2,356,445	2,745,858	0	0	0	0	0	592,516	1,759,755	820,609	61,104	91,763	44
10	3200	ACCUM DEPRECIATION - FUTURE USE	0	A-6,LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11		TOTAL ACCUM DEPRECIATION	8,428,094		0	2,356,445	2,745,858	0	0	0	0	0	592,516	1,759,755	820,609	61,104	91,763	44
12		% DISTRIBUTION	100.0000%		0.0000%	27.9594%	32.5798%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.0302%	20.8796%	9.7366%	0.7250%	1.0888%	0.0005%
		ACCUMULATED AMORTIZATION																
13	3400	TANGIBLE ASSETS																
14		CAPITAL LEASES	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15		LEASEHOLD IMPROVEMENTS	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16		UNDISTRIBUTED	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17		TOTAL ACCUM AMORT - TANGIBLE	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	3500	INTANGIBLE ASSETS	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	3600	TELEPHONE PLANT ADJUSTMENT	0	A-6,LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		TOTAL ACCUM AMORTIZATION	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
22	4100 &	NET OPERATING DEFERRED INC TAX																
23	4340	GENERAL SUPPORT	0	A-3,LN 13	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		CENTRAL OFFICE SWITCHING EQUIPMENT	0	A-4,LN 47	0	0	0	0				0	0	0	0	0	0	0
25		OPERATOR SYSTEMS EQUIPMENT	0	A-4,LN 44	0	0	0	0	0	0		0	0	0	0	0	0	0
26		CENTRAL OFFICE TRANSMISSION	0	A-4,LN 48	0	0	0	0				0	0	0	0	0	0	0
27		INFORMATION ORIG/TERM	0	A-5,LN 11	0	0	0	0				0	0	0	0	0	0	0
28		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0	0	0	0	0	0	0
29		UNDISTRIBUTED	95,266	A-3,LN 18	0	29,326	24,734	0	0	0	0	0	6,987	22,279	10,058	721	1,162	0
30		TOTAL NET DEFERRED INC TAX	95,266		0	29,326	24,734	0	0	0	0	0	6,987	22,279	10,058	721	1,162	0
31		% DISTRIBUTION	100.0000%		0.0000%	30.7831%	25.9627%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.3341%	23.3863%	10.5576%	0.7563%	1.2195%	0.0004%
32	4360	OTHER DEFERRED CREDITS - NET																
33		GENERAL SUPPORT	0	A-3,LN 13	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34		CENTRAL OFFICE SWITCHING EQUIPMENT	0	A-4,LN 47	0	0	0	0				0	0	0	0	0	0	0
35		OPERATOR SYSTEMS EQUIPMENT	0	A-4,LN 44	0	0	0	0	0	0		0	0	0	0	0	0	0
36		CENTRAL OFFICE TRANSMISSION	0	A-4,LN 48	0	0	0	0				0	0	0	0	0	0	0
37		INFORMATION ORIG/TERM	0	A-5,LN 11	0	0	0	0				0	0	0	0	0	0	0
38		CABLE AND WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0	0	0	0	0	0	0
39		UNDISTRIBUTED	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40		TOTAL OTHER DEFERRED CREDITS	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
41		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

SUMMARY OF OPERATING EXPENSE AND TAX AND MISCELLANEOUS TAX ITEMS

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					COMMON LINE		TRAFFIC SENSITIVE								SPECIAL ACCESS			
												TANDEM SWITCHED TRANSPORT			CHANNEL	CHANNEL MILEAGE		TOTAL
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	TERM	TERM	FACILITY	NON ACCESS
		OPERATING EXPENSE AND TAX																
1	6110	NETWORK SUPPORT EXPENSE	9,675	A-9,LN 6	0	2,978	2,512	0	0	0	0	0	710	2,263	1,021	73	118	0
2	6120	GENERAL SUPPORT EXPENSE	47,327	A-9,LN 7	0	14,568	12,287	0	0	0	0	0	3,471	11,068	4,996	358	577	2
3	6210	CENTRAL OFFICE EXPENSE	483,204	A-9,LN 15	0	72,151	283,290	0	0	0		0	73,121	0	47,102	7,541	0	0
4	6310	INFORMATION ORIG/TERM EXP	0	A-9,LN 22	0	0						0	0	0	0	0	0	0
5	6410	CABLE AND WIRE FACILITIES EXP	477,030	A-9,LN 24	0	208,062	0	0				0	0	206,649	51,543	0	10,776	0
6	6510	OTHER PLANT EXPENSE	0	A-10,LN 6	0	0	0	0	0	0		0	0	0	0	0	0	0
7	6530	NETWORK OPERATIONS EXPENSE	53,443	A-10,LN 7	0	16,452	13,875	0	0	0		0	3,920	12,499	5,642	404	652	0
8a	6540	ACCESS CHARGE EXPENSE	0	A-10,LN 8a														0
8b	6540	FEDERAL SUPPORT CHARGES	33,420	A-10,LN 8b		33,420	0					0	0	0	0	0	0	0
9	6610	MARKETING EXPENSE	0	A-11,LN 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	6620	SERVICES EXPENSE	113,684	A-11,LN29	0	30,230	3,061	0	0	0	0	0	865	2,758	4,933	71	114	71,652
11	6710	EXECUTIVE AND PLANNING EXP	190,602	A-12,LN 8	0	59,141	49,306	0	0	0	0	0	12,848	36,818	18,037	1,322	1,915	11,215
12	6720	GENERAL AND ADMINISTRATIVE EXP	334,308	A-12,LN 9	0	103,731	86,481	0	0	0	0	0	22,534	64,577	31,636	2,319	3,359	19,671
13		SUBTOTAL OPERATING EXPENSE	1,742,694		0	540,733	450,813	0	0	0	0	0	117,467	336,630	164,911	12,088	17,511	102,540
14		% DISTRIBUTION	100.0000%		0.0000%	31.0286%	25.8688%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	6.7406%	19.3157%	9.4630%	0.6936%	1.0048%	5.8840%
15	6560	DEPRECIATION AND AMORTIZATION	1,002,702	A-10,LN 19+27	0	236,227	424,942	0	0	0	0	0	76,647	159,505	89,159	7,904	8,317	1
16	7200	OTHER OPERATING TAX	68,935	A-12,LN 25+26	0	21,220	17,897	0	0	0	0	0	5,056	16,121	7,278	521	841	0
17		EQUAL ACCESS EXPENSE	0	A-12,LN 12			0											
18	7500	INTEREST ON CUSTOMER DEPOSITS	47	A-12,LN 15	0	14	12	0	0	0	0	0	3	11	5	0	1	0
19	5240	RENT REVENUES	0	A-10,LN 45	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		TOTAL OPERATING EXP & TAX	2,814,378		0	798,194	893,665	0	0	0	0	0	199,174	512,268	261,353	20,514	26,670	102,541
21		% DISTRIBUTION	100.0000%		0.0000%	28.3613%	31.7535%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.0770%	18.2018%	9.2863%	0.7289%	0.9476%	3.6435%
	7370	NON OPERATING EXPENSE																
22		ABANDONED CONSTRUCTION	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23		CONTRIBUTIONS	964	A-3,LN 18	0	297	250	0	0	0	0	0	71	225	102	7	12	0
24		TOTAL NON OPERATING EXP	964		0	297	250	0	0	0	0	0	71	225	102	7	12	0
		UNCOLLECTIBLES																
25	5310	END USER MSG TOLL	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	5320	END USER COMMON LINE	0	DIRECT		0												
27	5330	IX CARRIER	0	A-3,LN 31			0	0	0	0		0	0	0	0	0	0	0
28		TOTAL UNCOLLECTIBLES	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	7340	ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0

PLANT SPECIFIC EXPENSE ALLOCATION

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LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE: LIMITED PAY	COMMON LINE: COMMON LINE	TRAFFIC SENSITIVE: LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT: SWITCHING	TERM	FACILITY	SPECIAL ACCESS: CHANNEL TERM	CHANNEL MILEAGE: TERM	FACILITY	TOTAL NON ACCESS
		BASIS FOR NETWORK SUPPORT EXPENSE																
1		GEN SUPPORT, COE, IOT AND C&WF	13,862,032	VARIOUS	0	4,267,159	3,598,963	0	0	0	0	0	1,016,655	3,241,820	1,463,491	104,844	169,047	55
2		EQUAL ACCESS EQUIPMENT	0	A-3,LN 16			0											
3		TOTAL	13,862,032		0	4,267,159	3,598,963	0	0	0	0	0	1,016,655	3,241,820	1,463,491	104,844	169,047	55
4		% DISTRIBUTION	100.0000%		0.0000%	30.7831%	25.9627%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.3341%	23.3863%	10.5576%	0.7563%	1.2195%	0.0004%
		PLANT SPECIFIC EXPENSES																
5		GENERAL SUPPORT EXPENSE																
6	6110	NETWORK SUPPORT	9,675	LN 4	0	2,978	2,512	0	0	0	0	0	710	2,263	1,021	73	118	0
7	6120	GENERAL SUPPORT	47,327	A-3,LN 13	0	14,568	12,287	0	0	0	0	0	3,471	11,068	4,996	358	577	2
8		TOTAL GENERAL SUPPORT EXP	57,003		0	17,547	14,799	0	0	0	0	0	4,180	13,330	6,018	431	695	2
9		% DISTRIBUTION	100.0000%		0.0000%	30.7821%	25.9619%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.3339%	23.3856%	10.5572%	0.7563%	1.2195%	0.0036%
10		CENTRAL OFFICE EXPENSE																
11	6210	CENTRAL OFFICE SWITCHING EXPENSE	283,290	A-4,LN 47	0	0	283,290	0	0	0		0	0		0	0		0
12	6220	OPERATOR SYSTEMS EXPENSE	0	A-4,LN 44	0	0	0	0	0	0		0	0		0	0		0
13	6230	CENTRAL OFFICE TRANSMISSION EXPENSE	199,914	A-4,LN 48	0	72,151	0	0	0	0		0	73,121		47,102	7,541		0
14	6230	COE EXPENSE - SS7 LEASE	0	DIRECT				0										
15		TOTAL CENTRAL OFFICE EXPENSE	483,204		0	72,151	283,290	0	0	0		0	73,121		47,102	7,541		0
16		% DISTRIBUTION	100.0000%		0.0000%	14.9318%	58.6274%	0.0000%	0.0000%	0.0000%		0.0000%	15.1325%		9.7479%	1.5606%		0.0000%
17	6310	INFORMATION ORIG/TERM EXPENSE																
18		PUBLIC INTEREST PAYSTATION EXPENSE	0	DIRECT		0												
19		COINLESS PAY TELEPHONE EXPENSE	0	DIRECT	0													
20		OTHER IOT EXPENSE	0	DIRECT		0									0			
21		CPE	0	DIRECT		0												
22		TOTAL INFORMATION ORIG/TERM EXP	0		0	0									0			
23		% DISTRIBUTION	0.0000%		0.0000%	0.0000%									0.0000%			
24	6410	CABLE AND WIRE FACILITIES EXPENSE																
25		TOTAL EXCL SS7	477,030	A-5,LN 22	0	208,062	0	0						206,649	51,543		10,776	0
26		SS7 LEASE	0	DIRECT				0										
27		TOTAL C&WF EXPENSE	477,030		0	208,062	0	0						206,649	51,543		10,776	0
28		% DISTRIBUTION	100.0000%		0.0000%	43.6161%	0.0000%	0.0000%						43.3199%	10.8051%		2.2589%	0.0000%
29		TOTAL PLANT SPECIFIC EXPENSE	1,017,236		0	297,759	298,089	0	0	0	0	0	77,301	219,979	104,663	7,972	11,471	2
30		% DISTRIBUTION	100.0000%		0.0000%	29.2714%	29.3038%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.5991%	21.6252%	10.2890%	0.7837%	1.1277%	0.0002%
31		TOTAL PLANT SPECIFIC EXPENSE EXCL GEN SUP	960,234		0	280,213	283,290	0	0	0	0	0	73,121	206,649	98,646	7,541	10,776	0
32		% DISTRIBUTION	100.0000%		0.0000%	29.1817%	29.5022%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.6149%	21.5207%	10.2731%	0.7853%	1.1222%	0.0000%

PLANT NON SPECIFIC EXPENSE ALLOCATION

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LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	COMMON LINE: LIMITED PAY	COMMON LINE: COMMON LINE	TRAFFIC SENSITIVE: LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	TANDEM SWITCHED TRANSPORT: SWITCHING	TERM	FACILITY	SPECIAL ACCESS: CHANNEL TERM	CHANNEL MILEAGE: TERM	FACILITY	TOTAL NON ACCESS
1		CENTRAL OFFICE EQUIPMENT	5,782,959	A-4,LN 38	0	909,504	3,262,923	0	0	0		0	921,729		593,750	95,054		0
2		INFORMATION ORIG/TERM	0	A-5,LN 10	0	0									0			
3		CABLE AND WIRE FACILITIES	6,784,708	A-5,LN 21	0	2,959,225	0	0				0		2,939,127	733,094		153,263	0
4		TOTAL	12,567,667		0	3,868,729	3,262,923	0	0	0		0	921,729	2,939,127	1,326,843	95,054	153,263	0
5		% DISTRIBUTION	100.0000%		0.0000%	30.7832%	25.9628%	0.0000%	0.0000%	0.0000%		0.0000%	7.3341%	23.3864%	10.5576%	0.7563%	1.2195%	0.0000%
		PLANT NONSPECIFIC EXPENSE																
6	6510	OTHER PROP PLANT & EQUIP EXPENSE	0	LN 5	0	0	0	0	0	0		0	0	0	0	0	0	0
7	6530	NETWORK OPERATIONS EXPENSE	53,443	LN 5	0	16,452	13,875	0	0	0		0	3,920	12,499	5,642	404	652	0
8a	6540	ACCESS CHARGE EXPENSE	0	DIRECT														0
8b	6540	FEDERAL SUPPORT CHARGES	33,420	DIRECT		33,420	0					0	0	0	0	0	0	0
9	6560	DEPRECIATION EXPENSE																
10		GENERAL SUPPORT	27,481	A-3,LN 13	0	8,459	7,134	0	0	0	0	0	2,015	6,426	2,901	208	335	1
11		CENTRAL OFFICE SWITCHING EQUIPMENT	417,807	A-4,LN 47		0	417,807	0				0	0					0
12		OPERATOR SYSTEMS EQUIPMENT	0	A-4,LN 44	0	0	0	0	0	0		0	0					0
13		CENTRAL OFFICE TRANSMISSION	204,046	A-4,LN 48	0	73,642	0	0				0	74,632		48,076	7,697		0
14		UNDISTRIBUTED COE	0	A-4,LN 43	0	0	0	0	0	0		0	0		0	0		0
15		INFORMATION ORIG/TERM	0	A-5,LN 11	0	0									0			
16		CABLE AND WIRE FACILITIES	353,368	A-5,LN 22	0	154,125	0	0				0		153,079	38,182		7,982	0
17		TOTAL DEP EXP - PLANT IN SERVICE	1,002,702		0	236,227	424,942	0	0	0	0	0	76,647	159,505	89,159	7,904	8,317	1
18		PROPERTY HELD FOR FUTURE USE	0	A-6,LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19		TOTAL DEPRECIATION EXPENSE	1,002,702		0	236,227	424,942	0	0	0	0	0	76,647	159,505	89,159	7,904	8,317	1
20		% DISTRIBUTION	100.0000%		0.0000%	23.5590%	42.3796%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.6441%	15.9075%	8.8918%	0.7883%	0.8295%	0.0001%
		AMORTIZATION EXPENSE																
21	6563	CAPITAL LEASE	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	6563	LEASEHOLD IMPROVEMENTS	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	6563	UNDISTRIBUTED	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24		SUBTOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	6564	INTANGIBLE ASSETS	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	6565	OTHER - TEL PLANT ADJUSTMENT	0	A-6,LN 28	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL AMORTIZATION EXPENSE	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
28		% DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
29		TOTAL PLANT NON SPECIFIC EXPENSE	1,089,566		0	286,098	438,817	0	0	0	0	0	80,567	172,004	94,801	8,309	8,969	1
30		% DISTRIBUTION	100.0000%		0.0000%	26.2580%	40.2745%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	7.3944%	15.7864%	8.7008%	0.7626%	0.8232%	0.0001%
		RENT REVENUES																
31	5240	GEN SUPPORT ASSETS	0	A-3,LN 13	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	5240	CENTRAL OFFICE SWITCHING	0	A-4,LN 47		0	0	0				0	0					0
33	5240	CENTRAL OFFICE TRANSMISSION	0	A-4,LN 48	0	0	0	0				0	0		0	0		0
34	5240	CABLE & WIRE FACILITIES	0	A-5,LN 22	0	0	0	0				0		0	0		0	0
35		UNBUNDLED INTERCONNECTION:													0			
36	5240	- UNBUNDLED LOOP	0	DIRECT		0												
37	5240	- OPERATOR SYSTEMS	0	A-4,LN 44		0	0	0	0	0		0	0					0
38	5240	- TANDEM SWITCHING	0	A-4,LN 45								0	0					0
39	5240	- LOCAL SWITCHING	0	A-4,LN 46		0	0	0										0
40	5240	- TRANSPORT TERMINATION	0	A-4,LN 38			0	0				0	0			0		
41	5240	- TRANSPORT FACILITY	0	DIRECT										0			0	
42	5240	- SS7/800 DATABASE	0	DIRECT				0										
43	5240	- OSS	0	A-11,LN 30	0	0	0	0	0	0	0	0	0	0	0	0	0	0
44	5240	MISCELLANEOUS RENT REVENUE	0	DIRECT		0	0	0	0	0	0	0	0	0	0	0	0	0
45		TOTAL RENT REVENUE	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0

CUSTOMER OPERATIONS EXPENSE ALLOCATION

A-11, 1 of 1

					COMMON LINE		TRAFFIC SENSITIVE								SPECIAL ACCESS			
												TANDEM SWITCHED TRANSPORT			CHANNEL	CHANNEL MILEAGE		TOTAL
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	TERM	TERM	FACILITY	NON ACCESS
		CUSTOMER OPERATIONS EXPENSES																
1	6610	MARKETING	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2		TELEPHONE OPERATOR SERVICES																
3	6621	- CALL COMPLETION INCL DA	0	SWS-OPERATORS			0		0	0								0
4		- OPERATOR SERVICES UNDER CONTRACT	0	DIRECT			0		0	0								0
5	6622	PUBLISHED DIRECTORY LISTINGS	0	DIRECT					0									0
6	6623	ALL OTHER																
7	1.0	LOCAL BUSINESS OFFICE																
8		- END USER SVC ORDER PROCESSING																
9		- PRESUBSCRIPTION	0	A-3,LN 29	0	0	0	0	0	0	0	0	0	0				
10		- OTHER	42,101	AL-1,LN 12											3,827			38,274
11		- END USER PAYMENT & COLLECTION	15,332	AL-1,LN 13		15,332									0			0
12		- END USER BILLING INQUIRY	9,127	AL-1,LN 14		9,127									0			0
13		- IX CARRIER SVC ORDER PROCESSING	209	AL-1,LN 15	0	74	62	0	0	0	0	0	18	56	0			0
14		- IX CARRIER PAYMENT & COLLECTION	1,292	AL-1,LN 16	0	455	383	0	0	0	0	0	108	345	0			0
15		- IX CARRIER BILLING INQUIRY	572	AL-1,LN 17	0	201	170	0	0	0	0	0	48	153	0			0
16		- COIN COLLECT AND ADMIN - PUBLIC INTEREST	0	AL-1,LN 18	0	0												
17		SUBTOTAL LOCAL BUSINESS OFFICE	68,632		0	25,188	615	0	0	0	0	0	174	554	3,827			38,274
18	2.0	CUSTOMER SERVICES (REV ACCTG)																
19		- MESSAGE PROCESSING																
20		- TOLL TICKET PROCESSING	16,054	DIRECT														16,054
21		- LOCAL MESSAGE PROCESSING	0	DIRECT														0
22		- OTHER BILLING & COLLECTION																
22a		- BNA	0	DIRECT							0							
22b		- ALL OTHER	15,168	DIRECT														15,168
23		- END USER COMMON LINE	4,132	DIRECT		4,132												
24		- CARRIER ACCESS BILLING (CABS)																
24a		- BNA	0	DIRECT							0							
24b		- ALL OTHER	6,277	A-3,LN 31			2,354	0	0	0		0	665	2,121	957	69	111	0
25		SUBTOTAL CUSTOMER SERVICES	41,630		0	4,132	2,354	0	0	0	0	0	665	2,121	957	69	111	31,221
26		TOTAL CAT 1 AND CAT 2	110,262		0	29,320	2,969	0	0	0	0	0	839	2,675	4,785	69	111	69,495
27		% DISTRIBUTION	100.0000%		0.0000%	26.5915%	2.6930%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.7607%	2.4257%	4.3394%	0.0622%	0.1003%	63.0272%
28	3.0	ALL OTHER CUSTOMER SERVICE	3,422	/LN 34	0	910	92	0	0	0	0	0	26	83	148	2	3	2,157
29		TOTAL SERVICES EXPENSE	113,684		0	30,230	3,061	0	0	0	0	0	865	2,758	4,933	71	114	71,652
30		% DISTRIBUTION	100.0000%		0.0000%	26.5915%	2.6930%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.7607%	2.4257%	4.3394%	0.0622%	0.1003%	63.0272%
31		TOTAL CUSTOMER OPERATIONS EXPENSE	113,684		0	30,230	3,061	0	0	0	0	0	865	2,758	4,933	71	114	71,652
32		% DISTRIBUTION	100.0000%		0.0000%	26.5915%	2.6930%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.7607%	2.4257%	4.3394%	0.0622%	0.1003%	63.0272%
33		CUSTOMER OPERATIONS EXCL MARKETING	110,262		0	29,320	2,969	0	0	0	0	0	839	2,675	4,785	69	111	69,495
34		% DISTRIBUTION	100.0000%		0.0000%	26.5915%	2.6930%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.7607%	2.4257%	4.3394%	0.0622%	0.1003%	63.0272%

CORPORATE OPERATIONS EXPENSE ALLOCATION

A-12, 1 of 1

					COMMON LINE		TRAFFIC SENSITIVE								SPECIAL ACCESS			
												TANDEM SWITCHED TRANSPORT			CHANNEL	CHANNEL MILEAGE		TOTAL
LN	A/C	DESCRIPTION	TOTAL COMPANY	SOURCE	LIMITED PAY	COMMON LINE	LOCAL SWITCHING	SS7	INFO	OPERATOR TRANSFER	BNA	SWITCHING	TERM	FACILITY	TERM	TERM	FACILITY	NON ACCESS
		BIG THREE EXPENSES																
1		PLANT SPECIFIC EXPENSE	1,017,236	A-9,LN 29	0	297,759	298,089	0	0	0	0	0	77,301	219,979	104,663	7,972	11,471	2
2		OTHER PLANT EXPENSE	0	A-10,LN 6	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3		NETWORK OPERATIONS EXPENSE	53,443	A-10,LN 7	0	16,452	13,875	0	0	0	0	0	3,920	12,499	5,642	404	652	0
4		ACCESS CHARGE EXPENSE	33,420	A-10,LN 8a+8b	0	33,420	0	0	0	0	0	0	0	0	0	0	0	0
5		CUSTOMER OPERATIONS EXPENSE	113,684	A-11,LN 31	0	30,230	3,061	0	0	0	0	0	865	2,758	4,933	71	114	71,652
6		TOTAL BIG THREE EXPENSES	1,217,784		0	377,861	315,026	0	0	0	0	0	82,086	235,235	115,239	8,447	12,237	71,654
7		% DISTRIBUTION	100.0000%		0.0000%	31.0286%	25.8688%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	6.7406%	19.3167%	9.4630%	0.6936%	1.0048%	5.8840%
		CORPORATE OPERATING EXPENSE																
8	6710	EXECUTIVE AND PLANNING	190,602	LN 7	0	59,141	49,306	0	0	0	0	0	12,848	36,818	18,037	1,322	1,915	11,215
9	6720	GENERAL AND ADMINISTRATIVE	334,308	LN 7	0	103,731	86,481	0	0	0	0	0	22,534	64,577	31,636	2,319	3,359	19,671
10		TOTAL CORPORATE OPERATIONS	524,910		0	162,872	135,788	0	0	0	0	0	35,382	101,395	49,672	3,641	5,274	30,886
11		% DISTRIBUTION	100.0000%		0.0000%	31.0286%	25.8688%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	6.7406%	19.3167%	9.4630%	0.6936%	1.0048%	5.8840%
12		EQUAL ACCESS EXPENSE	0	DIRECT			0											
13	7500	INTEREST EXPENSE																
14		CAPITAL LEASE	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15		CUSTOMER DEPOSITS	47	A-3,LN 18	0	14	12	0	0	0	0	0	3	11	5	0	1	0
16		OTHER	100,911	A-3,LN 18	0	31,063	26,199	0	0	0	0	0	7,401	23,599	10,654	763	1,231	0
17		TOTAL	100,957		0	31,078	26,211	0	0	0	0	0	7,404	23,610	10,659	764	1,231	0
18		OTHER INCOME ADJUSTMENTS																
19		BASED ON PLANT	0	A-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20		BASED ON EXPENSE	0	LN 7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21		TOTAL	0		0	0	0	0	0	0	0	0	0	0	0	0	0	0
22		OPERATING TAXES																
23	7210	FEDERAL ITC AMORTIZATION	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	7210	STATE ITC AMORTIZATION	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	7240	OTHER OPERATING TAXES	68,935	A-3,LN 18	0	21,220	17,897	0	0	0	0	0	5,056	16,121	7,278	521	841	0
26	7243	OTHER OPERATING TAXES - DIRECT ASSIGN	0	A-3,LN 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27		TOTAL OPERATING TAXES	68,935		0	21,220	17,897	0	0	0	0	0	5,056	16,121	7,278	521	841	0

Part 36

REVENUE REQUIREMENT SUMMARY

S-1, 1 of 1

LN	DESCRIPTION		TOTAL OPERATING	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE
	REVENUE REQUIREMENT SUMMARY														
1	NET INVESTMENT FOR SETTLEMENTS		13,206,056	NOTE A	0	4,880,265	0	791,010	2,427,412	0	170,488	0	0	310,634	4,626,247
2	RATE OF RETURN		9.5669%		11.2500%	11.2500%	11.2500%	11.2500%	8.3000%	8.3000%	8.3000%	8.3000%	8.3000%	8.3000%	8.3000%
3	RETURN ON INVESTMENT		1,263,405	LN1*LN 2	0	549,030	0	88,989	201,475	0	14,151	0	0	25,783	383,979
4	ALLOW FOR FUNDS USED DUR CONSTR	(Normalized)	0	S-8,LN 31	0	0	0	0	0	0	0	0	0	0	0
5	NET RETURN FOR SETTLEMENTS		1,263,405	LN3-LN4	0	549,030	0	88,989	201,475	0	14,151	0	0	25,783	383,979
6	FEDERAL OPERATING INCOME TAX	(OPTIONAL)	454,768	LN 28	0	204,513	0	33,091	69,971	0	4,910	0	0	8,951	133,332
7	LESS: FEDERAL ITC AMORTIZATION		0	S-12,LN 29	0	0	0	0	0	0	0	0	0	0	0
8	NET FEDERAL INCOME TAX		454,768	LN 6-LN 7	0	204,513	0	33,091	69,971	0	4,910	0	0	8,951	133,332
9	STATE AND LOCAL INCOME TAX	(OPTIONAL)	12,259	LN 33	0	5,513	0	892	1,886	0	132	0	0	241	3,594
10	LESS: STATE ITC AMORTIZATION		0	S-12,LN 30	0	0	0	0	0	0	0	0	0	0	0
11	NET STATE INCOME TAX		12,259	LN 9-LN 10	0	5,513	0	892	1,886	0	132	0	0	241	3,594
13	OPERATING EXPENSE AND TAX		5,828,145	S-8,LN 20	0	2,513,622	0	300,756	951,040	0	60,879	0	0	100,770	1,901,078
14	OTHER ALLOWABLE EXPENSES		1,995	S-8,LN 22+23	0	866	0	98	333	0	20	0	0	34	644
15	UNCOLLECTIBLES		0	S-8,LN 30	0	0	0	0	0	0	0	0	0	0	0
16	BASIS FOR GROSS RECEIPTS TAX		7,560,572	5+8+11thru15	0	3,273,544	0	423,825	1,224,706	0	80,092	0	0	135,779	2,422,626
17a	GROSS RECEIPTS TAX RATE	(GROSS UP)			0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
17b	GROSS RECEIPTS TAX		0	LN 16*LN 17a	0	0	0	0	0	0	0	0	0	0	0
18	LESS: B-I EAS CREDIT		0											0	
19	TOTAL REVENUE REQUIREMENT		7,560,572		0	3,273,544	0	423,825	1,224,706	0	80,092	0	0	135,779	2,422,626

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

	OPTIONAL GROSS UP INCOME TAX CALC														
20	NET RETURN FOR SETTLEMENTS		1,263,405	LN 3	0	549,030	0	88,989	201,475	0	14,151	0	0	25,783	383,979
21	INTEREST AND RELATED ITEMS EXCL NON-OPER		235,396	S-12,LN 16+18	0	86,724	0	14,186	43,304	0	3,052	0	0	5,548	82,581
22	OTHER INCOME ADJUSTMENTS		0	S-12,LN 25a+b	0	0	0	0	0	0	0	0	0	0	0
23	TOTAL INCOME ADJUSTMENTS		235,396	LN 21+22	0	86,724	0	14,186	43,304	0	3,052	0	0	5,548	82,581
24	FEDERAL ITC AMORTIZATION		0	S-12,LN 29	0	0	0	0	0	0	0	0	0	0	0
25	FEDERAL TAXABLE INCOME		1,482,777		0	666,819	0	107,893	228,142	0	16,008	0	0	29,186	434,730
26	FEDERAL INCOME TAX @	30.67%	454,768	LN 25*FIT	0	204,513	0	33,091	69,971	0	4,910	0	0	8,951	133,332
27	FEDERAL SURTAX ALLOC- OPERATING		0	/S-2,LN 34	0	0	0	0	0	0	0	0	0	0	0
28	NET FED INCOME TAX BEFORE ITC		454,768	LN26-LN27	0	204,513	0	33,091	69,971	0	4,910	0	0	8,951	133,332
29	STATE ITC AMORTIZATION		0	S-12,LN 30	0	0	0	0	0	0	0	0	0	0	0
30	STATE TAXABLE INCOME		1,495,036		0	672,332	0	108,785	230,029	0	16,140	0	0	29,427	438,324
31	STATE INCOME TAX @	0.82%	12,259	LN 30*SIT	0	5,513	0	892	1,886	0	132	0	0	241	3,594
32	STATE SURTAX EXEMPTION		0	/S-2,LN 34	0	0	0	0	0	0	0	0	0	0	0
33	NET STATE INCOME TAX BEFORE ITC	TAX: A	12,259		0	5,513	0	892	1,886	0	132	0	0	241	3,594

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

S-2, 1 of 1

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
	NET INVESTMENT SUMMARY																
1	GENERAL SUPPORT FACILITIES	2110		2,835,965	S-3,LN 10	0	1,132,137	0	162,228	486,636	0	34,354	0	0	61,020	959,588	0
2	CENTRAL OFFICE SWITCHING EQUIP	2210		3,838,733	S-4,LN 52	0	3,262,923	0	0	0	0	0	0	0	0	575,810	0
3	OPERATOR SYSTEMS EQUIPMENT	2220		0	S-4,LN 41	0	0	0	0	0	0	0	0	0	0	0	0
4	CENTRAL OFFICE TRANS EQUIP	2230		6,288,359	S-4,LN 78	0	1,831,232	0	688,804	1,151,101	0	86,944	0	0	0	2,530,278	0
5	INFORMATION ORIG/TERM EQUIPMENT	2310		0	S-5,LN 17	0	0	0	0	0	0	0	0	0	0	0	0
6	CABLE AND WIRE FACILITIES	2410		17,408,760	S-5,LN 42	0	5,898,352	0	886,356	3,573,905	0	246,620	0	0	592,480	6,211,048	0
7	TANGIBLE ASSETS	2680		0	S-3,LN 29	0	0	0	0	0	0	0	0	0	0	0	0
8	INTANGIBLE ASSETS	2690		0	S-3,LN 36	0	0	0	0	0	0	0	0	0	0	0	0
9	TOTAL PLANT IN SERVICE A/C 2001			30,371,816		0	12,124,644	0	1,737,389	5,211,642	0	367,918	0	0	653,500	10,276,723	0
10	% DISTRIBUTION			100.0000%		0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
11	PROPERTY HELD FOR FUTURE USE	2002		0	S-6,LN 9	0	0	0	0	0	0	0	0	0	0	0	0
12	PLANT UNDER CONSTRUCTION	2003		207,229	S-6,LN 15	0	82,727	0	11,854	35,559	0	2,510	0	0	4,459	70,119	0
13	RESERVED FOR FUTURE USE	XXXX		0	S-6,LN 21	0	0	0	0	0	0	0	0	0	0	0	0
14	TELEPHONE PLANT ADJUSTMENT	2005		0	S-6,LN 27	0	0	0	0	0	0	0	0	0	0	0	0
15	NONOPERATING PLANT	2006		0	DIRECT												0
16	GOODWILL	2007		0	DIRECT												0
17	TOTAL PROPERTY, PLANT & EQUIPMENT			30,579,045		0	12,207,371	0	1,749,243	5,247,202	0	370,428	0	0	657,959	10,346,842	0
18	% DISTRIBUTION			100.0000%		0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
19	ACCUM DEPR - PLANT IN SERVICE	3100		17,696,085	S-7,LN 18	0	7,454,612	0	973,482	2,879,798	0	203,551	0	0	354,740	5,829,902	0
20	ACCUM DEPRECIATION - FUTURE USE	3200		0	S-7,LN 19	0	0	0	0	0	0	0	0	0	0	0	0
21	ACCUM AMORT - TANGIBLE PROPERTY	3400		0	S-7,LN 23	0	0	0	0	0	0	0	0	0	0	0	0
22	ACCUM AMORT-INTANGIBLE PROPERTY	3500		0	S-7,LN 24	0	0	0	0	0	0	0	0	0	0	0	0
23	ACCUM AMORT - TEL PLANT ADJ	3600		0	S-7,LN 25	0	0	0	0	0	0	0	0	0	0	0	0
24	OPER. DEFERRED INCOME TAX - NET	VAR		208,728	S-7,LN 34	0	83,326	0	11,940	35,817	0	2,528	0	0	4,491	70,626	0
25	CUSTOMER DEPOSITS	4040		6,210	/LN 9+DIRECT	0	2,479	0	355	1,066	0	75	0	0	134	2,101	0
26	OTHER L/T LIAB - POST RET BENEFITS	4310		0	S-7,LN 43	0	0	0	0	0	0	0	0	0	0	0	0
27	OTHER DEFERRED CREDITS - NET	4360		0	S-7,LN 42	0	0	0	0	0	0	0	0	0	0	0	0
28	NET TELEPHONE PLANT			12,668,022		0	4,666,954	0	763,466	2,330,521	0	164,273	0	0	298,594	4,444,213	0
29	% DISTRIBUTION			100.0000%		0.0000%	36.8404%	0.0000%	6.0267%	18.3969%	0.0000%	1.2968%	0.0000%	0.0000%	2.3571%	35.0821%	0.0000%
30	MATERIALS AND SUPPLIES	1220		146,730	S-6,LN 31	0	49,714	0	7,471	30,123	0	2,079	0	0	4,994	52,350	0
31	INVESTMENT IN NONAFFILIATED CO'S	1402		0	S-6,LN 35	0	0	0	0	0	0	0	0	0	0	0	0
32	NONCURRENT ASSETS-POST RET BENE	1410		0	S-6,LN 36	0	0	0	0	0	0	0	0	0	0	0	0
33	EQUAL ACCESS EQUIPMENT	1439		0	S-6,LN 37	0	0			0	0				0	0	
34	OTHER JURISDICTIONAL ASSETS	1500		0	S-6,LN 38	0	0	0	0	0	0	0	0	0	0	0	0
35	CASH WORKING CAPITAL	XXXX		391,303		0	163,596	0	20,073	66,768	0	4,136	0	0	7,046	129,684	0
36	NET TEL PLANT, M&S AND CWC			13,206,056		0	4,880,265	0	791,010	2,427,412	0	170,488	0	0	310,634	4,626,247	0
37	% DISTRIBUTION			100.0000%		0.0000%	36.9547%	0.0000%	5.9898%	18.3811%	0.0000%	1.2910%	0.0000%	0.0000%	2.3522%	35.0313%	0.0000%

OTHER TELECOMMUNICATIONS PLANT SEPARATIONS

S-3, 1 of 1

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
	BASIS FOR GENERAL SUPPORT FACILITIES																
1	- CLASS A SEPARATIONS																
2	BIG THREE EXPENSES			2,465,561		0	1,000,790	0	126,572	432,715	0	26,023	0	0	44,176	835,285	0
3	% DISTRIBUTION			100.0000%		0.0000%	40.5908%	0.0000%	5.1336%	17.5504%	0.0000%	1.0555%	0.0000%	0.0000%	1.7917%	33.8781%	0.0000%
4	- CLASS B SEPARATIONS																
5	COE, IOT AND C&WF			27,535,851		0	10,992,507	0	1,575,160	4,725,006	0	333,563	0	0	592,480	9,317,136	0
6	% DISTRIBUTION			100.0000%		0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
	LAND AND SUPPORT ASSETS	2110															
7	CLASS A COMPANIES			0	LN 3+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
8	CLASS B COMPANIES			2,835,965	LN 6+DIRECT	0	1,132,137	0	162,228	486,636	0	34,354	0	0	61,020	959,588	0
9	DIRECT ASSIGNED NON ACCESS			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
10	TOTAL LAND AND SUPPORT ASSETS			2,835,965		0	1,132,137	0	162,228	486,636	0	34,354	0	0	61,020	959,588	0
11	% DISTRIBUTION			100.0000%		0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
12	GEN SUPPORT ASSETS, COE, INFORMATION																
13	ORIG/TERM, AND C&WF			30,371,816		0	12,124,644	0	1,737,389	5,211,642	0	367,918	0	0	653,500	10,276,723	0
14	% DISTRIBUTION			100.0000%		0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
	TANGIBLE ASSETS																
15	CAPITAL LEASES	2681															
16	GENERAL SUPPORT			0	LN 11+DIR	0	0	0	0	0	0	0	0	0	0	0	0
17	CENTRAL OFFICE EQUIP			0	S-4,LN 81+DIR	0	0	0	0	0	0	0	0	0	0	0	0
18	INFORMATION ORIG/TERM			0	S-5,LN 18+DIR	0	0	0	0	0	0	0	0	0	0	0	0
19	CABLE AND WIRE FACILITIES			0	S-5,LN 43+DIR	0	0	0	0	0	0	0	0	0	0	0	0
20	UNDISTRIBUTED			0	LN 14+DIR	0	0	0	0	0	0	0	0	0	0	0	0
21	SUBTOTAL CAPITAL LEASES			0		0	0	0	0	0	0	0	0	0	0	0	0
22	LEASEHOLD IMPROVEMENTS	2682															
23	GENERAL SUPPORT			0	LN 11+DIR	0	0	0	0	0	0	0	0	0	0	0	0
24	CENTRAL OFFICE EQUIP			0	S-4,LN 81+DIR	0	0	0	0	0	0	0	0	0	0	0	0
25	INFORMATION ORIG/TERM			0	S-5,LN 18+DIR	0	0	0	0	0	0	0	0	0	0	0	0
26	CABLE AND WIRE FACILITIES			0	S-5,LN 43+DIR	0	0	0	0	0	0	0	0	0	0	0	0
27	UNDISTRIBUTED			0	LN 14+DIR	0	0	0	0	0	0	0	0	0	0	0	0
28	SUBTOTAL LEASEHOLD IMPROVEMENTS			0		0	0	0	0	0	0	0	0	0	0	0	0
29	TOTAL TANGIBLE ASSETS			0		0	0	0	0	0	0	0	0	0	0	0	0
30	% DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
31	GEN SUPPORT ASSETS, COE, INFORMATION																
32	ORIG/TERM, CWF AND TANGIBLE ASSETS			30,371,816		0	12,124,644	0	1,737,389	5,211,642	0	367,918	0	0	653,500	10,276,723	0
33	% DISTRIBUTION			100.0000%		0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
	INTANGIBLE ASSETS	2690															
34	ALLOCATED			0	LN 33	0	0	0	0	0	0	0	0	0	0	0	0
35	DIRECT ASSIGNMENT			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
36	TOTAL INTANGIBLES			0		0	0	0	0	0	0	0	0	0	0	0	0
37	% DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

CENTRAL OFFICE EQUIPMENT SEPARATIONS

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LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
	SEPARATION FACTORS																
1	STANDARD WORK SECONDS																
2	- COMBINED TOLL AND LOCAL BOARDS			100.0000%		0.0000%	42.8837%			57.1163%	0.0000%				0.0000%	0.0000%	0.0000%
3	- SEPARATE TOLL BOARDS			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%						
4	- DSA BOARDS			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
5	- DSB BOARDS			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
6	- DIRECTORY ASSISTANCE BOARDS			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
7	- TSPS COMPLEX			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
8	SERVICE OBSERVING TOLL MOU'S			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%						
9	PROCESSOR REAL TIME - RTA			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
10	PROCESSOR REAL TIME - TSPS COMPLEX			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
11	REL MOU'S - TANDEM SWITCHING			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
12	REL MOU'S - TANDEM SWITCH TRANSPORT			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	0.0000%
13	DIAL EQUIPMENT MOU'S (DEM)			100.0000%		0.0000%	85.0000%			0.0000%	0.0000%				0.0000%	15.0000%	0.0000%
14a	REL MOU'S - EXCHANGE TRUNK			100.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	100.0000%	
14b	TOLL CONVERSATION MINUTES			100.0000%		0.0000%	79.2320%			20.7680%	0.0000%				0.0000%	0.0000%	
15	HOST/REMOTE MOU MILES			100.0000%		0.0000%	60.3220%			15.8110%	0.0000%				0.0000%	23.8670%	
16	EQUIPMENT FURNISHED OTHERS FACTOR			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	COE BOOK COST																
17	OPERATOR SYSTEMS EQUIPMENT																
18	MANUAL SWITCHBOARDS	2220	1.1														
19	COMBINED TOLL AND LOCAL			0	LN 2	0	0			0	0				0	0	0
20	SEPARATE TOLL SWBD			0	LN 3	0	0			0	0						
21	SEPARATE DSA BOARDS			0	LN 4	0	0			0	0				0	0	
22	SEPARATE DSB BOARDS			0	LN 5	0	0			0	0				0	0	
23	DIRECT ASSIGNMENT			0	DIRECT	0	0			0	0				0	0	0
24	SUBTOTAL MANUAL BOARDS			0		0	0			0	0				0	0	0
25	% DISTRIBUTION			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	0.0000%
	AUXILIARY SWITCHBOARDS	2220	1.2														
26	DIRECTORY ASSISTANCE			0	LN 6+DIR	0	0			0	0				0	0	
27	INTERCEPT			0	SLU	0	0			0	0				0	0	
28	TOLL RATE AND ROUTE			0	LN 3+DIR	0	0			0	0						
29	SUBTOTAL AUXILIARY BOARDS			0		0	0			0	0				0	0	
30	% DISTRIBUTION			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
	SERVICE OBSERVING	2220	1.3														
31	TOLL			0	LN 8	0	0			0	0						
32	EXCHANGE			0	DIRECT											0	
33	DIRECT ASSIGNMENT			0	DIRECT	0	0			0	0				0	0	
34	SUBTOTAL SERVICE OBSERVING			0		0	0			0	0				0	0	
35	% DISTRIBUTION			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
	TRAFFIC SERVICE POSITIONS	2220	1.4														
36	OPERATOR			0	LN 7+DIR	0	0			0	0				0	0	
37	REMOTE TRUNK ARRANGEMENT			0	LN 9+DIR	0	0			0	0				0	0	
38	OTHER			0	LN 10+DIR	0	0			0	0				0	0	
39	SUBTOTAL TSPS			0		0	0			0	0				0	0	
40	% DISTRIBUTION			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
41	TOTAL OPERATOR SYSTEMS EQUIPMENT			0		0	0			0	0				0	0	0
42	% DISTRIBUTION			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	0.0000%

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CENTRAL OFFICE EQUIPMENT SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
	TANDEM SWITCHING EQUIPMENT	2210	2.0												0	0	
43	ACCESS		2.1	0	LN 11+DIR	0	0			0	0				0	0	
44	NON ACCESS		2.2	0	DIRECT	0	0			0	0				0	0	0
45	TANDEM SWITCH TRANSPORT		2.3	0	LN 12+DIR	0	0			0	0				0	0	0
46	SUBTOTAL TANDEM SWITCHING			0		0	0			0	0				0.0000%	0.0000%	0.0000%
47	% DISTRIBUTION			0.0000%		0.0000%	0.0000%			0.0000%	0.0000%						
	LOCAL SWITCHING EQUIPMENT	2210	3.0												0	575,810	0
48a	ACCESS - TS		3.11	3,838,733	LN 13+DIR	0	3,262,923			0	0				0	0	0
48b	ACCESS - NTS		3.12	0	LN 13+DIR	0	0			0	0				0	0	
48c	EQUAL ACCESS		3.2	0	S-6,LN 3	0	0			0	0				0	0	0
49	SS7 SWITCHING		3.3	0	LN 13+DIR	0	0			0	0				0	575,810	0
50	SUBTOTAL LOCAL SWITCHING			3,838,733		0	3,262,923			0	0				0.0000%	15.0000%	0.0000%
51	% DISTRIBUTION			100.0000%		0.0000%	85.0000%			0.0000%	0.0000%				0	575,810	0
52	TOTAL SWITCHING EQUIPMENT			3,838,733		0	3,262,923			0	0				0.0000%	15.0000%	0.0000%
53	% DISTRIBUTION			100.0000%		0.0000%	85.0000%			0.0000%	0.0000%						
	CENTRAL OFFICE TRANS EQUIP	2230	4.0														
54	EXCHANGE CIRCUIT		4.1													0	0
55	EXCHANGE LINE WIDEBAND		4.122	568,120	AL-1,LN10+DIR	0	0	0	553,042	0	0	15,078	0	0	0	535,292	
56	EXCH TRUNK - EAS		4.121	535,292	DIRECT										0	0	0
57	EXCH TRUNK - WIDEBAND		4.122	0	AL-1,LN12+DIR	0	0	0	0	0	0	0	0	0	0	0	
58	EXCH TRUNK - BASIC		4.123	0	LN 14a+DIR	0	0	0	0	0	0	0	0	0	XXX	0	
59	EXCH TRUNK - SPECIAL		4.124	0	DIRECT	0	0	0	0	0	0	0	0	0	0	1,819,007	0
60	SUBSCRIBER LINE - BASIC		4.131	3,711,137	AL-1,LN 2+DIR	0	909,504	0	40,707	909,504	0	32,415	0	0	XXX	0	XXX
61	SUBSCRIBER LINE - SPECIAL		4.132	0	DIRECT	0	0	0	0	0	0	0	0	0	0	2,354,299	0
62	SUBTOTAL EXCHANGE CIRCUIT			4,814,549		0	909,504	0	593,750	909,504	0	47,493	0	0	0.0000%	48.8997%	0.0000%
63	% DISTRIBUTION			100.0000%		0.0000%	18.8907%	0.0000%	12.3324%	18.8907%	0.0000%	0.9864%	0.0000%	0.0000%			
64	INTEREXCHANGE CIRCUIT		4.2													0	
65	FURNISHED OTHERS - INTERSTATE		4.21	0	DIRECT	0	0	0	0						0	0	0
66	WIDEBAND		4.22	69,356	AL-1,LN14+DIR	0	0	0	55,965	0	0	13,391	0	0	0	0	0
67a	OTHER - BASIC		4.231	667,124	AL-1,LN6+DIR	0	476,957	0	39,089	125,018	0	26,060	0	0	0	0	
67b	OTHER - TANDEM MULTIPLEXING		4.232	0	LN 11+DIR	0	0			0	0				0	0	
67c	OTHER - VOICE GRADE MULTIPLEXING		4.233	0	LN 14b+DIR	0	0			0	0				0	0	
68	OTHER - SS7		4.234	0	AL-1,LN6+DIR	0	0	0	0	0	0	0	0	0	0	0	0
69	NON ACCESS		4.24	0	DIRECT	0	0	0	0	0	0	0	0	0	XXX	0	0
70	SUBTOTAL INTEREXCHANGE CIRCUIT			736,480		0	476,957	0	95,054	125,018	0	39,451	0	0	0	0	0
71	% DISTRIBUTION			100.0000%		0.0000%	64.7617%	0.0000%	12.9066%	16.9751%	0.0000%	5.3567%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
72	HOST/REMOTE CIRCUIT		4.3														
73	EXCLUDING WATS		4.31	737,329	LN 15+DIR	0	444,771			116,579	0				0	175,978	
74	CLOSED END WATS		4.32	0	DIRECT			0	0			0	0	0		0	
75	SUBTOTAL HOST/REMOTE CIRCUIT			737,329		0	444,771	0	0	116,579	0	0	0	0	0	175,978	
76	% DISTRIBUTION			100.0000%		0.0000%	60.3220%	0.0000%	0.0000%	15.8110%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	23.8670%	
77	EQUIPMENT RENTED OTHERS			0	LN 16+DIR	0	0	0	0	0	0	0	0	0	0	0	0
78	TOTAL TRANSMISSION EQUIPMENT			6,288,359		0	1,831,232	0	688,804	1,151,101	0	86,944	0	0	0	2,530,278	0
79	% DISTRIBUTION			100.0000%		0.0000%	29.1210%	0.0000%	10.9536%	18.3053%	0.0000%	1.3826%	0.0000%	0.0000%	0.0000%	40.2375%	0.0000%
80	TOTAL CENTRAL OFFICE EQUIPMENT			10,127,091		0	5,094,155	0	688,804	1,151,101	0	86,944	0	0	0	3,106,088	0
81	% DISTRIBUTION			100.0000%		0.0000%	50.3023%	0.0000%	6.8016%	11.3666%	0.0000%	0.8585%	0.0000%	0.0000%	0.0000%	30.6711%	0.0000%

INFORMATION ORIG/TERM AND C&WF SEPARATIONS

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LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
1	SUBSCRIBER PLANT FACTOR (SPF)			100.0000%	INPUT	0.0000%	25.0000%			25.0000%	0.0000%				0.0000%	50.0000%	
2	RELATIVE MOU'S - COINLESS PAY TEL			0.0000%	INPUT	0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
3	EQUIVALENT LOOPS - CWF			100.0000%	AL-1,LN 4	0.0000%	24.5074%	0.0000%	1.0969%	24.5074%	0.0000%	0.8735%	0.0000%	0.0000%	0.0000%	49.0148%	0.0000%
4	EQUIVALENT CHANNELS - EXCH WIDEBAND			0.0000%	AL-1,LN 12	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
5	EQUIVALENT CHANNELS - IX WIDEBAND			0.0000%	AL-1,LN 14	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
6	IX CIRCUIT MILES - CWF			100.0000%	AL-1,LN 8	0.0000%	79.0941%	0.0000%	3.0730%	15.1329%	0.0000%	2.7000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
7	REL MOU'S - EXCHANGE TRUNK			100.0000%	INPUT	0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	100.0000%	
8	HOST/REMOTE MOU MILES			100.0000%	INPUT	0.0000%	60.3220%			15.8110%	0.0000%				0.0000%	23.8670%	
9	EQUIPMENT FURNISHED OTHERS FACTOR			0.0000%	INPUT	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	INFORMATION ORIG/TERMINATION	2310															
10	OTHER IOT EQUIPMENT		1.0														
11	PUBLIC INTEREST PAYSTATION EQUIP		1.1	0	S-11,LN 6	0	0			0	0				0	0	
12	COINLESS PUBLIC TELEPHONE		1.2	0	LN 2+DIRECT	0	0			0	0				0	0	
13	OTHER		1.3	0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
14	SUBTOTAL			0		0	0	0	0	0	0	0	0	0	0	0	0
15	% DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
16	NEW CUSTOMER PREMISE EQUIPMENT		2.0	0	DIRECT											0	0
17	TOTAL INFO ORIG/TERM EQUIP			0		0	0	0	0	0	0	0	0	0	0	0	0
18	% DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	CABLE AND WIRE FACILITIES	2410															
19	SUBSCRIBER LINE - JOINT			12,074,815	LN 3	0	2,959,225	0	132,448	2,959,225	0	105,468	0	0	0	5,918,450	0
20	SUBSCRIBER LINE - DIRECT			0	DIRECT	0	0	0	0	0	0	0	0	0	XXX	0	XXX
21	SUBTOTAL SUBSCRIBER LINE		1.0	12,074,815		0	2,959,225	0	132,448	2,959,225	0	105,468	0	0	0	5,918,450	0
22	EXCHANGE LINE WIDEBAND - JOINT			0	AL-1,LN 10	0	0	0	0	0	0	0	0	0	0	0	0
23	EXCHANGE LINE WIDEBAND - DIRECT			649,701	DIRECT	0	0	0	600,646	0	0	49,055	0	0	XXX	0	0
24	SUBTOTAL EXCHANGE WIDEBAND		2.1	649,701		0	0	0	600,646	0	0	49,055	0	0	0	0	0
25a	EXCHANGE TRUNK - JOINT			0	LN 7	0	0			0	0				0	0	
25b	EXCHANGE TRUNK - DIRECT			592,480	DIRECT	0	0	0	0	0	0	0	0	0	592,480	0	
26	EXCHANGE TRUNK - WIDEBAND			0	LN 4+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
27	SUBTOTAL EXCHANGE TRUNK		2.2	592,480		0	0	0	0	0	0	0	0	0	592,480	0	0
28	INTEREXCHANGE WIDEBAND - JOINT			0	LN 5	0	0	0	0	0	0	0	0	0	0	0	0
29	INTEREXCHANGE WIDEBAND - DIRECT			84,813	DIRECT	0	0	0	67,802	0	0	17,012	0	0	XXX	0	0
30	SUBTOTAL INTEREXCHANGE WIDEBAND		3.1	84,813		0	0	0	67,802	0	0	17,012	0	0	0	0	0
31a	IX TRUNK - ACCESS - JOINT			2,781,000	LN 6	0	2,199,608	0	85,461	420,845	0	75,086	0	0	0	0	0
31b	IX TRUNK - ACCESS - DIRECT			0	DIRECT	0	0	0	0	0	0	0	0	0	XXX	0	
32	IX TRUNK - ACCESS - SS7			0	LN 6+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
33	SUBTOTAL INTEREXCHANGE ACCESS		3.2	2,781,000		0	2,199,608	0	85,461	420,845	0	75,086	0	0	0	0	0
34	IX TRUNK - NON ACCESS - DIRECT		3.3	0	DIRECT	0	0	0	0	0	0	0	0	0	XXX	0	0
35	HOST/REMOTE - JOINT			1,225,953	LN 8	0	739,519			193,835	0				0	292,598	
36	HOST/REMOTE - DIRECT			0	DIRECT	0	0			0	0				XXX	0	
37	SUBTOTAL HOST/REMOTE EXCL WATS		4.1	1,225,953		0	739,519	0	0	193,835	0	0	0	0	0	292,598	
38	HOST/REMOTE - CLOSED END WATS		4.2	0	DIRECT			0	0			0	0			0	
39	EQUIPMENT FURNISHED OTHERS - JOINT			0	LN 9	0	0	0	0	0	0	0	0	0	0	0	0
40	EQUIPMENT FURNISHED OTHERS - DIRECT			0	DIRECT	0	0	0	0	0	0	0	0	0	XXX	0	0
41	SUBTOTAL EQUIP. FURNISHED OTHERS		5.0	0		0	0	0	0	0	0	0	0	0	0	0	0
42	TOTAL CABLE AND WIRE FACILITIES			17,408,760		0	5,898,352	0	886,356	3,573,905	0	246,620	0	0	592,480	6,211,048	0
43	% DISTRIBUTION			100.0000%		0.0000%	33.8815%	0.0000%	5.0914%	20.5293%	0.0000%	1.4166%	0.0000%	0.0000%	3.4033%	35.6777%	0.0000%

OTHER TELEPHONE PLANT AND DEFERRED CHARGES SEPARATIONS

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LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
1	TELEPHONE PLANT IN SERVICE	2001		100.0000%	S-2,LN 10	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
2	CABLE AND WIRE FACILITIES	2410		100.0000%	S-5,LN 43	0.0000%	33.8815%	0.0000%	5.0914%	20.5293%	0.0000%	1.4166%	0.0000%	0.0000%	3.4033%	35.6777%	0.0000%
3	EQUAL ACCESS MOU'S			0.0000%	INPUT	0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
	OTHER TELECOMMUNICATIONS PLANT																
4	PROPERTY HELD FOR FUTURE USE	2002															
5	GENERAL SUPPORT FACILITIES			0	S-3,LN 11	0	0	0	0	0	0	0	0	0	0	0	0
6	CENTRAL OFFICE EQUIPMENT			0	S-4,LN 81	0	0	0	0	0	0	0	0	0	0	0	0
7	CABLE AND WIRE FACILITIES			0	S-5,LN 43	0	0	0	0	0	0	0	0	0	0	0	0
8	UNDISTRIBUTED			0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
9	PROPERTY HELD FOR FUTURE USE			0		0	0	0	0	0	0	0	0	0	0	0	0
10	PLANT UNDER CONSTRUCTION	2003															
11	GENERAL SUPPORT FACILITIES			0	S-3,LN 11	0	0	0	0	0	0	0	0	0	0	0	0
12	CENTRAL OFFICE EQUIPMENT			0	S-4,LN 81	0	0	0	0	0	0	0	0	0	0	0	0
13	CABLE AND WIRE FACILITIES			0	S-5,LN 43	0	0	0	0	0	0	0	0	0	0	0	0
14	UNDISTRIBUTED			207,229	LN 1+DIRECT	0	82,727	0	11,854	35,559	0	2,510	0	0	4,459	70,119	0
15	TOTAL PLANT UNDER CONSTRUCTION			207,229		0	82,727	0	11,854	35,559	0	2,510	0	0	4,459	70,119	0
16	RESERVED FOR FUTURE USE	XXXX															
17	GENERAL SUPPORT FACILITIES			0	S-3,LN 11	0	0	0	0	0	0	0	0	0	0	0	0
18	CENTRAL OFFICE EQUIPMENT			0	S-4,LN 81	0	0	0	0	0	0	0	0	0	0	0	0
19	CABLE AND WIRE FACILITIES			0	S-5,LN 43	0	0	0	0	0	0	0	0	0	0	0	0
20	UNDISTRIBUTED			0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
21	TOTAL			0		0	0	0	0	0	0	0	0	0	0	0	0
22	TELECOMMUNICATIONS PLANT ADJ	2005															
23	GENERAL SUPPORT FACILITIES			0	S-3,LN 11	0	0	0	0	0	0	0	0	0	0	0	0
24	CENTRAL OFFICE EQUIPMENT			0	S-4,LN 81	0	0	0	0	0	0	0	0	0	0	0	0
25	CABLE AND WIRE FACILITIES			0	S-5,LN 43	0	0	0	0	0	0	0	0	0	0	0	0
26	UNDISTRIBUTED			0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
27	TOTAL TEL PLANT ADJUSTMENT			0		0	0	0	0	0	0	0	0	0	0	0	0
28	TOTAL OTHER TELEPHONE PLANT			207,229		0	82,727	0	11,854	35,559	0	2,510	0	0	4,459	70,119	0
	MATERIALS AND SUPPLIES	1220															
29	CPE			0	DIRECT											0	0
30	OTHER			146,730	LN 2+DIRECT	0	49,714	0	7,471	30,123	0	2,079	0	0	4,994	52,350	0
31	TOTAL			146,730		0	49,714	0	7,471	30,123	0	2,079	0	0	4,994	52,350	0
32	% DISTRIBUTION			100.0000%		0.0000%	33.8815%	0.0000%	5.0914%	20.5293%	0.0000%	1.4166%	0.0000%	0.0000%	3.4033%	35.6777%	0.0000%
	INVESTMENT. IN NONAFFILIATED CO.	1402															
33	RTB STOCK			0	LN 1	0	0	0	0	0	0	0	0	0	0	0	0
34	OTHER			0	DIRECT												0
35	TOTAL			0		0	0	0	0	0	0	0	0	0	0	0	0
36	NONCURRENT ASSETS-POST RET BENE	1410		0	S-3,LN 3	0	0	0	0	0	0	0	0	0	0	0	0
37	EQUAL ACCESS EQUIPMENT - NET	1439		0	LN 3+DIRECT	0	0			0	0				0	0	
38	OTHER JURISDICTIONAL ASSETS	1500		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0

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ACCUMULATED DEPRECIATION, AMORTIZATION AND DEFERRED INCOME TAXES SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
1	GENERAL SUPPORT FACILITIES	2110		100.0000%	S-3,LN 11	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
2	CENTRAL OFFICE EQUIPMENT	2230		100.0000%	S-4,LN 81	0.0000%	50.3023%	0.0000%	6.8016%	11.3656%	0.0000%	0.8585%	0.0000%	0.0000%	0.0000%	30.6711%	0.0000%
3	INFORMATION ORIG/TERM EQUIPMENT	2310		0.0000%	S-5,LN 18	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
4	CABLE & WIRE FACILITIES	2410		100.0000%	S-5,LN 43	0.0000%	33.8815%	0.0000%	5.0914%	20.5293%	0.0000%	1.4166%	0.0000%	0.0000%	3.4033%	35.6777%	0.0000%
5	GEN SUPPORT, COE, IOT AND C&WF			100.0000%	S-3,LN 14	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
6	CAPITAL LEASES	2681		0.0000%	S-3,LN 21	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
7	LEASEHOLD IMPROVEMENTS	2682		0.0000%	S-3,LN 28	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
8	TANGIBLE ASSETS	2680		0.0000%	S-3,LN 30	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
9	PLANT HELD FOR FUTURE USE	2002		0.0000%	S-6,LN 9	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
10	TELECOMMUNICATIONS PLANT ADJ	2005		0.0000%	S-6,LN 27	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	ACCUM DEPR - PLANT IN SERVICE	3100															
11	GENERAL SUPPORT			2,296,339	LN 1+DIRECT	0	916,715	0	131,360	394,039	0	27,817	0	0	49,410	776,998	0
12	CENTRAL OFFICE SWITCHING EQUIP			2,910,305	S-4,LN53+DIR	0	2,473,759	0	0	0	0	0	0	0	0	436,546	0
13	OPERATOR SERVICES EQUIPMENT			0	S-4,LN42+DIR	0	0	0	0	0	0	0	0	0	0	0	0
14	CENTRAL OFFICE TRANSMISSION			3,517,961	S-4,LN79+DIR	0	1,024,465	0	385,345	643,972	0	48,640	0	0	0	1,415,539	0
15	UNDISTRIBUTED COE			0	LN 2+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
16	INFORMATION ORIG/TERM			0	LN 3+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
17	CABLE AND WIRE FACILITIES			8,971,481	LN 4+DIRECT	0	3,039,674	0	456,777	1,841,786	0	127,094	0	0	305,330	3,200,819	0
18	TOTAL ACCUM DEP - PLANT IN SERVICE			17,696,085		0	7,454,612	0	973,482	2,879,798	0	203,551	0	0	354,740	5,829,902	0
19	ACCUM DEPRECIATION - FUTURE USE	3200		0	LN 9+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
	ACCUMULATED AMORTIZATION																
	TANGIBLE ASSETS	3400															
20	CAPITAL LEASES			0	LN 6+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
21	LEASEHOLD IMPROVEMENTS			0	LN 7+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
22	UNDISTRIBUTED			0	LN 8+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
23	TOTAL ACCUM AMORT-TANGIBLE ASSETS			0		0	0	0	0	0	0	0	0	0	0	0	0
24	INTANGIBLE ASSETS	3500		0	S-3,LN37+DIR	0	0	0	0	0	0	0	0	0	0	0	0
25	TELECOMMUNICATIONS PLANT ADJ	3600		0	LN 10+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
26	TOTAL ACCUM AMORTIZATION			0		0	0	0	0	0	0	0	0	0	0	0	0
	NET OPERATING DEFERRED INC TAX	4100 & 4340															
27	GENERAL SUPPORT			0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
28	CENTRAL OFFICE SWITCHING EQUIP			0	S-4,LN53+DIR	0	0	0	0	0	0	0	0	0	0	0	0
29	OPERATOR SERVICES EQUIPMENT			0	S-4,LN42+DIR	0	0	0	0	0	0	0	0	0	0	0	0
30	CENTRAL OFFICE TRANSMISSION			0	S-4,LN79+DIR	0	0	0	0	0	0	0	0	0	0	0	0
31	INFORMATION ORIG/TERM			0	LN 3+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
32	CABLE AND WIRE FACILITIES			0	LN 4+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
33	UNDISTRIBUTED			208,728	LN 5+DIRECT	0	83,326	0	11,940	35,817	0	2,528	0	0	4,491	70,626	0
34	TOTAL NET DEFERRED INCOME TAX			208,728		0	83,326	0	11,940	35,817	0	2,528	0	0	4,491	70,626	0

ACCUMULATED DEPRECIATION, AMORTIZATION AND DEFERRED INCOME TAXES SEPARATIONS

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LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
	OTHER DEFERRED CREDITS - NET	4360															
35	GENERAL SUPPORT			0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
36	CENTRAL OFFICE SWITCHING EQUIPMENT			0	S-4,LN53+DIR	0	0	0	0	0	0	0	0	0	0	0	0
37	OPERATOR SERVICES EQUIPMENT			0	S-4,LN42+DIR	0	0	0	0	0	0	0	0	0	0	0	0
38	CENTRAL OFFICE TRANSMISSION			0	S-4,LN79+DIR	0	0	0	0	0	0	0	0	0	0	0	0
39	INFORMATION ORIG/TERM			0	LN 3+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
40	CABLE AND WIRE FACILITIES			0	LN 4+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
41	UNDISTRIBUTED			0	LN 5+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
42	TOTAL OTHER DEFERRED CREDITS			0		0	0	0	0	0	0	0	0	0	0	0	0
43	OTHER L/T LIAB - POST RET BENEFIT	4310		0	S-3,LN 3	0	0	0	0	0	0	0	0	0	0	0	0

SUMMARY OF OPERATING EXPENSE AND TAX

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
	OPERATING EXPENSE AND TAX SUMMARY																
1	NETWORK SUPPORT EXPENSE	6110		21,199	S-9,LN 7	0	8,463	0	1,213	3,638	0	257	0	0	456	7,173	0
2	GENERAL SUPPORT EXPENSE	6120		103,694	S-9,LN 8	0	41,395	0	5,932	17,793	0	1,256	0	0	2,231	35,086	0
3	CENTRAL OFFICE EXPENSE	6210		846,185	S-9,LN 15	0	425,650	0	57,554	96,182	0	7,265	0	0	0	259,534	0
4	INFORMATION ORIG/TERM EXPENSE	6310		0	S-9,LN 21	0	0	0	0	0	0	0	0	0	0	0	0
5	CABLE AND WIRE FACILITIES EXPENSE	6410		1,224,002	S-9,LN 25	0	414,710	0	62,319	251,280	0	17,340	0	0	41,657	436,696	0
6	OTHER PLANT EXPENSE	6510		0	S-10,LN 11	0	0	0	0	0	0	0	0	0	0	0	0
7	NETWORK OPERATIONS EXPENSE	6530		117,095	S-10,LN 13	0	46,745	0	6,698	20,093	0	1,418	0	0	2,519	39,621	0
8	ACCESS CHARGE EXPENSE	6540		33,420	S-10, 14a+14b	0	33,420	0	0	0	0	0	0	0	0	0	0
9	MARKETING EXPENSE	6610		0	S-11,LN 12	0	0	0	0	0	0	0	0	0	0	0	0
10	SERVICES EXPENSE	6620		278,279	S-11,LN 44	0	113,684	0	0	65,160	0	0	0	0	0	99,435	0
11	EXECUTIVE AND PLANNING EXPENSE	6710		416,850	S-12,LN 8+9	0	169,203	0	21,399	73,159	0	4,400	0	0	7,469	141,221	0
12	GENERAL AND ADMINISTRATIVE EXP	6720		669,681	S-12,LN 11+12	0	302,587	0	31,721	108,445	0	6,522	0	0	11,071	209,335	0
13	SUBTOTAL OPERATING EXPENSES			3,710,405		0	1,555,858	0	186,836	635,749	0	38,457	0	0	65,404	1,228,101	0
14	% DISTRIBUTION			100.0000%		0.0000%	41.9323%	0.0000%	5.0355%	17.1342%	0.0000%	1.0365%	0.0000%	0.0000%	1.7627%	33.0988%	0.0000%
15	DEPRECIATION AND AMORTIZATION	6560		1,967,515	S-10,LN 24+31	0	897,322	0	105,381	289,676	0	20,614	0	0	32,154	622,469	0
16	OTHER OPERATING TAX	7240		150,016	S-12,LN 33	0	60,402	0	8,532	25,595	0	1,807	0	0	3,209	50,470	0
17	EQUAL ACCESS EXPENSE			0	S-12,LN 15	0	0			0	0			0	0	0	0
18	INTEREST ON CUSTOMER DEPOSITS	7250		109	S-12,LN 17	0	40	0	7	20	0	1	0	0	3	38	0
19	RENT REVENUE	5240		0	S-10,LN 47	0	0	0	0	0	0	0	0	0	0	0	0
20	TOTAL OPERATING EXPENSE AND TAX			5,828,145		0	2,513,622	0	300,756	951,040	0	60,879	0	0	100,770	1,901,078	0
21	% DISTRIBUTION			100.0000%		0.0000%	43.1290%	0.0000%	5.1604%	16.3181%	0.0000%	1.0446%	0.0000%	0.0000%	1.7290%	32.6189%	0.0000%
	NON OPERATING EXPENSE	7370															
22	ABANDONED CONSTRUCTION			0	S-2,LN 10	0	0	0	0	0	0	0	0	0	0	0	0
23	CONTRIBUTIONS			1,995	S-12,LN 14	0	866	0	98	333	0	20	0	0	34	644	0
24	OTHER NON OPERATING EXPENSE			0	DIRECT												0
25	TOTAL NON OPERATING EXPENSE			1,995		0	866	0	98	333	0	20	0	0	34	644	0
26	% DISTRIBUTION			100.0000%		0.0000%	43.4217%	0.0000%	4.8890%	16.7141%	0.0000%	1.0052%	0.0000%	0.0000%	1.7064%	32.2638%	0.0000%
	UNCOLLECTIBLES																
27	END USER MSG TOLLS	5310		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
28	END USER COMMON LINE	5320		0	DIRECT	0	0			0	0						
29	IX CARRIER	5330		0	DIRECT	0	0	0	0	0	0	0	0				
30	TOTAL UNCOLLECTIBLES			0		0	0	0	0	0	0	0	0	0	0	0	
31	ALLOW. FOR FUNDS USED DUR. CONSTR	7340		0	S-12,LN 3	0	0	0	0	0	0	0	0	0	0	0	0

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PLANT SPECIFIC OPERATIONS EXPENSE SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
	ALLOCATION FACTORS																
1	GENERAL SUPPORT ASSETS	2110		100.0000%	S-3,LN 11	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
2	CENTRAL OFFICE EQUIPMENT	VAR		100.0000%	S-4,LN 81	0.0000%	50.3023%	0.0000%	6.8016%	11.3666%	0.0000%	0.8585%	0.0000%	0.0000%	0.0000%	30.6711%	0.0000%
3	PUBLIC SERVICE TELEPHONE EQUIP	2310		0.0000%	S-5,LN 11	0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
4	COINLESS PUBLIC TELEPHONE EQUIP	2310		0.0000%	S-5,LN 12	0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
5	OTHER IOT EQUIPMENT	2310		0.0000%	S-5,LN 13	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
6	CABLE AND WIRE FACILITIES	2410		100.0000%	S-5,LN 43	0.0000%	33.8815%	0.0000%	5.0914%	20.5293%	0.0000%	1.4166%	0.0000%	0.0000%	3.4033%	35.6777%	0.0000%
	GENERAL SUPPORT EXPENSE																
7	NETWORK SUPPORT	6110		21,199	LN 1+DIRECT	0	8,463	0	1,213	3,638	0	257	0	0	456	7,173	0
8	GENERAL SUPPORT	6120		103,694	LN 1+DIRECT	0	41,395	0	5,932	17,793	0	1,256	0	0	2,231	35,086	0
9	TOTAL GENERAL SUPPORT EXP			124,893		0	49,858	0	7,144	21,431	0	1,513	0	0	2,687	42,259	0
10	% DISTRIBUTION			100.0000%		0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
	CENTRAL OFFICE EXPENSE																
11	CENTRAL OFFICE SWITCHING EXPENSE	6210		496,096	LN 2+DIRECT	0	249,547	0	33,742	56,389	0	4,259	0	0	0	152,158	0
12	OPERATOR SYSTEMS EXPENSE	6220		0	LN 2+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
13	CENTRAL OFFICE TRANSMISSION EXP	6230		350,089	LN 2+DIRECT	0	176,103	0	23,812	39,793	0	3,006	0	0	0	107,376	0
14	COE EXPENSE - SS7 LEASE	6230		0	LN 2+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
15	TOTAL CENTRAL OFFICE EXPENSE			846,185		0	425,650	0	57,554	96,182	0	7,265	0	0	0	259,534	0
16	% DISTRIBUTION			100.0000%		0.0000%	50.3023%	0.0000%	6.8016%	11.3666%	0.0000%	0.8585%	0.0000%	0.0000%	0.0000%	30.6711%	0.0000%
	INFORMATION ORIG/TERM EXPENSE	6310															
17	IOT EXP - PUBLIC INTEREST PAY TEL			0	LN 3	0	0			0	0				0	0	
18	IOT EXP - COINLESS PAY TEL			0	LN 4	0	0			0	0				0	0	
19	IOT EXP - OTHER			0	LN 5+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
20	IOT EXP - CPE			0	DIRECT											0	0
21	TOTAL INFORMATION ORIG/TERM EXP			0		0	0	0	0	0	0	0	0	0	0	0	0
22	% DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	CABLE AND WIRE FACILITIES EXPENSE	6410															
23	CWF EXP - UNDISTRIBUTED			1,224,002	LN 6	0	414,710	0	62,319	251,280	0	17,340	0	0	41,657	436,696	0
24a	CWF EXP - SS7 LEASE			0	LN 6+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
24b	CWF EXP - DIRECT ASSIGNED			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
25	TOTAL CWF EXPENSE			1,224,002		0	414,710	0	62,319	251,280	0	17,340	0	0	41,657	436,696	0
26	% DISTRIBUTION			100.0000%		0.0000%	33.8815%	0.0000%	5.0914%	20.5293%	0.0000%	1.4166%	0.0000%	0.0000%	3.4033%	35.6777%	0.0000%
27	TOTAL PLANT SPECIFIC EXPENSE			2,195,080		0	890,219	0	127,018	368,893	0	26,117	0	0	44,344	738,489	0
28	% DISTRIBUTION			100.0000%		0.0000%	40.5552%	0.0000%	5.7865%	16.8054%	0.0000%	1.1898%	0.0000%	0.0000%	2.0202%	33.6429%	0.0000%
29	PLANT SPECIFIC EXP EXCLUDING GSF			2,070,187		0	840,361	0	119,873	347,462	0	24,604	0	0	41,657	696,230	0
30	% DISTRIBUTION			100.0000%		0.0000%	40.5935%	0.0000%	5.7905%	16.7841%	0.0000%	1.1885%	0.0000%	0.0000%	2.0122%	33.6313%	0.0000%

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PLANT NONSPECIFIC OPERATIONS EXPENSE SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
1	TELEPHONE PLANT IN SERVICE	2001		100.0000%	S-2,LN 10	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
2	CAPITAL LEASES	2681		0.0000%	S-7,LN 6	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
3	LEASEHOLD IMPROVEMENTS	2682		0.0000%	S-7,LN 7	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
4	TANGIBLE PROPERTY	2680		0.0000%	S-3,LN 30	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
5	INTANGIBLE PROPERTY	2690		0.0000%	S-3,LN 37	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
6	TELEPHONE PLANT ADJUSTMENT	2005		0.0000%	S-7,LN 10	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
7	COE, IOT AND C&WF			100.0000%	S-3,LN 7	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
	OTHER PROPERTY PLANT & EQUIP EXP.																
8	UNDISTRIBUTED	6510		0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
9	PROPERTY HELD FOR FUTURE USE	6511		0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
10	MATERIALS & SUPPLIES PROVISIONING	6512		0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
11	TOTAL OTHER PROP PLANT & EQUIP EXP.			0		0	0	0	0	0	0	0	0	0	0	0	0
12	% DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
13	NETWORK OPERATIONS EXPENSE	6530		117,095	LN 7+DIRECT	0	46,745	0	6,698	20,093	0	1,418	0	0	2,519	39,621	0
14a	ACCESS CHARGE EXPENSE	6540	1.0	0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	
14b	FEDERAL SUPPORT CHARGES	6540	2.0	33,420	DIRECT	0	33,420	0	0	0	0	0	0	0	0	0	
	DEPRECIATION EXPENSE	6560															
15	GENERAL SUPPORT			60,210	S-3,LN 11	0	24,036	0	3,444	10,332	0	729	0	0	1,296	20,373	0
16	CENTRAL OFFICE SWITCHING EQUIPMENT			491,538	S-4,LN 53	0	417,807	0	0	0	0	0	0	0	0	73,731	0
17	OPERATOR SYSTEMS EQUIPMENT			0	S-4,LN 42	0	0	0	0	0	0	0	0	0	0	0	0
18	CENTRAL OFFICE TRANSMISSION			509,166	S-4,LN 79	0	148,274	0	55,772	93,204	0	7,040	0	0	0	204,876	0
19	UNDISTRIBUTED COE			0	S-4,LN 81	0	0	0	0	0	0	0	0	0	0	0	0
20	INFORMATION ORIG/TERM			0	S-5,LN 18	0	0	0	0	0	0	0	0	0	0	0	0
21	CABLE AND WIRE FACILITIES			906,701	S-5,LN 43	0	307,204	0	46,164	186,140	0	12,845	0	0	30,858	323,490	0
22	TOTAL DEP EXP - PLANT IN SERVICE			1,967,615		0	897,322	0	105,381	289,676	0	20,614	0	0	32,154	622,469	0
23	PROPERTY HELD FOR FUTURE USE			0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
24	TOTAL DEPRECIATION EXPENSE			1,967,615		0	897,322	0	105,381	289,676	0	20,614	0	0	32,154	622,469	0
25	% DISTRIBUTION			100.0000%		0.0000%	45.6045%	0.0000%	5.3558%	14.7222%	0.0000%	1.0477%	0.0000%	0.0000%	1.6341%	31.6357%	0.0000%
	AMORTIZATION EXPENSE																
26	CAPITAL LEASE	6563		0	LN 2+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
27	LEASEHOLD IMPROVEMENTS	6563		0	LN 3+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
28	UNDISTRIBUTED	6563		0	LN 4+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
29	INTANGIBLE ASSETS	6564		0	LN 5+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
30	OTHER - TPAA	6565		0	LN 6+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
31	TOTAL AMORTIZATION EXPENSE			0		0	0	0	0	0	0	0	0	0	0	0	0
32	% DISTRIBUTION			0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
	RENT REVENUES																
33	GEN SUPPORT ASSETS	5240		0	S-3,LN 11+DIR	0	0	0	0	0	0	0	0	0	0	0	0
34	CENTRAL OFFICE SWITCHING	5240		0	S-4,LN 53+DIR	0	0	0	0	0	0	0	0	0	0	0	0
35	CENTRAL OFFICE TRANSMISSION	5240		0	S-4,LN 79+DIR	0	0	0	0	0	0	0	0	0	0	0	0
36	CABLE & WIRE FACILITIES	5240		0	S-5,LN 43+DIR	0	0	0	0	0	0	0	0	0	0	0	0
37	UNBUNDLED INTERCONNECTION:																
38	- UNBUNDLED LOOP	5240		0	S-5,LN 1+DIR	0	0	0	0	0	0	0	0	0	0	0	0
39	- OPERATOR SYSTEMS	5240		0	S-4,LN 42+DIR	0	0			0	0				0	0	0
40	- TANDEM SWITCHING	5240		0	S-4,LN 47+DIR	0	0			0	0				0	0	0
41	- LOCAL SWITCHING	5240		0	S-4,LN 51+DIR	0	0			0	0				0	0	0
42	- TRANSPORT TERMINATION	5240		0	AL-1,LN 6+DIR	0	0	0	0	0	0	0	0	0	0	0	0
43	- TRANSPORT FACILITY	5240		0	AL-1,LN 8+DIR	0	0	0	0	0	0	0	0	0	0	0	0
44	- SS7/800 DATABASE	5240		0	S-4,Ln 13	0	0			0	0				0	0	0
45	- OSS	5240		0	S-11,LN 45+DIR	0	0	0	0	0	0	0	0	0	0	0	0
46	MISCELLANEOUS RENT REVENUE	5240		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
47	TOTAL RENT REVENUES			0		0	0	0	0	0	0	0	0	0	0	0	0

CUSTOMER OPERATIONS EXPENSE SEPARATIONS

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LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
1	SWS - OPERATOR SERVICES EXCL DA			100.0000%	INPUT	0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	100.0000%	0.0000%
2	SWS - DIRECTORY ASSISTANCE BOARDS			0.0000%	INPUT	0.0000%	0.0000%			0.0000%	0.0000%				0.0000%	0.0000%	
3	SUBSCRIBER LINE USE (SLU)			100.0000%	INPUT	0.0000%	28.1060%			7.3100%	0.0000%				0.0000%	64.5840%	
4	END USER BILLED REVENUE INCL CCL			100.0000%	INPUT	0.0000%	31.9082%	0.0000%	0.0000%	20.0103%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	48.0815%	0.0000%
5	IX CARRIER BILLED REVENUE			100.0000%	INPUT	0.0000%	50.0000%	0.0000%	0.0000%	50.0000%	0.0000%	0.0000%	0.0000%				
6	PUBLIC INTEREST PAYSTATION REVENUE			100.0000%	INPUT	0.0000%	0.0000%			0.0000%	100.0000%				0.0000%	0.0000%	
7	BUSINESS OFFICE CONTACTS			100.0000%	INPUT	0.0000%	44.5757%	0.0000%	0.0000%	5.2275%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	50.1968%	0.0000%
8	BILLING INQUIRY CONTACTS			100.0000%	INPUT	0.0000%	31.9077%	0.0000%	0.0000%	20.0119%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	48.0804%	0.0000%
9	IX CARRIER SVC ORDER CONTACTS			100.0000%	INPUT	0.0000%	50.0000%	0.0000%	0.0000%	50.0000%	0.0000%	0.0000%	0.0000%				
10	IX CARRIER BILLING INQUIRY CONTACTS			100.0000%	INPUT	0.0000%	50.0000%	0.0000%	0.0000%	50.0000%	0.0000%	0.0000%	0.0000%				
11	CARRIER ACCESS BILLING FACTOR			100.0000%	INPUT	0.0000%	50.0000%	0.0000%	0.0000%	50.0000%	0.0000%	0.0000%	0.0000%				
	CUSTOMER OPERATIONS EXPENSES																
12	MARKETING	6610		0	INPUT	0	0	0	0	0	0	0	0	0	0	0	0
13	TELEPHONE OPERATOR SERVICES																
14	- CALL COMPLETION INCL DA	6621		0	LN 1+DIRECT	0	0			0	0				0	0	0
15	- OPERATOR SERV. UNDER CONTRACT			0	DIRECT	0	0			0	0				0	0	0
16	PUBLISHED DIRECTORY LISTINGS	6622														0	
17	- CLASSIFIED			0	DIRECT									0			
18	- TWX			0	DIRECT										0	0	
19	- ALPHA			0	LN 3	0	0			0	0				0	0	
20	- FOREIGN			0	DIRECT	0	0			0	0				0	0	
21	SUBTOTAL			0		0	0	0	0	0	0	0	0	0	0	0	
22	LOCAL BUSINESS OFFICE	6623	1.0														
23	- END USER SVC ORDER PROCESSING		1.1														
24	- PRESUBSCRIPTION		1.11	0	DIRECT		0										
25	- OTHER		1.12	94,449	LN 7	0	42,101	0	0	4,937	0	0	0	0	0	47,410	0
26	- END USER PAYMENT & COLLECTION		1.2	43,050	LN 4	0	15,332	0	0	9,615	0	0	0	0	0	23,103	0
27	- END USER BILLING INQUIRY		1.3	28,605	LN 8	0	9,127	0	0	5,724	0	0	0	0	0	13,753	0
28	- IX CARRIER SVC ORDER PROCESSING		1.4	418	LN 9	0	209	0	0	209	0	0	0	0	0	0	
29	- IX CARRIER PAYMENT & COLLECTION		1.5	2,583	LN 5	0	1,292	0	0	1,292	0	0	0	0	0	0	
30	- IX CARRIER BILLING INQUIRY		1.6	1,143	LN 10	0	572	0	0	572	0	0	0	0	0	0	
31	- COIN COLLECT AND ADMIN - PUB INT		1.7	0	LN 6+DIR	0	0			0	0			0	0	0	0
32	SUBTOTAL LOCAL BUSINESS OFFICE			175,248		0	68,632	0	0	22,349	0	0	0	0	0	84,267	0
33	CUSTOMER SERVICES (REV ACCTG)	6623	2.0														
34	- MESSAGE PROCESSING		2.1												0	0	
35	- TOLL TICKET PROCESSING		2.11	37,421	AL-1,LN16+DIR	0	16,054			21,367	0				0	0	0
36	- LOCAL MESSAGE PROCESSING		2.12	0	DIRECT										0	15,168	0
37	- OTHER BILLING & COLLECTION		2.2	45,503	DIRECT	0	15,168	0	0	15,168	0	0	0	0			
38	- END USER COMMON LINE		2.3	4,132	DIRECT	0	4,132			0	0						
39	- CARRIER ACCESS BILLING (CABS)		2.4	12,553	LN 11	0	6,277	0	0	6,277	0	0	0				
40	SUBTOTAL CUSTOMER SERVICES			99,609		0	41,630	0	0	42,812	0	0	0	0	0	15,168	0
41	TOTAL CAT 1 AND CAT 2			274,857	LN 32+LN 40	0	110,262	0	0	65,160	0	0	0	0	0	99,435	0
42	% DISTRIBUTION			100.0000%		0.0000%	40.1162%	0.0000%	0.0000%	23.7070%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	36.1768%	0.0000%
43	ALL OTHER CUSTOMER SERVICE	6623	3.0	3,422	LN 42+DIRECT	0	3,422	0	0	0	0	0	0	0	0	0	0
44	TOTAL SERVICES EXPENSE			278,279		0	113,684	0	0	65,160	0	0	0	0	0	99,435	0
45	% DISTRIBUTION			100.0000%		0.0000%	40.8526%	0.0000%	0.0000%	23.4154%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	35.7320%	0.0000%
46	TOTAL CUSTOMER OPERATIONS EXP.			278,279	LN 12+LN 44	0	113,684	0	0	65,160	0	0	0	0	0	99,435	0
47	% DISTRIBUTION			100.0000%		0.0000%	40.8526%	0.0000%	0.0000%	23.4154%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	35.7320%	0.0000%

OTHER OPERATING EXPENSE AND TAX SEPARATIONS

LN	DESCRIPTION	A/C	CAT	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
	SEPARATION FACTORS																
1	BIG THREE EXPENSES			100.0000%	S-3,LN 3	0.0000%	40.5908%	0.0000%	5.1336%	17.5504%	0.0000%	1.0555%	0.0000%	0.0000%	1.7917%	33.8781%	0.0000%
2	TELEPHONE PLANT IN SERVICE	2001		100.0000%	S-2,LN 10	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
3	PLANT UNDER CONSTRUCTION	2003		100.0000%	S-6,LN 15	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
4	CAPITAL LEASES	2680		0.0000%	S-3,LN 21	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
5	EQUAL ACCESS INVESTMENT			0.0000%	S-6,LN 3	0.0000%	0.0000%			0.0000%	0.0000%			0.0000%	0.0000%	0.0000%	
6	NET TELEPHONE PLANT EXCL 4040,4310			100.0000%	S-2,LN 29	0.0000%	36.8419%	0.0000%	6.0266%	18.3963%	0.0000%	1.2967%	0.0000%	0.0000%	2.3570%	35.0815%	
	CORPORATE OPERATIONS EXPENSE																
7	EXECUTIVE AND PLANNING	6710															
8	DIRECT ASSIGNED			0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
9	OTHER			416,850	LN 1	0	169,203	0	21,399	73,159	0	4,400	0	0	7,469	141,221	0
10	GENERAL & ADMINISTRATIVE	6720															
11	DIRECT ASSIGNED			51,774	DIRECT	0	51,774	0	0	0	0	0	0	0	0	0	0
12	OTHER			617,907	LN 1	0	250,813	0	31,721	108,445	0	6,522	0	0	11,071	209,335	0
13	TOTAL CORPORATE OPERATIONS EXP			1,086,531		0	471,790	0	53,120	181,604	0	10,921	0	0	18,540	350,556	0
14	% DISTRIBUTION			100.0000%		0.0000%	43.4217%	0.0000%	4.8890%	16.7141%	0.0000%	1.0052%	0.0000%	0.0000%	1.7064%	32.2638%	0.0000%
15	EQUAL ACCESS EXPENSE			0	LN 5+DIRECT	0	0			0	0			0	0	0	
	INTEREST AND RELATED ITEMS	7500															
16	CAPITAL LEASES			0	LN 4+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
17	CUSTOMER DEPOSITS			109	LN 6+DIRECT	0	40	0	7	20	0	1	0	0	3	38	0
18	OTHER FIXED CHARGES - OPERATING		100.00%	235,396	LN 6	0	86,724	0	14,186	43,304	0	3,052	0	0	5,548	82,581	
19	OTHER FIXED CHARGES - NON OPERATING		0.00%	0	DIRECT												0
20	TOTAL		100.00%	235,505		0	86,765	0	14,193	43,324	0	3,054	0	0	5,551	82,619	0
	BASIS FOR ACTUAL INCOME TAX ALLOC.																
21	TOTAL OPERATING REVENUES			0	RECORDS	0	0	0	0	0	0	0	0	0	0	0	
22	LESS: OPERATING EXPENSE AND TAX			5,830,140	VARIOUS	0	2,514,488	0	300,853	951,373	0	60,899	0	0	100,804	1,901,722	
23	: INTEREST - CAPITAL LEASE			0	LN 16	0	0	0	0	0	0	0	0	0	0	0	
24	: OPERATING FIXED CHARGES			235,396	LN 17	0	86,724	0	14,186	43,304	0	3,052	0	0	5,548	82,581	
25a	: OTHER INCOME ADJ BASED ON PLANT			0	LN 2+DIRECT	0	0	0	0	0	0	0	0	0	0	0	
25b	: OTHER INCOME ADJ BASED ON EXP			0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	
26a	: SCH 'M' ADJ BASED ON PLANT			0	LN 2+DIRECT	0	0	0	0	0	0	0	0	0	0	0	
26b	: SCH 'M' ADJ BASED ON EXP			0	LN 1+DIRECT	0	0	0	0	0	0	0	0	0	0	0	
27	NET TAXABLE INCOME			-6,065,536		0	-2,601,213	0	-315,040	-994,678	0	-63,952	0	0	-106,352	-1,984,302	
28	% DISTRIBUTION			-100.0000%		0.0000%	-42.8851%	0.0000%	-5.1939%	-16.3988%	0.0000%	-1.0543%	0.0000%	0.0000%	-1.7534%	-32.7144%	
	OPERATING TAXES																
29	FEDERAL ITC AMORTIZATION	7210		0	LN 2+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
30	STATE ITC AMORTIZATION	7210		0	LN 2+DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
31	OPERATING FEDERAL INCOME TAX	7220		649,457	LN 28	0	278,520	0	33,732	106,503	0	6,848	0	0	11,387	212,466	
32	OPERATING STATE & LOCAL INC. TAX	7230		220,298	LN 28	0	94,475	0	11,442	36,126	0	2,323	0	0	3,863	72,069	
33	OPERATING TAXES - OTHER	7240		150,016	LN 2+DIRECT	0	60,402	0	8,532	25,595	0	1,807	0	0	3,209	50,470	0
34	OPERATING TAXES - DIRECT ASSIGN	7243		0	DIRECT	0	0	0	0	0	0	0	0	0	0	0	0
35	TOTAL OPERATING TAXES			1,019,771		0	433,398	0	53,707	168,225	0	10,977	0	0	18,459	335,005	0

DEVELOPMENT OF ALLOCATION RATIOS

LN	ALLOCATION RATIOS	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
1	ALLOCATED LOOPS - COE	4,923	SPF	0	1,207	0	54	1,207	0	43	0	0	0	2,413	0
2	PERCENT DISTRIBUTION	100.0000%		0.0000%	24.5074%	0.0000%	1.0969%	24.5074%	0.0000%	0.8735%	0.0000%	0.0000%	0.0000%	49.0148%	0.0000%
3	ALLOCATED LOOPS - CWF	4,923	SPF	0	1,207	0	54	1,207	0	43	0	0	0	2,413	0
4	PERCENT DISTRIBUTION	100.0000%		0.0000%	24.5074%	0.0000%	1.0969%	24.5074%	0.0000%	0.8735%	0.0000%	0.0000%	0.0000%	49.0148%	0.0000%
5	ALLOCATED CIRCUIT TERM - COE	512	TOLL MOU	0	366	0	30	96	0	20	0	XXX	0	0	0
6	PERCENT DISTRIBUTION	100.0000%		0.0000%	71.4945%	0.0000%	5.8594%	18.7399%	0.0000%	3.9063%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
7	ALLOCATED CIRCUIT MILES - CWF	7907.50	CMM	0.00	6254.37	0.00	243.00	1196.63	0.00	213.50	0.00	XXX	0.00	0.00	0.00
8	PERCENT DISTRIBUTION	100.0000%		0.0000%	79.0941%	0.0000%	3.0730%	15.1329%	0.0000%	2.7000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
9	ALLOCATED EXCH WIDEBAND LOOPS	0	WB MOU	0	0	0	0	0	0	0	0	0	0	0	0
10	PERCENT DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
11	ALLOC EXCH WIDEBAND CHAN (MOU's)	0	WB MOU	0	0	0	0	0	0	0	0	0	0	0	0
12	PERCENT DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
13	ALLOC IX WIDEBAND CHAN (MOU MILES)	0	WB MOU MI	0	0	0	0	0	0	0	0	0	0	0	0
14	PERCENT DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
15	ALLOCATED TOLL MESSAGES (SP + RC)	1,000	DIRECT	0	429			571	0					0	
16	PERCENT DISTRIBUTION	100.0000%		0.0000%	42.9000%			57.1000%	0.0000%					0.0000%	
17	RESERVED FOR FUTURE USE	0		0	0	0	0	0	0	0	0	0	0	0	0
18	PERCENT DISTRIBUTION	0.0000%		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%

CASH WORKING CAPITAL WORKSHEET

LN	DESCRIPTION	TOTAL COMPANY	ALLOCATION BASIS	INTERSTATE MESSAGE TOLL INTRALATA	INTERSTATE MESSAGE TOLL INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE TOLL INTRALATA	INTRASTATE MESSAGE TOLL INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE
1	PLANT SPECIFIC EXPENSES	2,195,080	S-9,LN 27	0	890,219	0	127,018	368,893	0	26,117	0	0	44,344	733,489
2	PLANT NON SPECIFIC EXP EXCL DEP & AMORT	150,515	VARIOUS	0	80,165	0	6,698	20,093	0	1,418	0	0	2,519	39,621
3	CUSTOMER OPERATIONS EXP - MARKETING	0	S-11,LN 12	0	0	0	0	0	0	0	0	0	0	0
4	CUSTOMER OPERATIONS EXP - SERVICES	278,279	S-11,LN 44	0	113,684	0	0	65,160	0	0	0	0	0	99,435
5	CORPORATE OPERATIONS EXPENSE	1,086,531	S-12,LN 13	0	471,790	0	53,120	181,604	0	10,921	0	0	18,540	350,556
6	EQUAL ACCESS EXPENSE	0	S-12,LN 15	0	0	0	0	0	0	0	0	0	0	0
7	OTHER EXPENSE - CONTRIBUTIONS	1,995	S-12,LN 14	0	866	0	98	333	0	20	0	0	34	644
8	INTEREST ON CUSTOMER DEPOSITS	109	S-12,LN 17	0	40	0	7	20	0	1	0	0	3	38
9	FEDERAL INCOME TAX (ACTUAL)	649,457	S-12,LN 31	0	278,520	0	33,732	106,503	0	6,848	0	0	11,387	212,466
10	STATE INCOME TAX (ACTUAL)	220,298	S-12,LN 32	0	94,475	0	11,442	36,126	0	2,323	0	0	3,863	72,069
11	OTHER OPERATING TAX	150,016	S-12,LN 33	0	60,402	0	8,532	25,595	0	1,807	0	0	3,209	50,470
12	OTHER OPERATING TAX - DIRECT ASSIGN	0	S-12,LN 34	0	0	0	0	0	0	0	0	0	0	0
13	GROSS RECEIPTS TAX (ACTUAL)	0	RECORDS	0	0	0	0	0	0	0	0	0	0	0
14	INTEREST ON CAPITAL LEASES	0	S-12,LN 16	0	0	0	0	0	0	0	0	0	0	0
15	OTHER FIXED CHARGES - OPERATING	235,390	S-12,LN 18	0	86,724	0	14,186	43,304	0	3,052	0	0	5,548	82,581
16	TOTAL CASH WORKING CAPITAL EXPENSES	4,967,676		0	2,076,886	0	254,834	847,632	0	52,508	0	0	89,448	1,646,368
17	CASH WORKING CAPITAL RATIO		RECORDS	0.07874	0.07874	0.07874	0.07874	0.07874	0.07874	0.07874	0.07874	0.07874	0.07874	0.07874
18	CASH WORKING CAPITAL	391,153		0	163,533	0	20,066	66,742	0	4,134	0	0	7,043	129,635
19	MINIMUM BANK BALANCE	0	/LN 16	0	0	0	0	0	0	0	0	0	0	0
20	WORKING CASH ADVANCES	150	/LN 16	0	63	0	8	26	0	2	0	0	3	50
21	TOTAL CASH WORKING CAPITAL	391,303		0	163,596	0	20,073	66,768	0	4,136	0	0	7,046	129,684

ALLOCATION RATIOS	A/C #	TOTAL	INTERSTATE MESSAGE INTRALATA	INTERSTATE MESSAGE INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE INTRALATA	INTRASTATE MESSAGE INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
NET INVESTMENT SUMMARY														
GENERAL SUPPORT FACILITIES	2110	100.0000%	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
CENTRAL OFFICE SWITCHING EQUIP	2210	100.0000%	0.0000%	85.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	15.0000%	0.0000%
OPERATOR SYSTEMS EQUIPMENT	2220	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CENTRAL OFFICE TRANSMISSION EQUIP	2230	100.0000%	0.0000%	29.1210%	0.0000%	10.9536%	18.3053%	0.0000%	1.3826%	0.0000%	0.0000%	0.0000%	40.2375%	0.0000%
INFORMATION ORIG/TERM EQUIPMENT	2310	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CABLE AND WIRE FACILITIES	2410	100.0000%	0.0000%	33.8815%	0.0000%	5.0914%	20.5293%	0.0000%	1.4166%	0.0000%	0.0000%	3.4033%	35.6777%	0.0000%
TANGIBLE ASSETS	2680	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
INTANGIBLE ASSETS	2690	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TOTAL PLANT IN SERVICE A/C 2001		100.0000%	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
PROPERTY HELD FOR FUTURE USE	2002	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
PLANT UNDER CONSTRUCTION	2003	100.0000%	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
RESERVED FOR FUTURE USE	2004	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TELEPHONE PLANT ADJUSTMENT	2005	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
NONOPERATING PLANT	2006	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
GOODWILL	2007	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TOTAL PROPERTY, PLANT & EQUIP		100.0000%	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
ACCUM DEPR-PLANT IN SERVICE	3100	100.0000%	0.0000%	42.1258%	0.0000%	5.5011%	16.2736%	0.0000%	1.1503%	0.0000%	0.0000%	2.0046%	32.9446%	0.0000%
ACCUM DEPRECIATION - FUTURE USE	3200	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
ACCUM AMORT-TANGIBLE PROPERTY	3400	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
ACCUM AMORT-INTANGIBLE PROPERTY	3500	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
ACCUM AMORT-TEL PLANT ADJ	3600	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
NONCURRENT DEFERRED INC TAX - NET	4340	100.0000%	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
OTHER DEFERRED CREDITS - NET	4370	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CUSTOMER DEPOSITS		100.0000%	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
NET TELEPHONE PLANT		100.0000%	0.0000%	36.8404%	0.0000%	6.0267%	18.3969%	0.0000%	1.2968%	0.0000%	0.0000%	2.3571%	35.0821%	0.0000%
MATERIALS AND SUPPLIES	1220	100.0000%	0.0000%	33.8815%	0.0000%	5.0914%	20.5293%	0.0000%	1.4166%	0.0000%	0.0000%	3.4033%	35.6777%	0.0000%
INVESTMENT IN NONAFFILIATED CO'S	1402	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
EQUAL ACCESS EQUIPMENT	1439	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
OTHER JURISDICTIONAL ASSETS	1500	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CASH WORKING CAPITAL	XXXX	100.0000%	0.0000%	41.8080%	0.0000%	5.1298%	17.0629%	0.0000%	1.0570%	0.0000%	0.0000%	1.8006%	33.1416%	0.0000%
NET TEL PLANT, M&S AND CWC		100.0000%	0.0000%	36.9547%	0.0000%	5.9898%	18.3811%	0.0000%	1.2910%	0.0000%	0.0000%	2.3522%	35.0313%	0.0000%

ALLOCATION RATIOS	A/C #	TOTAL	INTERSTATE MESSAGE INTRALATA	INTERSTATE MESSAGE INTERLATA	INTERSTATE SPECIAL ACCESS INTRALATA	INTERSTATE SPECIAL ACCESS INTERLATA	INTRASTATE MESSAGE INTRALATA	INTRASTATE MESSAGE INTERLATA	INTRASTATE SPECIAL ACCESS INTRALATA	INTRASTATE SPECIAL ACCESS INTERLATA	EXCHANGE PVT LINE	EAS	EXCHANGE MESSAGE	OTHER
OPERATING EXP AND TAX SUMMARY														
NETWORK SUPPORT EXPENSE	6110	100.0000%	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
GENERAL SUPPORT EXPENSE	6120	100.0000%	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
CENTRAL OFFICE EXPENSE	6210	100.0000%	0.0000%	50.3023%	0.0000%	6.8016%	11.3666%	0.0000%	0.8585%	0.0000%	0.0000%	0.0000%	30.6711%	0.0000%
INFORMATION ORIG/TERM EXPENSE	6310	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
CABLE AND WIRE FACILITIES EXPENSE	6410	100.0000%	0.0000%	33.8815%	0.0000%	5.0914%	20.5293%	0.0000%	1.4166%	0.0000%	0.0000%	3.4033%	35.6777%	0.0000%
OTHER PLANT EXPENSE	6510	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
NETWORK OPERATIONS EXPENSE	6530	100.0000%	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
ACCESS CHARGE EXPENSE	6540	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
FEDERAL SUPPORT EXPENSE	6540	100.0000%	0.0000%	100.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
MARKETING EXPENSE	6510	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
SERVICES EXPENSE	6620	100.0000%	0.0000%	40.8526%	0.0000%	0.0000%	23.4154%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	35.7320%	0.0000%
EXECUTIVE AND PLANNING EXPENSE	6710	100.0000%	0.0000%	40.5908%	0.0000%	5.1336%	17.5504%	0.0000%	1.0555%	0.0000%	0.0000%	1.7917%	33.8781%	0.0000%
GENERAL AND ADMINISTRATIVE EXP	6720	100.0000%	0.0000%	45.1838%	0.0000%	4.7367%	16.1935%	0.0000%	0.9739%	0.0000%	0.0000%	1.6532%	31.2589%	0.0000%
SUBTOTAL OPERATING EXPENSES		100.0000%	0.0000%	41.9323%	0.0000%	5.0355%	17.1342%	0.0000%	1.0365%	0.0000%	0.0000%	1.7627%	33.0988%	0.0000%
DEPRECIATION AND AMORTIZATION	6560	100.0000%	0.0000%	45.6045%	0.0000%	5.3558%	14.7222%	0.0000%	1.0477%	0.0000%	0.0000%	1.6341%	31.6357%	0.0000%
OTHER OPERATING TAX	7240	100.0000%	0.0000%	40.2639%	0.0000%	5.6877%	17.0615%	0.0000%	1.2045%	0.0000%	0.0000%	2.1394%	33.6431%	0.0000%
EQUAL ACCESS EXPENSE		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
INTEREST ON CUSTOMER DEPOSITS	7500	100.0000%	0.0000%	36.8419%	0.0000%	6.0266%	18.3963%	0.0000%	1.2967%	0.0000%	0.0000%	2.3570%	35.0815%	0.0000%
RENT REVENUE - ACCESS	5240	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TOTAL OPERATING EXPENSE AND TAX		100.0000%	0.0000%	43.1290%	0.0000%	5.1604%	16.3181%	0.0000%	1.0446%	0.0000%	0.0000%	1.7290%	32.6189%	0.0000%
NON OPERATING EXPENSE	7370													
ABANDONED CONSTRUCTION		100.0000%	0.0000%	39.9207%	0.0000%	5.7204%	17.1595%	0.0000%	1.2114%	0.0000%	0.0000%	2.1517%	33.8364%	0.0000%
CONTRIBUTIONS		100.0000%	0.0000%	43.4217%	0.0000%	4.8890%	16.7141%	0.0000%	1.0052%	0.0000%	0.0000%	1.7064%	32.2638%	0.0000%
OTHER NON OPERATING EXPENSE		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TOTAL NON OPERATING EXPENSE		100.0000%	0.0000%	43.4217%	0.0000%	4.8890%	16.7141%	0.0000%	1.0052%	0.0000%	0.0000%	1.7064%	32.2638%	0.0000%
UNCOLLECTIBLES														
END USER MSG TOLLS	5310	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
END USER COMMON LINE	5320	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
IX CARRIER	5330	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
TOTAL UNCOLLECTIBLES		0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
ALLOW FOR FUNDS USED DURING CONSTR	7340	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
OTHER INCOME ADJUSTMENTS	XXXX	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%