

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING DECEMBER 31, 2008**

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IDAHO PUBLIC UTILITIES COMMISSION

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: We are a Subchapter S Corporation

Name and address of controlling company, if any: _____

Names of affiliated companies. Give address and description of business: _____

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	12	3600
Richard L. Redman	NA	12	3600
Darla Redman	NA	12	3600
Barry Redman	NA	12	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	Confidential
Richard L. Redman	Vice-President	Confidential
Mike Dolezal	General Manager	Confidential

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	1803160	1713228	-89932
1130 Cash			
1140 Special Cash Deposits			
1150 Working Cash Advances			
1160 Temporary Investments			
1180 Telecommunications Accts. Receivable	621941	482148	-139793
1181 Accts. Rec. Allow. -Telecommunications	-168437	-23593	144844
1190 Other Accounts Receivable	1225999	1013726	-212273
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable			
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	330639	172233	-158406
1280 Prepayments	123002	4455	-118547
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			0
1402 Investment in Nonaffiliated Companies	2222965	2455335	232370
1406 Nonregulated Investments	2523557	1234678	-1288879
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets			
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges	953094	464695	-488399
1500 Other Jurisdiction Assets - Net			
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	35670597	34303783	-1366814
2002 Prop. Held for Future Telecom. Use			
2003 Telecom. Plant under Constr. - Short Term	255050	64906	-190144
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	-24150930	-22588508	1562422
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	-4324455	-2870457
3600 Accumulated Amortization - Other			
TOTAL ASSETS	24281094	19297086	-4984008

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	289973	450895	160922
4020 Notes Payable			
4030 Advance Billings and Payments	201798	276800	75002
4040 Customer Deposits	9201	8425	-776
4050 Current Maturities - Long -Term Debt	1217726	1149373	-68353
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued			0
4080 Other Taxes - Accrued	65269	585	-64684
4100 Net Current Defer. Oper. Income Taxes			
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities			
4130 Other Current Liabilities	446433	505163	58730
Long-Term Debt			
4210 Funded Debt	8521905	8002994	-518911
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	1195143	2126542	931399
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	12293446	6736109	-5557337
TOTAL LIAB. & OTHER CREDITS	24281094	19297086	-4984008

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	106547				106547
2112 Motor Vehicles	154785		89101		65684
2113 Aircraft	242121				242121
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment	456555	12071	155685		312941
2121 Buildings	1331411	158683			1490094
2122 Furniture	149389	423			149812
2123 Office Equipment	6813	237			7050
2124 General Purpose Computers	216212	25506			241718
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	7289068	29691	3262669	134	4056224
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	59928	87691		2363	149982
2232 Circuit Equipment	7132889	973264	35410	12015	8082758
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment	14618				14618
2362 Other Terminal Equipment	32439				32439
2411 Poles	100677				100677
2421 Aerial Cable	333432				333432
2422 Underground Cable	544543	198508		2171	745222
2423 Buried Cable	17436683	891351	228455	10398	18109977
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	35670597	2377425	3771320	27081	34303783

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS
IDAHO Operations Only

Analysis of Telecommunications Plant in Service

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
2111 Land	106547				106547
2112 Motor Vehicles	154785		89101		65684
2113 Aircraft	242121				242121
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment	456555	12071	155685		312941
2121 Buildings	1331411	158683			1490094
2122 Furniture	149389	423			149812
2123 Office Equipment	6813	237			7050
2124 General Purpose Computers	216212	25506			241718
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	7289068	29691	3262669	134	4056224
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	57652	87691		2363	147706
2232 Circuit Equipment	7132889	973264	35410	12015	8082758
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment	14618				14618
2362 Other Terminal Equipment	32439				32439
2411 Poles	100677				100677
2421 Aerial Cable	333432				333432
2422 Underground Cable	544543	198508		2171	745222
2423 Buried Cable	17389046	891351	228455	10398	18062340
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	35620684	2377425	3771320	27081	34253870

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	154785	25.00%	0	36600	118185
2113 Aircraft	242121	10.00%	0	0	242121
2114 Special Purpose Vehicles	456555	12.50%	4545	115367	345733
2115 Garage Work Equipment			0	0	
2116 Other Work Equipment			0		
2121 Buildings	600806	3.00%	41862	0	642668
2122 Furniture	105135	12.50%	18674	0	123809
2123 Office Equipment	2664	20.00%	1398	0	4062
2124 General Purpose Computers	213637	20.00%	28081	0	241718
2211 Analog Electronic Switching	0	12.50%	0	0	0
2212 Digital Electronic Switching	5561608	12.50%	265503	3262488	2564623
2215 Electro-Mechanical Switching			0	0	
2220 Operator Systems			0	0	
2231 Radio Systems	47100	20.00%	11530	0	58630
2232 Circuit Equipment	4648850	10.00%	713508	35410	5326948
2311 Station Apparatus			0	0	
2321 Customer Premises Wiring			0	0	
2341 Large Private Branch Exchanges			0	0	
2351 Public Telephone Terminal Equipment	14619	23.00%	0	0	14619
2362 Other Terminal Equipment	32440	20.00%	0	0	32440
2411 Poles	101306	7.50%	0	0	101306
2421 Aerial Cable	245245	8.60%	28675	0	273920
2422 Underground Cable	248347	6.50%	35461	0	283808
2423 Buried Cable	11413225	6.50%	976333	228455	12161103
2424 Submarine Cable			0	0	
2426 Intrabuilding Network Cable	19327	20.00%	0	0	19327
2431 Aerial Wire	43160	14.60%	0	0	43160
2441 Conduit Systems			0	0	
TOTAL	24150930		2125570	3678320	22598180

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

IDAHO Operations Only

Analysis of Entries in Accumulated Depreciation

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
2112 Motor Vehicles	154785	25.00%	0	36600	118185
2113 Aircraft	242121	10.00%	0	0	242121
2114 Special Purpose Vehicles	456555	12.50%	4545	115367	345733
2115 Garage Work Equipment			0	0	
2116 Other Work Equipment		12.50%	0		
2121 Buildings	600806	3.00%	41862	0	642668
2122 Furniture	105135	12.50%	18674	0	123809
2123 Office Equipment	2664	20.00%	1398	0	4062
2124 General Purpose Computers	213637	20.00%	28081	0	241718
2211 Analog Electronic Switching	0	12.50%	0	0	0
2212 Digital Electronic Switching	5561608	12.50%	265503	3262488	2564623
2215 Electro-Mechanical Switching			0	0	
2220 Operator Systems			0	0	
2231 Radio Systems	44824	20.00%	11530	0	56354
2232 Circuit Equipment	4648850	10.00%	713508	35410	5326948
2311 Station Apparatus			0	0	
2321 Customer Premises Wiring			0	0	
2341 Large Private Branch Exchanges			0	0	
2351 Public Telephone Terminal Equipment	14619	23.00%	0	0	14619
2362 Other Terminal Equipment	32440	20.00%	0	0	32440
2411 Poles	101306	7.50%	0	0	101306
2421 Aerial Cable	245245	8.60%	28675	0	273920
2422 Underground Cable	248347	6.50%	35461	0	283808
2423 Buried Cable	11370285	6.50%	973021	228455	12114851
2424 Submarine Cable			0	0	
2426 Intrabuilding Network Cable	19327	20.00%	0	0	19327
2431 Aerial Wire	43160	14.60%	0	0	43160
2441 Conduit Systems			0	0	
TOTAL	24105714		2122258	3678320	22549652

*Please list individual depreciation rate for each account.

INVESTMENTS

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

<u>Description</u>	<u>Date Acquired</u>	<u>Book Cost of Investments Disposed of This year</u>	<u>Book Cost of Investments Held at End of Year</u>
Telsat		0	0
CoBank Patronage			390169
Rocky Mountain Wireless			20
Syringa Networks			2059166
Internet			0
Syringa Electronic Equip.			418432
Syringa Fiber			354102
Independent Cable Systems			294
ICS Electronics			102151
ICS Cable			334260
Spec Access Eq Non-Reg			3845
Declo Wireless DSL Elec			0
Declo Wireless DSL Cable			0
Voip Equipment			1447
Syringa Wireless			0
Syringa Wireless Tower			0
Syringa Wireless Elec			0
Nextphone Website			18323
Redban Goodwill			0
DSL Inventory			0
Syringa Wireless Inventory			5816
Voip Inventory			1989
Totals			<u>3690013</u>

RECEIVABLES

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

<u>Name of Company</u>	<u>Amount at End of Year</u>	
	<u>Notes Receivable</u>	<u>Accounts Receivable</u>
Customers		457930
Qwest		85
CABS		152349
AT&T		0
NECA		812267
Syringa Wireless		508
Idaho USF		44029
Misc.		5113
Totals		<u>1472281</u>

NOTES PAYABLE

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

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

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
Federal Excise Tax	13794
Misc	302862
Qwest pmts to Arapahoe Tel	52188
Deferred Comp Payable	50000
ATC Long Distance	12982
Sales Tax - Idaho	4948
Verisign	1413
911 Payable	4398
ITSAP Syringa Wireless	180
Franchise Fee - ICS	8130
Totals	450895

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	9428890	9390811
Total Operating Expenses (from page 17)	8229971	8188762
7100 Other Operating Income and Expense	0	0
7210 Operating Investment Tax Credits-Net		
7220 Operating Federal Income Taxes	0	0
7230 Operating State and Local Income Taxes	47	20
7240 Operating Other Taxes	124957	124957
7250 Provision for Deferred Operating Income Taxes-Net	0	0
7200 Operating Taxes (Total)	125004	124977
7310 Dividend Income		
7320 Interest Income	9024	9024
7330 Income from Sinking and Other Funds		
7340 Allowance for Funds Used During Construction	27081	27081
7350 Gains/Losses from the Disposition of Certain Property	-163787	-163787
7360 Other Nonoperating Income	-6073793	-6073793
7370 Special Charges		
7300 Nonoperating Income and Expense	-6201475	-6201475
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	467754	467754
7520 Interest Expense-Capital Leases		
7530 Amortization of Debt Issuance Expense		
7540 Other Interest Deductions	429	429
7500 Interest and Related Items	468183	468183
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	205632	205632
AMOUNT TRANSFERRED TO RETAINED EARNINGS	-5390111	-5386954

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	1626652	1616608
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	131605	131605
5069 Other Local Exchange Settlements	_____	_____
Network Access Services Revenues		
5081 End User Revenue (SLC)	445414	443030
5082 Switched Access Revenue (Interstate)	5822723	5803160
5083 Special Access Revenue	619660	619660
5084 State Access Revenue (Intrastate)	774064	767976
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All	_____	_____
Miscellaneous Revenues		
5230 Directory Revenue	_____	_____
5240 Rent Revenue	3969	3969
5250 Corporate Operations Revenue	_____	_____
5261 Special Billing Arrangements Revenue	_____	_____
5262 Customer Operations Revenue	5456	5456
5263 Plant Operations Revenue	_____	_____
5264 Other Incidental Regulated Revenue	9535	9535
5269 Other Revenue Settlements	_____	_____
5270 Carrier Billing & Collection Revenue	22793	22793
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	-32981	-32981
5302 Uncollectible Revenue - Other	_____	_____
TOTAL OPERATING REVENUES	9428890	9390811

Please identify the following revenues:

NECA USF \$ 1636290 . 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	108806	108131
6113 Aircraft Expense	9778	9717
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense		
6116 Other Work Equipment Expense	59580	59210
6120 General Support Expenses	0	0
6121 Land and Building Expenses	116169	115448
6122 Furniture and Artworks Expense	3579	3557
6123 Office Equipment Expense	48048	47750
6124 General Purpose Computers Expense	73827	73369
6210 Central Office Switching Expenses	520568	517336
6211 Analog Electronic Expense		
6212 Digital Electronic Expense	535	532
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	419567	416962
6231 Radio Systems Expense	6420	6380
6232 Circuit Equipment Expense	158269	157286
6310 Information Origination/Termination Expense	69	69
6311 Station Apparatus Expense	6113	6075
6341 Large Private Branch Exchange Expense		
6351 Public Telephone Terminal Equipment Expense	0	0.00
6362 Other Terminal Equipment Expense	0	0
6410 Cable and Wire Facilities Expenses	0	0
6411 Pole Expense	0	
6421 Aerial Cable Expense	13183	13101
6422 Underground Cable Expense	0	0
6423 Buried Cable Expense	1917404	1905500
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense		
6441 Conduit Systems Expense		
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	3461915	3440422

OPERATING REVENUES

Item	Total Company 3461915	Idaho Only 3440422
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	3348	3327
6531 Power Expense	82642	82129
6532 Network Administration Expense	178808	177698
6533 Testing Expense		
6534 Plant Operations Administration Expense		
6535 Engineering Expense	53948	53613
6540 Access Expense	120470	119722
6560 Depreciation and Amortization Expenses	0	0
6561 Depreciation Expense-Telecom. Plant in Service	2125570	2122258
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	2564786	2558747
Customer Operations Expense		
6610 Marketing	195	194
6611 Product Management	0	0
6612 Sales		
6613 Product Advertising	34390	34177
6620 Services	7059	7015
6621 Call Completion Services		
6622 Number Services		
6623 Customer Services	466145	463251
Total Customer Operations Expense	507789	504637
Corporate Operations Expense		
6710 Executive and Planning		
6711 Executive	770379	765596
6712 Planning		
6720 General and Administrative	682679	678441
6721 Accounting and Finance	157543	156565
6722 External Relations	54786	54446
6723 Human Resources	5066	5034
6724 Information Management	1659	1649
6725 Legal	21951	21815
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	1418	1409
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	1695481	1684956
TOTAL OPERATING EXPENSES	8229971	8188762

CENTRAL OFFICE DATA
as of December 31, 2008 (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: Tekelec T7

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

Access Line Capacity
Design: 10000 _____ **Access Lines in Use**
Customer Lines: 4453 _____
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 10000 _____
Public Telephone Lines 25 _____
Company Official Lines 87 _____
Company Test Lines 118 _____

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Business	
Beginning of Year	3384	376	3384	1025	57	1025	4409
New Connects	531	3229	376	52	1030	57	433
Disconnects			531			52	583
End of Year			3229	1030		1030	4259

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

Directory Listings:

Number of Customers with Nonpublished or Nonlisted: 445 _____

Custom Calling:
Number of customers with at least one feature: 2032 _____
Total number of features subscribed to: 19 _____

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING 2008.

Local Exchange	Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)			Avg./ Line
		Number (1000s)	Avg./ Line	Intrastate	Interstate	Total	
1 ALL	4349			133089	175161	308250	71
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, 2008.**

CUSTOMER RELATIONS RULES COMPLIANCE

Rule IDAPA 31.21.01.603
Rule IDAPA 31.41.01.105

Please provide copies of:

Summary of Customer Relations Rules for Telephone Corporations

Idaho Telephone Solicitation Act Notification

Method of Notification:

Mailed separately to customers Yes No

Included in directory Yes No

Date of notification 2-1-07 _____

Alternate method of notification _____

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 0

Category of complaints (if known):

Deposit Disputes _____

Charges on Bill _____

Denial/Termination _____

Quality or Availability
of Service _____

Carrier Selection/Assignment _____

Miscellaneous _____


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)

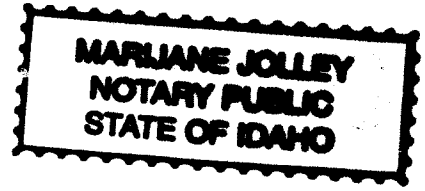


(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 14th day of April, (Year) 2009.



Notary Public



My Commission expires 7-25, (Year) 2012.

2007 FORM 1 INPUT MASTER

COMPANY NAME: Albion Telephone Company, Inc.

For The Year Ended: December 31, 2007

Separated Results of Idaho Operations

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations		MTS & WATS Switched Access		Interstate Operation TOLL PLS Special Access		Intrastate Operation TOLL PLS Special Access		MTS & WATS Switched Access		EAS		Local (other)	Total
			Operations	Separations	Switched	Access	Special	Access	Special	Access	Special	Access	Special	Access		
SUMMARY																
Operating Revenues																
50XX Local -Billed	(1)	1.	1,850,672												1850672	1,850,672
-EAS Billed	(1)	2.	0													0
-EAS Settlement	(1)	3.	0													0
508X Access-SLC (End User)	(2)	4.	431,102			431,101.98										0
-Switched (TSHNTS)	(2)	5.	7,041,458			6264793.32										776,665
-Special	(2)	6.	571,754				506,541							65213.28		65,213
51XX Toll -Message	(3a)	7.	0													0
-Private Line	(3b)	8.	0													0
-Settlement	(3c)	9.	0													0
52XX Misc.-Billing & Collection	(4)	10.	29,248			2403.71						26944.67				26,845
-Directory Advertising		11.	0													0
-Operating Rents		12.	2,750												2750	2,750
-Other Misc.		13.	3,004												3004.41	3,004
530X Less: Uncollectible Rev. (-)		14.	-265,083												-265083.37	-265,083
Total Revenues		15.	9,664,906			6,696,299	506,541	506,541	7,204,840	803,510	66,213	0	1,691,343	0	2,460,066	
Operating Expenses																
61XX-64XX Plant Specific Oper.	(5a)	16.	2,419,839			1,034,145	234,144	1,268,289				376,435	66,122	685,031	1,151,550	
65XX Plant Nonspecific Operations	(5a)	17.	582,350			287,800	48,561	336,361				81,189	13,766	145,917	245,989	
66XX Depreciation & Amortization	(5a)	18.	2,607,046			1,179,648	237,737	1,417,385				377,918	69,349	711,425	1,189,661	
66XX Customer Operations	(5a)	19.	416,908			167,649	543	168,192				92,100	459	156,157	248,716	
67XX Corporate Operations	(5a)	20.	1,750,490			767,119	142,347	909,466				281,197	40,121	504,892	841,024	
- Other Operating	(5a)	21.	0			0	0	0				0	0	0	0	
Total Expenses	(5a)	22.	7,776,633			3,436,361	663,332	4,099,693	7,204,840	1,208,839	75,331	189,358	2,203,412	3,676,940		
Operating Taxes:																
7240 General Taxes	(6)	23.	0			0	0	0				0	0	0	0	
7230 State/Local Inc. Tax (Current)		24.	0			0	0	0				0	0	0	0	
7220 Federal Income Tax (Current)		25.	468,706			246728	64551	311,279				58174	13553	82369	157,427	
7250 Net Deferred Income Taxes		26.	-49,577			-26097	-6828	-32,925				-6163	-1434	-8713	-16,652	
7210 Net Investment Tax Credits		27.	0			0	0	0				0	0	0	0	
Total Taxes		28.	419,129			220,631	57,723	278,354	7,204,840	1,208,839	2,979	12,119	73,666	140,775		
Net Operating Income		29.	1,469,144			3,041,307	-214,515	2,826,793	0	-487,360	-13,096	-201,477	-686,725	-1,367,649		
SUMMARY (continued)																
Average Rate Base																
2001 Telecom. Plant in Service	(5b)	1.	38,973,181			16,416,993	3,718,007	20,135,000				6,221,818	1,057,230	11,168,390	18,836,181	
2005 Plant Acquisition Adjustment		2.	0			0	0	0				0	0	0	0	
3100 Less: Accumulated Depr. (-)	(5c)	3.	-23,412,536			-9,320,975	-1,835,417	-11,156,392				-3,761,713	-475,996	-7,767,988	-12,256,144	
34xx-36xx Accumulated Amort. (-)	(5)	4.	0			0	0	0				0	0	0	0	
4100-4340 Accum. Deferred Tax (-)		5.	-583,413			-246814	-56669	-301,473				-93056	-16777	-167243	-281,940	
1220 Materials and Supplies		6.	239698			87378	19796	107,174				47138	5846	76791	132,524	
4040 Customer Deposits		7.	-6771			-2853	-646	-3,499				-1080	-68	-1941	-3,272	
4310 Other Long Term Liabilities		8.	-195080			-82621	-16279	-98,900				-32166	-1695	-57739	-96,180	
- Equal Access Equipment	(7)	9.	0			0	0	0				0	0	0	0	
- Other Rate Base		10.	493,483			223086	30912	253,997				63720	8764	163940	239,486	
Total Average Rate Base		11.	15,608,562			7,075,193	1,860,714	8,935,907	7,204,840	2,444,670	138,489	575,286	3,414,210	6,572,655		

PLANT IN SERVICE DETAIL										
21XX	General Support Facilities	2,754,305	1,156,577	262,668	1,419,235	444,884	26,651	77,751	785,784	1,335,070
22XX	Central Office Equipment:									
	CAT 1-Operator Systems	0	0		0					0
	CAT 2-Tandem Switching (Alloc.)	0	0		0					0
	CAT 2-Tandem Switching (Assign.)	0	0		0					0
	CAT 3-Local Switching	4,859,284	4,859,284		4,859,284				857,521	857,521
	CAT 4.12 -Exch. Trunk (Joint Use)	433,007	433,007		433,007			433,007	433,007	433,007
	CAT 4.12 -Exch. Trunk (Ded. Use)	1,518,812	1,518,812		1,471,645				47,167	47,167
	CAT 4.13 -Subscr. Line (Joint Use)	4,309,069	4,309,069		1,104,080				2,128,302	3,204,989
	CAT 4.13 -Subscr. Line (Ded. Use)	0	0		0					0
	CAT 4.23 -IX Trunk (Joint Use)	837,928	616,791	441,449	660,940	161,671	153,17		0	176,988
	CAT 4.23 -IX Trunk Ckt. (Ded. Use)	81,217	49,116	49,116	49,116	144,778	32,101			32,101
	CAT 4.3 -Host/Remote Trunk Ckt.	915,678	552,355		552,355				218,545	363,323
	Other COE	0	0		0					0
	Total COE	13,812,516	7,092,581	1,604,839	8,697,420	1,370,600	107,121	433,007	3,204,368	5,115,096
23XX	Information Orig./Term. Equipment:									
	CAT 1-Regulated CPE	0	0		0					0
	Other IOT	0	0		0					0
	Total IOT	0	0	0	0	0	0	0	0	0
24XX	Cable & Wire Facilities:									
	CAT 1.3-Subscriber Line (Common)	13,834,665	3,458,666		3,458,666	3,458,666	407,43		691,733	10,375,999
	CAT 1.1,2-Subscriber Line (Ded.)	170,518	129,775	129,775	129,775			546,472		40,743
	CAT 2-Exch. Trunk (Joint Use)	546,472								546,472
	CAT 2-Exch. Trunk (Ded. Use)	1,686,766	1,528,877	1,528,877	1,528,877		157,889			157,889
	CAT 3-IX Trunk (Joint Use)	4,975,820	4,049,752	4,049,752	4,175,383	77,4828	256,009			800,437
	CAT 3-IX Trunk (Ded. Use)	98,957	66,227	66,227	66,227		327,30			32,730
	CAT 4-Host/Remote Trunk	1,093,162	659,417		659,417	172,840			260,905	433,745
	Other C&WF	0	0		0					0
	Total C&WF	22,406,360	8,167,835	1,860,510	10,018,345	4,406,334	256,971	546,472	7,178,238	12,388,015
26XX	Other Assets:									
	Capital Leases	0	0		0					0
	Leasehold Improvements	0	0		0					0
	Intangibles	0	0		0					0
	Total Other Assets	0	0	0	0	0	0	0	0	0
(5b)	Total Telecom. Plant in Service	38,973,181	16,416,993	3,718,007	20,136,000	6,221,818	390,743	1,057,230	11,168,390	18,838,181
Depreciation & Amortization										
Accumulated Depreciation Detail										
311X	General Support Facilities	-2,225,440	-937,665	-212,311	-1,149,976	-354,969	-223,71	-60,183	-637,951	-1,075,464
312X	Central Office Switching	-4,750,233	-403,7698		-4,037,698				-7,125,35	-7,125,35
312X	Operator Systems	0	0		0					0
312X	Central Office Transmission	-4,711,184	-1,342,149	-910,351	-2,252,500	-803,597	-558,50	-2,489,81	-1,350,276	-2,458,684
313X	Information Orig./Term. Equip.	0	0		0					0
314X	Cable & Wire Facilities	-11,725,679	-3,003,463	-712,755	-3,716,218	-260,3167	-172,246	-1,688,32	-506,7226	-8,009,461
(5c)	Total Accumulated Depreciation	-23,412,536	-9,320,975	-1,835,417	-11,156,392	-3,751,743	-250,447	-475,996	-7,767,988	-12,266,144
Accumulated Amortization Detail										
3410	Capital Leases	0	0		0					0
3420	Leasehold Improvements	0	0		0					0
3500	Intangibles	0	0		0					0

IX Conversation MOU		15.	31,939,580	25306313	6633267		
IX Conversation Minute Kilometers		16.	190,191,538	159645692	30546946		
Other Parameters		17.					
Access Lines		18.	4684				
Unseparated Loop Cost @ 11.1 ROR	(27)		1410586				
Gross Billed Revenues							
-Marketing Allocation Basis	(28a)	19.	16,872	9655	1654	5363	
-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	1666	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	636136		
EAS/Local Messages (Msg. Proc.)		27.	0				
"BIG 3" Expense Factor-Message	(32)	28.	0.91	0.423521	0.164845	0.02352	
-PLS & Special Access		29.	0.09	0.083447	0.008691		
Operator Services Expense - Factor		30.	0				
Access Minutes of Use (End Office)		31.	20,308,872	17132055	3176807		

REVENUE REQUIREMENT SUMMARY

S-1

LINE	DESCRIPTION	SOURCE	INTERSTATE						INTRASTATE				LOCAL		
			TOTAL COMPANY (e)	MSG (b)	IntraLATA PL (c)	MSG (d)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	MSG (h)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)	
Ln46	1 Net Telecom Plant	Records	15,788,398	7,197,017	1,897,520	-	-	-	2,483,733	142,339	-	579,569	-	3,496,201	
Ln1-2	2 Rate Base Adjustment #1	Records	15,788,398	7,197,017	1,897,520	-	-	-	2,483,733	142,339	-	579,569	-	3,496,201	
Ln3	3 RATE BASE	Records	9,897,474	11,250,000	11,250,000	-	-	-	8,300,000	8,300,000	-	8,300,000	-	8,300,000	
Ln3*4	4 Rate of Return	Records	1,578,431	809,664	212,346	-	-	-	206,150	11,814	-	48,106	-	290,351	
Ln5	5 RETURN ON RATE BASE	Records	1,578,431	809,664	212,346	-	-	-	206,150	11,814	-	48,106	-	290,351	
Ln5-6	6 Return Adjustment #1	Records	299,539	136,452	36,214	-	-	-	47,419	2,726	-	11,126	-	65,602	
Ln24	8 Fixed Charges	Ln47	-	-	-	-	-	-	-	-	-	-	-	-	
Ln47	9 Amortization of Excess Def Taxes	Ln50	-	-	-	-	-	-	-	-	-	-	-	-	
Ln50	10 Capitalized Payroll Taxes	Ln53	-	-	-	-	-	-	-	-	-	-	-	-	
Ln53	11 Depreciation Adjustment	Ln22	-	-	-	-	-	-	-	-	-	-	-	-	
Ln22	12 FIT Allowances/Disallowances	Ln55-60	-	-	-	-	-	-	-	-	-	-	-	-	
Ln55-60	13 Inc Adj Alloc on 2001	Ln61-62	-	-	-	-	-	-	-	-	-	-	-	-	
Ln61-62	14 Inc Adj Alloc on Big 3 Exp	Ln63	-	-	-	-	-	-	-	-	-	-	-	-	
Ln63	15 Total Misc Inc Adjustment	Note 1	1,278,892	673,212	176,132	-	-	-	188,731	9,088	-	36,980	-	224,749	
Ln64	16 AFTER TAX INCOME	Ln52 or S-14, Ln20	23,018	12,117	3,170	-	-	-	2,857	164	-	666	-	4,045	
Ln52	17 State Income Tax	Ln45	468,706	246,728	64,551	-	-	-	58,174	3,331	-	13,553	-	82,369	
Ln45	18 State ITC Amortization	Ln44	7,924,151	3,499,675	677,013	-	-	-	1,232,155	76,772	-	193,234	-	2,245,302	
Ln44	19 Net Federal Income Tax	Ln17	(265,083)	-	-	-	-	-	-	-	-	-	-	(265,083)	
Ln17	20 Federal ITC Amortization	Ln57	9,729,223	4,568,184	957,081	-	-	-	1,499,335	92,080	-	255,558	-	2,556,984	
Ln57	21 Operating Expenses & Taxes	Ln7+17, 23-24	13,826	5,825	1,319	-	-	-	2,205	139	-	374	-	3,963	
Ln7	22 Nonoperating Expenses	Note 2	9,715,397	4,562,359	955,762	-	-	-	1,497,130	91,941	-	255,184	-	2,553,020	
Ln23	23 Uncollectibles	Ln25+26-27	100,000,000%	46,960,171%	9,837,676%	-	-	-	15,408,959%	0,946,376%	-	2,628,659%	-	24,219,957%	
Ln25	24 Other Adjustments (Net RR)	Ln28/28a	-	-	-	-	-	-	-	-	-	-	-	-	
Ln28	25 NET REVENUE REQUIREMENT	Ln7	1,578,431	809,664	212,346	-	-	-	206,150	11,814	-	48,106	-	290,351	
Ln29	26 Gross Receipts Tax	Ln8	289,539	136,452	36,214	-	-	-	47,419	2,726	-	11,126	-	65,602	
Ln29	27 7340 Alw Frs Dur Constr	Ln9	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	28 REVENUE REQUIREMENT	Ln10	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	29 Distribution of Line 31	Ln11	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	30 Net Return	Ln12	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	31 Fixed Charges	Ln13	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	32 Amortization of Excess Deferred Taxes	Ln14	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	33 Capitalized Payroll Taxes	Ln15	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	34 Depreciation Adjustment	Ln16	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	35 FIT Allowances/Disallowances	Ln17	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	36 Inc Adj Alloc on 2001	Ln18	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	37 Inc Adj Alloc on Big 3 Exp	Ln19	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	38 Federal ITC Amortization	Ln20	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	39 Total Income Adjustments	Ln31+35, 37	289,539	136,452	36,214	-	-	-	47,419	2,726	-	11,126	-	65,602	
Ln29	40 Federal Taxable Income	Ln30-39 Gross Up	1,747,598	919,940	240,684	-	-	-	216,904	12,419	-	50,533	-	307,118	
Ln29	41 Federal Income Tax	26.8200%	468,706	246,728	64,551	-	-	-	58,174	3,331	-	13,553	-	82,369	
Ln29	42 Federal Sur-Tax Allocation	Records	468,706	246,728	64,551	-	-	-	58,174	3,331	-	13,553	-	82,369	
Ln29	43 Net Federal Income Tax	Ln41-42-38	1,578,431	809,664	212,346	-	-	-	206,150	11,814	-	48,106	-	290,351	
Ln29	44 Net Return	Ln30	299,539	136,452	36,214	-	-	-	47,419	2,726	-	11,126	-	65,602	
Ln29	45 Fixed Charges	Records	468,706	246,728	64,551	-	-	-	58,174	3,331	-	13,553	-	82,369	
Ln29	46 Other SIT Adjustments	Ln41	1,770,616	932,057	243,854	-	-	-	219,761	12,562	-	51,198	-	311,163	
Ln29	47 Federal Income Tax	Ln44-47 Gross Up	23,018	12,117	3,170	-	-	-	2,857	164	-	666	-	4,045	
Ln29	48 State Taxable Income	Records	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	49 State Income Tax	Ln45	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	50 State Sur-Tax Allocation	Ln45-50-51	-	-	-	-	-	-	-	-	-	-	-	-	
Ln29	51 State ITC Amortization	Records	23,018	12,117	3,170	-	-	-	2,857	164	-	666	-	4,045	
Ln29	52 Net State Income Tax	Ln45-50-51	23,018	12,117	3,170	-	-	-	2,857	164	-	666	-	4,045	

SEPARATED TELECOMMUNICATIONS PLANT SUMMARY

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL					
			TOTAL COMPANY (a)	MSG (b)	IntraLATA PL (c)	MSG (d)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	MSG (h)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)
1	2110 Land & Support Assets	Ln13	2,828,590	1,191,794	269,853	-	-	-	451,162	28,435	-	-	76,494	810,851
2	2210 COE-Switching	Ln36	5,716,805	4,859,284	-	-	-	-	-	-	-	-	-	857,521
3	2220 COE-Operator	Ln23	8,095,709	2,233,296	1,604,839	-	-	-	1,370,600	-	-	-	433,007	2,346,847
4	2230 COE-Transmission	Ln76	22,406,360	8,167,895	1,850,510	-	-	-	4,406,334	255,971	-	-	546,472	7,176,237
5	2310 Info Orig/Term Equip	Ln11	36,218,874	15,260,416	3,455,348	-	-	-	5,776,933	364,062	-	-	2,704,333	10,362,905
6	2410 CAWF	Ln2,6	100,000,000	42,133,939	9,540,252	-	-	-	15,950,011	1,005,533	-	-	2,704,333	28,866,533
7	Total COE, IOT, CAWF	Ln7/7a	-	-	-	-	-	-	-	-	-	-	-	-
8	Distribution of Line 7	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Equal Access - Investment	Ln21	-	-	-	-	-	-	-	-	-	-	-	-
10	2680 Tangible Assets	Ln31	39,047,463	16,452,210	3,725,201	-	-	-	6,228,095	392,527	-	-	1,055,974	11,193,466
11	TELECOM PLT IN SVC-EXCL 2680	Ln17+9+10	100,000,000	42,133,939	9,540,252	-	-	-	15,950,011	1,005,533	-	-	2,704,333	28,866,533
12	Distribution of Line 11	Ln17/11a	-	-	-	-	-	-	-	-	-	-	-	-
13	2690 Intangible Assets	Ln35	39,047,463	16,452,210	3,725,201	-	-	-	6,228,095	392,527	-	-	1,055,974	11,193,466
14	2001 TELECOM PLANT IN SVC	Ln11+13	100,000,000	42,133,939	9,540,252	-	-	-	15,950,011	1,005,533	-	-	2,704,333	28,866,533
15	Distribution of Line 14	Ln14/14a	-	-	-	-	-	-	-	-	-	-	-	-
16	2110 Land Assets	Ln12	39,047,463	16,452,210	3,725,201	-	-	-	6,228,095	392,527	-	-	1,055,974	11,193,466
17	2001 TPIS x/Land	Ln14-16	100,000,000	42,133,939	9,540,252	-	-	-	15,950,011	1,005,533	-	-	2,704,333	28,866,533
18	Distribution of Line 17	Ln17/17a	-	-	-	-	-	-	-	-	-	-	-	-
19	2002 Prop Hid Fut Telecom Use	Ln6	205,551	86,607	19,610	-	-	-	32,786	2,066	-	-	5,559	59,924
20	2003 Plant Under Construction	Ln10	39,253,014	16,539,817	3,744,811	-	-	-	6,280,880	394,593	-	-	1,061,532	11,252,380
21	2005 Telecom Plant Adjustment	Ln14	-	-	-	-	-	-	-	-	-	-	-	-
22	TOTAL TELECOM PLANT	Ln14+19..21	-	-	-	-	-	-	-	-	-	-	-	-
23	1220 Materials and Supplies	Ln20	239,688	87,378	19,796	-	-	-	47,138	2,749	-	-	5,646	76,791
24	1500 Other Junis Assets-Net	Ln14	23,412,534	9,320,974	1,835,417	-	-	-	3,761,712	250,447	-	-	475,995	7,767,987
25	3100 Accumulated Depreciation	Ln28	-	-	-	-	-	-	-	-	-	-	-	-
26	Equal Access - Accum Depreciation	Ln24	-	-	-	-	-	-	-	-	-	-	-	-
27	3200 Acc Dep-Hid for Fut Use	Ln30	-	-	-	-	-	-	-	-	-	-	-	-
28	3400 Accum Amort-Tangible	Ln31...32	-	-	-	-	-	-	-	-	-	-	-	-
29	3500 Accum Amort-Intangible	Ln33	-	-	-	-	-	-	-	-	-	-	-	-
30	3600 Accum Amort-Other	Ln34	-	-	-	-	-	-	-	-	-	-	-	-
31	4100 Net Cur Def Op Inc Taxes	Ln46	583,413	245,914	55,659	-	-	-	93,055	5,865	-	-	15,777	167,243
32	4340 Noncur Def Oper Inc Tax	Ln66	-	-	-	-	-	-	-	-	-	-	-	-
33	Equal Access - Deferred Oper Inc Taxes	Ln25	-	-	-	-	-	-	-	-	-	-	-	-
34	4360 Other Deferred Credits-Net	Ln67	-	-	-	-	-	-	-	-	-	-	-	-
35	4370 Other Jur Liab & Def Credits-Net	Ln69	-	-	-	-	-	-	-	-	-	-	-	-
36	NET TELECOM PLANT	Ln22-23-24..35	15,498,766	7,059,409	1,875,532	-	-	-	2,453,251	141,030	-	-	575,606	3,393,941
37	Distribution of Line 36	Ln36/36a	100,000,000	45,554,111	12,089,959	-	-	-	15,830,707	0,910,101	-	-	3,714,444	21,901,010
38	1402 Rural Tel Bank Stock	Ln16	483,484	223,085	30,912	-	-	-	63,720	3,072	-	-	8,754	163,940
39	Cash Working Capital	Ln21	-	-	-	-	-	-	-	-	-	-	-	-
40	Equal Access - Unamortized Expenses	Ln26	-	-	-	-	-	-	-	-	-	-	-	-
41	Investment Allow/Diallow	Ln31	-	-	-	-	-	-	-	-	-	-	-	-
42	Accum Depr/Amort Allow/Diallow	Ln37	6,771	2,853	646	-	-	-	1,080	88	-	-	183	1,941
43	4040 Customer Deposits	Ln37	195,081	82,821	16,279	-	-	-	32,158	1,685	-	-	4,588	57,739
44	4310 Other Long-Term Liab.	Ln57	-	-	-	-	-	-	-	-	-	-	-	-
45	Other Telecom PL Adjust	Records	15,785,399	7,197,017	1,887,520	-	-	-	2,483,733	142,339	-	-	579,589	3,489,201
46	NET TELECOM PLT & OTH RATE BASE ITEMS	A+B..F+H(G+H)	109,000,000	45,594,252	11,955,111	-	-	-	15,734,444	0,901,515	-	-	3,871,010	22,156,659
47	Distribution of Line 46	Ln46/46a	-	-	-	-	-	-	-	-	-	-	-	-

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SEPARATED EXPENSE SUMMARY

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL						INTRASTATE TOLL						LOCAL			
			TOTAL COMPANY (e)	MSG (b)	InterLATA (c)	PL (c)	MSG (d)	IntraLATA (d)	PL (e)	MSG (f)	InterLATA (g)	PL (g)	MSG (h)	IntraLATA (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)
1	PH Spec Exp Accts 6210.6220																	
2	6230.6310.6410																	
3	PI Nonsec Account 6530																	
4	Cust Oper Accts 6610.6620																	
5	TOTAL BIG THREE EXPENSES																	
6	Distribution of Line 5																	
7	Plant Specific Expenses																	
8	Plant Non-specific Expenses																	
9	Customer Operations Expenses																	
10	Corporate Operations Expenses																	
11	7300 Contributions																	
12	TOTAL OPERATING EXPENSES																	
13	Operating Taxes																	
14	Equal Access Expenses																	
15	Expense Allowances/Disallowances																	
16	5240 Rent Revenues																	
17	TOTAL OPERATING EXP & TAXES																	
18	Distribution of Line 17																	
19	Total Depr & Amort																	
20	Fixed Charges																	
21	Total Operating Revenue																	
22	Total Operating Expense & Taxes																	
23	Uncollectibles																	
24	Fixed Charges																	
25	Income Adjustments																	
26	Net Income																	
27	Distribution of Line 26																	
28	TOTAL CASH OPER EXPENSES																	
29	Distribution of Line 28																	
INCOME TAX CALCULATION																		
31	Other Operating Income																	
32	AFUDC																	
33	Operating Revenue																	
34	Uncollectible Revenue																	
35	Income Effect Jurisdictional Difference																	
36	IRS Income Adjustment																	
37	TOTAL REVENUE & OTHER INCOME																	
38	Contributions																	
39	Operating Expenses																	
40	State Income Tax																	
41	Federal Taxable Income																	
42	State Income Tax																	
43	Federal Taxable Income																	
44	State Income Tax																	
45	Federal Taxable Income																	
46	Federal Income Tax																	
47	Amortization of Investment Tax Credit																	
48	Federal Income Tax																	

GENERAL SUPPORT FACILITIES

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL					
			TOTAL COMPANY (a)	IntraLATA MSG (b)	IntraLATA PL (c)	IntraLATA PL (e)	MSG (d)	IntraLATA PL (g)	MSG (f)	IntraLATA PL (h)	EAS (i)	User Defined (k)	Other (l)			
SEPARATIONS FACTORS																
1	Carrier Classification	Records														
2	Big Three Expense Distr	Ln6														
3	Total COE, IOT, C&WF Distr	Ln8	100.0000%	42.3521%	8.3447%	-	-	-	-	16.4845%	0.8891%	2.3520%	-	-	28.5975%	-
			100.0000%	42.1338%	9.5402%	-	-	-	-	15.9501%	1.0653%	2.7043%	-	-	28.6663%	-
LAND & SUPPORT ASSETS SEPARATION																
4	2110 Land & Support Assets		2,828,590	1,191,794	269,853	-	-	-	-	451,162	28,435	76,494	-	-	810,851	-
5	Support Assets-Joint x/GSF - B&C	Note 1														
6	General Support Facilities - B&C	Note 1														
7	Direct Assignment	Direct														
8	Total Support Assets	Ln5-.7	2,828,590	1,191,794	269,853	-	-	-	-	451,162	28,435	76,494	-	-	810,851	-
9	Distribution of Line 8	Ln8/8a	100.0000%	42.1338%	9.5402%	-	-	-	-	15.9501%	1.0653%	2.7043%	-	-	28.6663%	-
10	Land	Note 1														
11	Direct Assignment	Direct														
12	Total Land	Ln10-.11	2,828,590	1,191,794	269,853	-	-	-	-	451,162	28,435	76,494	-	-	810,851	-
13	TOTAL LAND & SUPPORT ASSETS	Ln8*12	100.0000%	42.1338%	9.5402%	-	-	-	-	15.9501%	1.0653%	2.7043%	-	-	28.6663%	-
14	Distribution of Line 13	Ln13/13a														

Note 1: If Carrier Classification = A, then
 If Carrier Classification = B, then

CENTRAL OFFICE EQUIPMENT

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL			
			InterLATA MSG (b)	InterLATA PL (c)	IntraLATA MSG (d)	InterLATA MSG (f)	InterLATA PL (g)	IntraLATA MSG (h)	PL (i)	EAS (k)	User Defined (l)	Other (m)
SEPARATIONS FACTORS												
1	WSWS Pct-Switchboards	Records	42.8837%			57.1163%						
2	WSWS Pct-Directory Assistance	Records	28.1060%			7.3100%						64.5840%
3	Sub Line MOU Pct	Records										
4	SOB Toll MOU Pct	Records										
5	WSWS Pct-TSPS Oper Position	Records										
6	Real Processor Time Pct-RTA	Records										
7	Real Processor Time Pct-TSPS	Records										
8	REL MOU's - Tandem Switching	Records										
9	Trans Measured DEM Pct	Records	85.0000%									15.0000%
COE CATEGORIES 1-3 SEPARATION												
10	2220 Operator Systems											
11	Cat 1-Operator Systems											
12	Loc,Toll,DSA,DSB, and											
13	Traffic Switchboards											
14	Aux-Direct Assiet											
15	Aux-Intercept											
16	Jt Exch & Toll SOB											
17	TSPS-Oper Position											
18	TSPS-RTA											
19	TSPS-Other											
20	Direct Assignment											
21	Total Cat 1											
22	Distribution of Line 21											
23	TOTAL COE-OPERATOR											
24	Distribution of Line 23											
25	2210 Central Office Switching											
26	Cat 2-Tandem Switching											
27	Direct Assignment											
28	Total Cat 2											
29	Distribution of Line 28											
30	Cat 3-Local Switching - TS											
31	Cat 3-Local Switching - NTS											
32	Direct Assignment											
33	Total Cat 3											
34	Distribution of Line 34											
35	TOTAL COE-SWITCHING											
36	Distribution of Line 36											
37	Distribution of Line 36											

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CENTRAL OFFICE EQUIPMENT

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 Sheet 3 of 3

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL			
			InterLATA MSG (b)	InterLATA PL (c)	IntraLATA MSG (d)	InterLATA MSG (f)	InterLATA PL (g)	IntraLATA MSG (h)	InterLATA PL (i)	EAS (j)	User Defined (k)	Other (l)
65	SEPARATIONS FACTORS											
66	65 Conversation Minutes Pct	Records	79.2320%									
67	66 Host/Remote MOU Miles Pct	Records	60.3220%									23.8670%
68	COE CATEGORY 4 SEPARATION (Cont)											
69	4.23 All Other											
70	Ln82'64 Joint MSG	Ln82'64	616,791	44,149								
71	Ln82c..j PL, TWX & Local	Ln82c..j										
72	Direct Assignment - Nonaccess	Direct										
73	Cat 4.3-Host/Remote MSG	Ln72a*66										
74	Ln72a*66 Joint (v/WATS)	Ln72a*66	552,355									218,545
75	Ln72a*66 WATS	Direct										
76	Ln72a*66 Direct Assignment	Direct										
77	Total Cat 4	Ln46..62+67..74	2,233,296	1,604,539								
78	TOTAL COE-TRANSMISSION	Ln75	2,233,296	1,604,539								
79	77 Distribution of Line 76	Ln76/76a	27,5662%	19,8233%								
80	TOTAL CENTRAL OFFICE EQUIP	Ln23+36+76	7,092,580	1,604,539								
81	79 Distribution of Line 78	Ln78/78a	51.3489%	11.8187%								
82	TOTAL COMPANY		8,095,709	8,095,709								
			100.0000%	100.0000%								

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL			
			InterLATA MSG (b)	InterLATA PL (c)	IntraLATA MSG (d)	InterLATA MSG (f)	InterLATA PL (g)	IntraLATA MSG (h)	InterLATA PL (i)	EAS (j)	User Defined (k)	Other (l)
80	ASSIGNMENT OF COE CAT 4.23											
81	80 COE Cat 4.23 Terms -	Records		24.50								
82	-Joint Message Total Terminations	Note 1										
	81 COE Cat 4.23 - Terms	Note 1										
	-Joint Message Total Allocated Investment	Note 1										
			465.00									
			432									
			837,928									
			776,462									
			1,802.00									

Note 1: Cost per termination =

CABLE AND WIRE FACILITIES

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL		
			InterLATA MSG (b)	InterLATA PL (c)	InterLATA MSG (d)	InterLATA MSG (f)	InterLATA PL (g)	InterLATA MSG (h)	EAS (i)	User Defined (k)	Other (l)
TOTAL COMPANY (e)			Joint MSG (b)	InterLATA PL (c)	InterLATA MSG (d)	InterLATA MSG (f)	InterLATA PL (g)	InterLATA MSG (h)	EAS (i)	User Defined (k)	Other (l)
SEPARATIONS FACTORS											
1	Gross Allocator Pct (Trans SPF)	Records	100.0000%								
2	REL MOU's - Exchange Trunk	Records	100.0000%								
3	WB Line	Records									50.0000%
4	MOU Pet-Ex Trk WB	Records									100.0000%
C&WF CAT 1-2 SEPARATION											
5	2410 Cable & Wire Facilities										
6	Cat 1-Exch Line x/WB		40,743								
7	1.1 Intra PL & WATS	Ln22e..j	129,775								
8	1.2 Inter PL & WATS	Ln22c..d	13,834,665								6,917,333
9	1.3 Jointly Used	Ln22b*1									
10	Direct Assignment	Direct									
11	Total Category 1	Ln7..10	14,005,184	129,775				3,459,666			6,917,333
12	Cat 2-WB & Exch Trunk										
13	Ex Trk -joint message	Ln13a*2							546,472		
14	Ex Trk -EAS	Direct									
15	Ex Line WB	Ln15a*3									
16	WB Line	Direct									
17	WB Trunk	Ln17a*4									
18	WB Trunk DA	Direct									
19	Total Category 2		546,472	1,529,877					546,472		
20	C&WF Cat 1 Working Loops	Records	4,641	43							
21	Distribution of Line 21	Ln20/20a	100.0000%	0.9286%							
22	Cat 1-Ex Line x/WB	Ln22a*21	14,005,184	129,775				40,743			
Note 1: Cost per loop = 3,018.0334											

CABLE AND WIRE FACILITIES

TOTAL COMPANY	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL					
	MSG (b)	IntraLATA (c)	PL (c)	MSG (d)	IntraLATA (e)	PL (e)	MSG (f)	IntraLATA (g)	PL (g)	EAS (h)	User Defined (i)	Other (j)
100.0000%	83,9400%	83,9400%	83,9400%	60,3220%	83,9400%	83,9400%	16,0600%	16,0600%	16,0600%	15,8110%	-	23,8670%
96,957	-	66,227	-	-	-	-	-	-	32,730	-	-	-
4,824,580	4,049,782	125,631	-	-	-	-	774,828	25,609	-	-	-	-
151,240	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
5,074,777	4,049,782	191,857	-	-	-	-	774,828	58,339	-	-	-	-
1,093,162	659,417	-	-	-	-	-	172,840	-	-	-	-	260,905
-	-	-	-	-	-	-	-	-	-	-	-	-
1,093,162	659,417	-	-	-	-	-	172,840	-	-	-	-	260,905
22,406,360	8,167,835	1,850,510	-	-	-	-	4,406,334	266,971	-	546,472	-	7,178,237
100.0000%	36,4532%	8,2569%	-	-	-	-	19,6655%	1,1469%	-	2,4389%	-	32,0966%

TOTAL COMPANY	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL					
	Joint MSG Excl TWX (b)	Intra LATA (c)	PL (c)	Intra LATA (d)	Intra LATA (e)	PL (e)	MSG (f)	IntraLATA (g)	PL (g)	EAS (h)	User Defined (i)	Remote (j)
12,440	12,061.75	314.09	-	-	-	64.03	-	-	-	-	-	-
100.0000%	96,9605%	2,5245%	-	-	-	0,5147%	-	-	-	-	-	-
4,975,820	4,824,580	125,631	-	-	-	25,609	-	-	-	-	-	-

Note 1: Cost per circuit mile = 398.99

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SEPARATIONS FACTORS

23	Interexchange Trk WB	Records
24	CMM Pch-X/WB	Records
25	C&WF TWX Connect Min Miles Pch-IT	Records
26	C&WF TWX Connect Min Miles Pch-Rmt	Records
27	Host/Remote MOU Miles Pch	Records
C&WF CAT 3-4 SEPARATION		
28	Cat 3-Interexchange C&WF	Direct
29	WB PL - Direct Assignment	Ln30a*23
30	WB - Joint Message	Ln48b*24
31	Joint MSG x/WB	Ln48c..J
32	PL, TWX & Local x/WB	Ln49*25
33	Joint TWX-IT	Ln49*26
34	Joint TWX-Rmt	Direct
35	Direct Assignment - Nonaccess	Ln28...35
36	Total Category 3	
37	Cat 4-Host/Remote C&WF	Ln38a*27
38	Joint (x/WATS)	Direct
39	WATS	Ln38...40
40	Direct Assignment	
41	Total Category 4	
42	TOTAL CABLE & WIRE FACILITIES	Ln11+19+36+41
43	Distribution of Line 42	Ln42/42a

ASSIGNMENT OF C&WF CAT 3

LINE	DESCRIPTION	SOURCE
44	Equip IX Circ Miles-MSG	Records
45	-PL, TWX&Local	Records
46	Distribution of Line 44	Ln44/44a
47	Distribution of Line 45	Ln45/44a
48	Cat 3-All Other x/WB-MSG	Ln48a*48
49	-PL, TWX&Local	Ln48a*47

AMORTIZABLE ASSETS

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL				
			TOTAL COMPANY (a)	InterLATA MSG (b)	PL (c)	IntraLATA MSG (d)	PL (e)	InterLATA MSG (f)	PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
SEPARATIONS FACTORS															
1	Land & Support Assets Distr	Ln14	100.0000%	42.1339%	9.5402%	-	-	-	-	-	-	15.9501%	1.0053%	2.7043%	28.6663%
2	2210 COE-Switch Distr	Ln37	100.0000%	65.0000%	-	-	-	-	-	-	-	-	-	-	15.0000%
3	2220 COE-Operator Systems Distr	Ln24	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2230 COE-Transmission Distr	Ln77	100.0000%	27.5862%	19.8233%	-	-	-	-	-	-	16.9300%	1.3232%	5.3466%	28.9889%
5	2310 IOT Distr	Ln12	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-
6	2410 C&WF Distr	Ln43	100.0000%	36.4532%	8.2589%	-	-	-	-	-	-	19.6655%	1.1469%	2.4389%	32.0366%
7	2001 TPIS	Ln8	100.0000%	42.1339%	9.5402%	-	-	-	-	-	-	15.9501%	1.0053%	2.7043%	28.6663%
8	2001 TPIS incl 2680	S-2,Ln11	100.0000%	42.1339%	9.5402%	-	-	-	-	-	-	15.9501%	1.0053%	2.7043%	28.6663%
TANGIBLE ASSETS-CAPITAL LEASES SEP															
9	2680 Tangible Assets - Capital Leases		-	-	-	-	-	-	-	-	-	-	-	-	-
10	2110 Land & Supt Assets	Ln10a*1	-	-	-	-	-	-	-	-	-	-	-	-	-
11	2210 COE-Switching	Ln11a*2	-	-	-	-	-	-	-	-	-	-	-	-	-
12	2220 COE-Operator	Ln12a*3	-	-	-	-	-	-	-	-	-	-	-	-	-
13	2230 COE-Transmission	Ln13a*4	-	-	-	-	-	-	-	-	-	-	-	-	-
14	2310 IOT	Ln14a*5	-	-	-	-	-	-	-	-	-	-	-	-	-
15	2410 C&WF	Ln15a*6	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Not classified by account	Ln16a*7	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-
18	TOTAL CAPITAL LEASES	Ln10...17	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Distribution of Line 18	Ln18/18a	-	-	-	-	-	-	-	-	-	-	-	-	-
TANGIBLE ASSETS-LEASEHLD IMPROVE SEP															
20	2680 Tangible Assets - Leasehold Improve		-	-	-	-	-	-	-	-	-	-	-	-	-
21	2110 Land & Supt Assets	Ln21a*1	-	-	-	-	-	-	-	-	-	-	-	-	-
22	2210 COE-Switching	Ln22a*2	-	-	-	-	-	-	-	-	-	-	-	-	-
23	2220 COE-Operator	Ln23a*3	-	-	-	-	-	-	-	-	-	-	-	-	-
24	2230 COE-Transmission	Ln24a*4	-	-	-	-	-	-	-	-	-	-	-	-	-
25	2310 IOT	Ln25a*5	-	-	-	-	-	-	-	-	-	-	-	-	-
26	2410 C&WF	Ln26a*6	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Not classified by account	Ln27a*7	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-
29	TOTAL LEASEHOLD IMPROVEMENTS	Ln21...28	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Distribution of Line 29	Ln29/29a	-	-	-	-	-	-	-	-	-	-	-	-	-
31	TOTAL TANGIBLE ASSETS	Ln18+29	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Distribution of Line 31	Ln31/31a	-	-	-	-	-	-	-	-	-	-	-	-	-
INTANGIBLE ASSETS SEPARATION															
33	2680 Intangible Assets	Ln33a*8	-	-	-	-	-	-	-	-	-	-	-	-	-
34	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-
35	TOTAL INTANGIBLE ASSETS	Ln33...34	-	-	-	-	-	-	-	-	-	-	-	-	-
36	Distribution of Line 35	Ln35/35a	-	-	-	-	-	-	-	-	-	-	-	-	-

CERTAIN INCOME ACCOUNTS AND ADJUSTMENTS

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL					
			MSG (b)	IntraLATA PL (c)	IntraLATA MSG (d)	PL (e)	MSG (f)	IntraLATA PL (g)	PL (h)	MSG (i)	IntraLATA PL (j)	PL (k)	User Defined (l)	Other (m)
1	2001 TPIS Distr	Ln15	100.0000%	42.1339%	9.5402%	-	-	-	-	15.9501%	1.0053%	2.7043%	-	28.6663%
2	2003 PUC-Pct	Ln11	100.0000%	42.1339%	9.5402%	-	-	-	-	15.9501%	1.0053%	2.7043%	-	28.6663%
3	Corp Oper Expenses Distr	Ln17	100.0000%	43.8231%	8.1316%	-	-	-	-	16.0639%	0.8469%	2.2820%	-	28.8423%
4	2680 Capital Leases Distr	Ln19	100.0000%	-	-	-	-	-	-	-	-	-	-	-
5	Net Telecom Plant Distr	Ln37	100.0000%	45.5541%	12.0896%	-	-	-	-	15.8307%	0.9101%	3.7144%	-	21.9610%
6	2110 Support Assets Distr	Ln9	100.0000%	42.1339%	9.5402%	-	-	-	-	15.9501%	1.0053%	2.7043%	-	28.6663%
7	2210 COE-Switching Distr	Ln37	100.0000%	65.0000%	-	-	-	-	-	-	-	-	-	15.0000%
8	2220 COE-Operator Distr	Ln24	100.0000%	-	-	-	-	-	-	-	-	-	-	-
9	2230 COE-Transmission Distr	Ln24	100.0000%	27.5662%	19.8233%	-	-	-	-	16.9300%	1.3232%	5.3466%	-	28.9866%
10	2310 IOT Distr	Ln12	100.0000%	-	-	-	-	-	-	-	-	-	-	-
11	2410 CAWF Distr	Ln43	100.0000%	36.4532%	8.2589%	-	-	-	-	19.6655%	1.1469%	2.4389%	-	32.0366%
12	COE, IOT, CAWF	Ln8	100.0000%	42.1339%	9.5402%	-	-	-	-	15.9501%	1.0053%	2.7043%	-	28.6663%
13	Big Three Expenses Distr	Ln6	100.0000%	42.3521%	8.3447%	-	-	-	-	16.4845%	0.8691%	2.3520%	-	28.5975%
OTHER INCOME SEPARATION														
14	7500 Nonoper Inc & Expenses	Ln15a2	13.826	5.825	1.319	-	-	-	-	2.205	139	374	-	3.963
15	Alw Fds Used Dur Constr	Ln16a3	18.437	6.080	1.499	-	-	-	-	2.962	156	423	-	5.318
16	Contributions	Ln17a1	-	-	-	-	-	-	-	-	-	-	-	-
17	Abandoned Construction	Direct	-	-	-	-	-	-	-	-	-	-	-	-
18	Other Nonoperating Expense	Direct	-	-	-	-	-	-	-	-	-	-	-	-
19	Fixed Charges	Ln20a4	-	-	-	-	-	-	-	-	-	-	-	-
20	Interest on Capital Leases	Ln21a5	-	-	-	-	-	-	-	-	-	-	-	-
21	Fixed Charges Excl Capital Leases	Ln22a5	299.539	136.452	36.214	-	-	-	-	47.419	2,726	11,126	-	65,602
22	Amortization of Debt Discount	Ln23a5	-	-	-	-	-	-	-	-	-	-	-	-
23	Other Interest	Ln20..21	299.539	136.462	36.214	-	-	-	-	47.419	2,726	11,126	-	65,602
24	TOTAL FIXED CHARGES													
25	5240 Rent Revenues	Ln26a6	-	-	-	-	-	-	-	-	-	-	-	-
26	Support Assets	Ln27a7	-	-	-	-	-	-	-	-	-	-	-	-
27	COE-Switching	Ln28a8	-	-	-	-	-	-	-	-	-	-	-	-
28	COE-Operator	Ln29a9	-	-	-	-	-	-	-	-	-	-	-	-
29	COE-Transmission	Ln30a10	-	-	-	-	-	-	-	-	-	-	-	-
30	Info Orig/Term Equip	Ln31a11	-	-	-	-	-	-	-	-	-	-	-	-
31	CAWF	Ln32a1, Direct	-	-	-	-	-	-	-	-	-	-	-	-
32	Not Classified by Acct	Ln41* Ln34	-	-	-	-	-	-	-	-	-	-	-	-
33	UNBUNDLED NETWORK ELEMENTS	Ln24* Ln35	-	-	-	-	-	-	-	-	-	-	-	-
34	CAWF - Unbundled Loop	Ln29* Ln36	-	-	-	-	-	-	-	-	-	-	-	-
35	Operator Systems	Ln33* Ln37	-	-	-	-	-	-	-	-	-	-	-	-
36	Tandem Switching	Ln65* Ln38	-	-	-	-	-	-	-	-	-	-	-	-
37	Local Switching	Ln75* Ln40	-	-	-	-	-	-	-	-	-	-	-	-
38	Transport Termination	Direct	-	-	-	-	-	-	-	-	-	-	-	-
39	Transport Facility	Ln41a*1	-	-	-	-	-	-	-	-	-	-	-	-
40	SS7	Ln26..42	-	-	-	-	-	-	-	-	-	-	-	-
41	OSS	Ln44a*1	-	-	-	-	-	-	-	-	-	-	-	-
42	Direct Assignment	Ln45a*1	-	-	-	-	-	-	-	-	-	-	-	-
43	TOTAL RENT REVENUES	Ln44..45	-	-	-	-	-	-	-	-	-	-	-	-
INCOME TAX ADJUSTMENTS SEPARATIONS														
44	ITC Amortization - Federal	Ln47a*1	-	-	-	-	-	-	-	-	-	-	-	-
45	ITC Amortization - State	Ln48a*1	-	-	-	-	-	-	-	-	-	-	-	-
46	TOTAL ITC AMORTIZATION	Ln47a*1	-	-	-	-	-	-	-	-	-	-	-	-
47	Amortization of Excess Def Taxes	Ln48a*1	-	-	-	-	-	-	-	-	-	-	-	-
48	Capitalized Payroll Taxes	Direct	-	-	-	-	-	-	-	-	-	-	-	-
49	Direct Assignment	Ln48..49	-	-	-	-	-	-	-	-	-	-	-	-
50	TOTAL CAPITALIZED PAYROLL TAXES	Ln51a*1	-	-	-	-	-	-	-	-	-	-	-	-
51	Depreciation Adjustments	Direct	-	-	-	-	-	-	-	-	-	-	-	-
52	Direct Assignment	Ln51..52	-	-	-	-	-	-	-	-	-	-	-	-
53	TOTAL DEPRECIATION ADJUSTMENTS	Direct	-	-	-	-	-	-	-	-	-	-	-	-
54	Uncollectibles - Joint Message	Direct	-	-	-	-	-	-	-	-	-	-	-	-
55	Uncollectibles - End User CCL	Direct	-	-	-	-	-	-	-	-	-	-	-	-
56	Uncollectibles - Interchange Carrier	Direct	-	-	-	-	-	-	-	-	-	-	-	-
57	TOTAL UNCOLLECTIBLES	Ln54..56	(265,083)	-	-	-	-	-	-	-	-	-	-	(265,083)
58	Misc Inc Adjustments	Ln59a*1	-	-	-	-	-	-	-	-	-	-	-	-
59	Inc Adj Alloc on 2001	Direct	-	-	-	-	-	-	-	-	-	-	-	-
60	Inc Adj Alloc on 2001 - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
61	Inc Adj Alloc on Big 3 Exp	Direct	-	-	-	-	-	-	-	-	-	-	-	-
62	Inc Adj Alloc on Big 3 Exp - Direct Assignment	Ln58..61	-	-	-	-	-	-	-	-	-	-	-	-
63	TOTAL MISC INC ADJUSTMENTS													

PLANT SPECIFIC EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL					
			TOTAL COMPANY (a)	MSG (b)	IntraLATA PL (c)	MSG (d)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	MSG (h)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)		
1	2110 Land & Supt Ass'ts Distr	Ln14	100.0000%	42.1339%	9.5402%	-	-	-	-	-	15.9501%	1.0053%	2.7043%	-	28.6663%	
2	Total COE Distr + EA Distr	Ln79 Ind EA	100.0000%	51.3489%	11.6187%	-	-	-	-	-	9.9229%	0.7755%	3.1349%	-	23.1900%	
3	2310 IOT Cat 1-Other Distr	Ln1	100.0000%	25.0000%	-	-	-	-	-	-	25.0000%	-	-	-	50.0000%	
4	2310 IOT Cat 2-CPE Distr	Ln10	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	2410 C&WF Distr	Ln43	100.0000%	36.4532%	8.2585%	-	-	-	-	-	19.6855%	1.1489%	2.4389%	-	32.0366%	
PLANT SPECIFIC EXPENSES SEPARATION																
6	6110 Network Support Expenses	Ln6a*1	151.633	65.889	14.466	-	-	-	-	-	24.186	1.524	4.101	-	45.466	
7	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	TOTAL NETWORK SUPPORT EXPENSES	Ln6.7	151.633	65.889	14.466	-	-	-	-	-	24.186	1.524	4.101	-	45.466	
9	6120 General Support Expenses	Ln8a*1	187.451	76.980	17.883	-	-	-	-	-	29.889	1.884	5.069	-	53.735	
10	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	TOTAL GENERAL SUPPORT EXPENSES	Ln8.10	187.451	76.980	17.883	-	-	-	-	-	29.889	1.884	5.069	-	53.735	
12	6210 COE Switching Expenses	Ln12a*2	401.818	206.329	46.686	-	-	-	-	-	39.872	3.116	12.597	-	93.218	
13	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	TOTAL COE SWITCHING EXPENSES	Ln12.13	401.818	206.329	46.686	-	-	-	-	-	39.872	3.116	12.597	-	93.218	
15	6220 COE Operator Systems Expenses	Ln15a*2	-	-	-	-	-	-	-	-	-	-	-	-	-	
16	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
17	TOTAL COE OPERATOR SYS EXPENSES	Ln15.16	-	-	-	-	-	-	-	-	-	-	-	-	-	
18	6230 COE Transmission Expenses	Ln18a*2	489.543	251.375	56.879	-	-	-	-	-	48.577	3.797	15.347	-	113.589	
19	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	TOTAL COE TRANSMISSION EXPENSES	Ln18.19	489.543	251.375	56.879	-	-	-	-	-	48.577	3.797	15.347	-	113.589	
21	TOTAL COE EXPENSES	Ln14+17+20	891.381	457.704	103.585	-	-	-	-	-	88.449	6.913	27.943	-	206.787	
22	6310 IOT Equip Expenses	Ln23a*3	-	-	-	-	-	-	-	-	-	-	-	-	-	
23	Cat 1-Other IOT Eq Expenses	Ln24a*4	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	Cat 2-Cust Prem Equip Exp	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
25	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
26	TOTAL IOT EXPENSES	Ln23.25	-	-	-	-	-	-	-	-	-	-	-	-	-	
27	6410 C&WF Expenses	Ln27a*5	1,189,383	433,572	98,230	-	-	-	-	-	233,901	13,641	29,008	-	381,041	
28	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	TOTAL C&WF EXPENSES	Ln27.28	1,189,383	433,572	98,230	-	-	-	-	-	233,901	13,641	29,008	-	381,041	
30	PII Spec Exp x/6110,6120	Ln21+26+29	2,080,754	891,276	201,795	-	-	-	-	-	322,349	20,584	56,951	-	587,828	
31	TOTAL PLANT SPEC OPER EXP	Ln6+11+30	2,419,838	1,034,146	234,144	-	-	-	-	-	376,433	23,962	66,121	-	685,031	
32	Distribution of Line 31	Ln31/31a	100.0000%	42.7361%	9.8760%	-	-	-	-	-	15.5581%	0.9902%	2.7325%	-	28.3980%	

RESERVES & DEFERRALS

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL												
			MSG (b)	InterLATA PL (c)	IntraLATA MSG (d)	InterLATA MSG (f)	InterLATA PL (g)	MSG (h)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)									
SEPARATIONS FACTORS																					
47	Big Three Expenses Distr	Ln6																			
48	2110 Support Assets Distr	Ln9	42.3521%	6.3447%							16.4845%	0.6691%	2.3520%								29.5875%
49	2210 COE-Switching Distr	Ln2	42.1339%	9.5402%							15.9501%	1.0053%	2.7043%								28.6663%
50	2220 COE-Operator Distr	Ln24	85.0000%																		15.0000%
51	2230 COE-Transmission Distr	Ln77									16.9300%	1.3322%	5.3466%								28.9688%
52	2310 IOT Distr	Ln12	27.5662%	19.8233%																	
53	2410 C&WF Distr	Ln43									19.6655%	1.1469%	2.4389%								32.0966%
54	2001 TPIS y/Land	Ln18	36.4532%	8.2589%							15.9501%	1.0053%	2.7043%								28.6663%
55	2001 TPIS Distr	Ln15	42.1339%	9.5402%							15.9501%	1.0053%	2.7043%								28.6663%
56	2001 TPIS Distr	Ln1..8	42.1339%	9.5402%							15.9501%	1.0053%	2.7043%								28.6663%
RESERVES & DEFERRALS SEPARATION																					
57	4310 Other Long-Term Liabilities	Ln57a*47	82.621	16.279							32.158	1.695	4.568								57.739
58	4340 Net Noncurrent Def Taxes																				
59	Support Assets	Ln59a*48																			
60	COE-Switching	Ln60a*49																			
61	COE-Operator	Ln61a*50																			
62	COE-Transmission	Ln62a*51																			
63	Info Orig/Term Equip	Ln63a*52																			
64	C&WF	Ln64a*53																			
65	Net Classified by Acct	Ln65a*54																			
66	TOTAL NET NONCURRENT DEF TAXES	Ln59..65	583.413	55.659							93.055	5.865	15.777								167.243
67	4360 Other Deferred Credits-Net	Ln67a*55	583.413	55.659							93.055	5.865	15.777								167.243
68	4370 Other Juris Liabilities																				
69	Deferred Credits - Net	Direct																			
ACCUM DEPR & AMORT ALLOW/DISALLOW																					
70	Accum Depr & Amort Allow/Disallow	Ln70a*54																			
71	Direct Assignment	Direct																			
72	TOTAL ACC DEPR/AMORT ALWDISALLOW	Ln70..71																			

TAX FORM

Albion Telephone Company
 Study Area: 472213
 Study Year: 2007

LN	DESCRIPTION	SOURCE	TAXABLE		INCOME TAX	
			TOTAL	SurTax	TOTAL	SurTax
1	AVERAGE NET INVESTMENT	Ln1	15,768,398	-	-	-
2	ASSUMED RATE OF RETURN FOR ESTIMATING TAX RATE	Ln4	9,9974%	-	-	-
3	RETURN ON INVESTMENT	Ln1a2	1,576,431	-	-	-
4	FIT INCOME ADJUSTMENT (FROM COST STUDY)		299,539	-	-	-
5	INVESTMENT TAX CREDIT AMORTIZATION		1,278,892	-	-	-
6	AFTER TAX INCOME BEFORE TAX CREDITS		466,706	-	-	-
7	FIT BEFORE TAX CREDITS (MUST EQUAL LN 17)		1,747,598	-	-	-
8	TAXABLE INCOME		50,000	7,500	5,000	-
9	FIT ON \$0 TO \$50,000 @ 15%	15%	25,000	6,250	5,000	-
10	FIT ON \$50,000 TO \$75,000 @ 25%	25%	25,000	6,250	5,000	-
11	FIT ON \$75,000 TO \$100,000 @ 34%	34%	25,000	8,500	6,750	-
12	FIT ON \$100,000 TO \$335,000 @ 39%	39%	235,000	91,650	16,750	-
13	FIT ON \$335,000 TO \$10,000,000 @ 34%	34%	1,412,598	480,283	100,000	-
14	FIT ON \$10,000,000 TO \$15,000,000 @ 35%	35%	-	-	550,000	-
15	FIT ON \$15,000,000 TO \$18,333,333 @ 38%	38%	-	-	-	-
16	FIT ON OVER \$18,333,333 @ 35%	35%	-	-	-	-
17	TOTAL TAXABLE INCOME/FIT BEFORE TAX CREDITS	LN8 9...16	1,747,598	594,183	-	-
18	EFFECTIVE FIT TAX RATE				34.00000%	

DISTRIBUTION RATIOS FOR RATE BASE AND EXPENSES

A/C Category	Total	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL			
		MSG (b)	PL (c)	IntraLATA (d)	PL (e)	MSG (f)	InterLATA (g)	PL (h)	IntraLATA (i)	MSG (j)	PL (k)	User Defined (l)	Other (m)
Capital Investment Summary													
General Support Facilities	2110	100.0000%	9.5402%	-	-	-	-	-	-	-	-	2.7043%	28.6663%
COE Switching Equipment	2210	100.0000%	85.0000%	-	-	-	-	-	-	-	-	-	15.0000%
Operator Systems Equipment	2220	100.0000%	-	-	-	-	-	-	-	-	-	-	-
COE Transmission Equipment	2230	100.0000%	27.5862%	-	-	-	-	-	-	-	-	5.3486%	28.9888%
Information Orig/Term Equipment	2310	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Cable & Wire Facilities	2410	100.0000%	36.4532%	-	-	-	-	-	-	-	-	2.4389%	32.0366%
Tangible Assets	2680	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets	2690	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Total Plant in Service A/C 2001		100.0000%	42.1339%	9.5402%	-	-	-	-	-	-	-	2.7043%	28.6663%
Property Held for Future Use	2002	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Plant Under Construction	2003	100.0000%	42.1339%	9.5402%	-	-	-	-	-	-	-	2.7043%	28.6663%
Telephone Plant Adjustment	2005	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Total Property, Plant and Equipment		100.0000%	42.1339%	9.5402%	-	-	-	-	-	-	-	2.7043%	28.6663%
Accumulated Depreciation - Plant in Service	3100	100.0000%	39.8119%	7.8395%	-	-	-	-	-	-	-	2.0331%	33.1788%
Accumulated Depreciation - Property held for Future Use]	3200	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Accumulated Amortization - Tangible Property	3400	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Accumulated Amortization - Intangible Property	3500	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Accumulated Amortization - Telephone Plant Adjustment	3600	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Deferred Operating Taxes	4340	100.0000%	42.1339%	9.5402%	-	-	-	-	-	-	-	2.7043%	28.6663%
Other Long Term Liabilities	4310	100.0000%	42.3521%	8.3447%	-	-	-	-	-	-	-	2.3520%	29.5975%
Other Deferred Credits	4370	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Customer Deposits		100.0000%	42.1339%	9.5402%	-	-	-	-	-	-	-	2.7043%	28.6663%
Net Telephone Plant		100.0000%	45.5541%	12.0888%	-	-	-	-	-	-	-	3.7144%	21.9010%
Investment Allow/Disallow		-	-	-	-	-	-	-	-	-	-	-	-
Accum Depr/Amort Allow/Disallow		-	-	-	-	-	-	-	-	-	-	-	-
Materials and Supplies	1220	100.0000%	36.4532%	8.2569%	-	-	-	-	-	-	-	2.4389%	32.0366%
Investment in Nonaffiliated Companies	1402	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Equal Access Equipment	1439	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Other Jurisdictional Assets	1500	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Cash Working Capital	XXXX	100.0000%	45.2061%	6.2641%	-	-	-	-	-	-	-	1.7740%	33.2210%
Net Telephone Plant, M&S and CWC		100.0000%	45.5942%	11.9551%	-	-	-	-	-	-	-	3.6710%	22.1568%
Operating Expenses and Taxes Summary													
Network Support	6110	100.0000%	42.1339%	9.5402%	-	-	-	-	-	-	-	2.7043%	28.6663%
General Support	6120	100.0000%	42.1339%	9.5402%	-	-	-	-	-	-	-	2.7043%	28.6663%
Central Office	6210	100.0000%	51.3489%	11.5187%	-	-	-	-	-	-	-	3.1349%	23.1990%
Information Orig/Term	6310	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Cable and Wire Facilities	6410	100.0000%	36.4532%	8.2569%	-	-	-	-	-	-	-	2.4389%	32.0366%
Other Plant	6510	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Network Operations	6530	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Access Charge	6540	100.0000%	42.1339%	9.5402%	-	-	-	-	-	-	-	2.7043%	28.6663%
Federal Support	6540	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Marketing	6610	100.0000%	100.0000%	3.2553%	-	-	-	-	-	-	-	-	-
Customer Service	6620	100.0000%	54.6542%	0.1302%	-	-	-	-	-	-	-	2.7561%	32.1885%
Corporate Operations - Executive and Planning	6710	100.0000%	40.2121%	0.3022%	-	-	-	-	-	-	-	0.1102%	37.4565%
Corporate Operations - General and Administrative	6720	100.0000%	42.3521%	8.3447%	-	-	-	-	-	-	-	2.3520%	29.5975%
Subtotal Operations Expense		100.0000%	45.2334%	7.9277%	-	-	-	-	-	-	-	2.2344%	28.1182%
Depreciation and Amortization	6660	100.0000%	44.1874%	8.5288%	-	-	-	-	-	-	-	2.4346%	28.3350%
Other Operating	7240	100.0000%	45.2484%	9.1180%	-	-	-	-	-	-	-	2.6601%	27.2885%
Equal Access	7500	100.0000%	42.7864%	9.4326%	-	-	-	-	-	-	-	2.6738%	28.3430%
Fixed Charges	7500	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Rent Revenue	5240	100.0000%	45.5541%	12.0888%	-	-	-	-	-	-	-	3.7144%	21.9010%
Total Operating Expense and Tax		100.0000%	44.1647%	8.5437%	-	-	-	-	-	-	-	2.4389%	28.3349%
Nonoperating Expense	7370	100.0000%	-	-	-	-	-	-	-	-	-	-	-
Abandoned Construction		100.0000%	43.8231%	8.1318%	-	-	-	-	-	-	-	-	28.8423%
Contributions		100.0000%	-	-	-	-	-	-	-	-	-	-	-
Other Nonoperating		100.0000%	-	-	-	-	-	-	-	-	-	-	-
Allowance for Funds Used During Construction	7340	100.0000%	42.1339%	9.5402%	-	-	-	-	-	-	-	2.7043%	28.6663%
Other Income Adjustments	XXXX	100.0000%	-	-	-	-	-	-	-	-	-	-	-

SEPARATED TELECOMMUNICATIONS PLANT SUMMARY

Albion Telephone Company
Study Area: 472213
Study Year: 2007

LINE	DESCRIPTION	SOURCE	INTERSTATE										Inter-exchange (D)			
			JURIS TOTAL (A)	Char Term (B)	Special Access Char Term (C)	CM-Exit (G)	Local Switching (E)	Div Asst (F)	Intromskan Surcharge (H)	Equal Access (B)	Transmission Tandem Sw (J)	Center Common Line Pay (K)		Record (M)	Process (N)	
1	2110 Land & Support Assets	A-4, Ln12	1,461,647	247,586	7,284	14,984	379,486	-	-	-	-	459,079	-	353,219	-	-
2	2210 COE-Switching	A-5, Ln28	4,859,284	-	-	-	4,859,284	-	-	-	-	-	-	-	-	-
3	2220 COE-Operator	A-5, Ln15	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2230 COE-Transmission	A-3, Ln17	3,838,135	1,511,574	93,265	-	-	-	-	-	-	1,168,145	-	1,064,151	-	-
5	2310 Info Orig/Term Equip	A-8, Ln14	10,016,346	1,659,652	-	191,857	-	-	-	-	-	4,709,169	-	3,458,866	-	-
6	2410 C&WF	A-7, Ln39	18,175,764	3,170,226	93,265	191,857	4,859,284	-	-	-	-	5,678,315	-	4,522,817	-	-
7	Total COE, IOT, C&WF	Ln2, 3	100,000.00%	16,9398%	0.4983%	1,0251%	25,9636%	-	-	-	-	31,4084%	-	24,1658%	-	-
8	Distribution of Line 7	Ln7/7a	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Equal Access - Investment	A-9, Ln20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	2660 Tangible Assets	A-5, Ln30	20,177,412	3,417,812	100,548	206,841	5,238,780	-	-	-	-	6,337,394	-	4,876,036	-	-
11	TELECOM PLIN SVC-EXCL 2680	Ln17+9+10	100,000.00%	16.9388%	0.4983%	1.0251%	25.9636%	-	-	-	-	31.4084%	-	24.1658%	-	-
12	Distribution of Line 11	Ln11/11a	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	2680 Intangible Assets	A-8, Ln34	20,177,412	3,417,812	100,548	206,841	5,238,780	-	-	-	-	6,337,394	-	4,876,036	-	-
14	TELECOM PLANT IN SVC	Ln11, 13	100,000.00%	16.9388%	0.4983%	1.0251%	25.9636%	-	-	-	-	31.4084%	-	24.1658%	-	-
15	Distribution of Line 14	Ln14/14a	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	2002 Prop-Hld Fut Telecom Use	A-9, Ln5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	2003 Plant Under Const	A-9, Ln9	106,217	17,992	529	1,089	27,578	-	-	-	-	33,361	-	25,668	-	-
18	2005 Telecom Plant Adjustment	A-9, Ln13	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	TOTAL TELECOM PLANT	Ln14+16, 18	20,283,628	3,435,804	101,078	207,930	5,266,358	-	-	-	-	6,370,755	-	4,901,704	-	-
20	1220 Materials and Supplies	A-9, Ln18	107,174	18,154	534	1,089	27,826	-	-	-	-	33,662	-	25,899	-	-
21	1500 Other Juris Assets-Net	A-15, Ln11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	3100 Accumulated Depreciation	A-15, Ln18	11,156,391	1,897,157	60,465	82,998	4,396,273	-	-	-	-	2,794,164	-	2,185,385	-	-
23	Equal Access - Accum Depreciation	A-9, Ln22	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	3200 Acc Dep-Hld for Fut Use	A-15, Ln24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	3400 Accum Amort-Tangible	A-15, Ln25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	3500 Accum Amort-Other	A-15, Ln26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	3600 Accum Amort-Other	A-15, Ln26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	4100 Net Ctr Dst Op Inc Taxes	A-15, Ln28	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	4200 Net Ctr Dst Op Inc Taxes	A-15, Ln28	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	4300 Net Ctr Dst Op Inc Taxes	A-15, Ln28	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	4360 Other Deferred Credits-Net	A-15, Ln29	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	4370 Other Jur Libb & Def Credits-Net	A-15, Ln61	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	NET TELECOM PLANT	Ln18+20-21, 32	8,932,938	1,705,734	39,644	122,882	879,639	-	-	-	-	3,515,574	-	2,669,385	-	-
34	Distribution of Line 33	Ln33/33a	100,000.00%	19.0549%	0.4438%	1.3767%	9.8471%	-	-	-	-	39.3552%	-	28.8823%	-	-
35	1402 Rural Tel Bank Stock	A-9, Ln15	253,987	43,024	1,266	2,604	65,947	-	-	-	-	79,776	-	61,381	-	-
36	Cash Working Capital	A-9, Ln19	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	Equal Access - Unamortized Expenses	A-9, Ln24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Invest Allow/Disallowances	A-9, Ln29	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Accum Dep/Amort Allow/Disallow	A-15, Ln64	3,489	583	17	36	806	-	-	-	-	1,089	-	845	-	-
40	4040 Customer Deposits	A-15, Ln29	96,900	16,752	493	1,014	25,670	-	-	-	-	31,063	-	23,900	-	-
41	4310 Other Long-Term Liabilities	A-15, Ln48	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Other Telecom P/Adjust	Records	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	NET TELECOM PLANT RAND	Ln33+35, 39-42	9,084,537	1,721,413	40,400	124,536	918,999	-	-	-	-	3,933,189	-	2,708,000	-	-
44	OTHER RATE-BASE ITEMS	Ln44/44a	100,000.00%	19.0558%	0.4447%	1.3709%	10.1161%	-	-	-	-	39.2226%	-	29.7859%	-	-
45	Distribution of Line 44	Ln44/44a	-	-	-	-	-	-	-	-	-	-	-	-	-	-

SEPARATED TELECOMMUNICATIONS PLANT SUMMARY

LINE	DESCRIPTION	SOURCE	INTERSTATE		Local Switching (e)	Dir. Ass't (f)	Information Surcharge (g)	Equal Access (b)	Transmission (i)	Transport Tandem Sw (j)	Carrier Common Line Pay (k)	BFP (l)	Record (m)	B&C Process (n)	Inter-exchange (o)
			JOBIS TOTAL (g)	JOBS TOTAL (h)											
46	2001 TELECOM PLANT IN SVC	Ln14	20,177,412	206,841	5,238,780	-	-	-	6,337,394	-	-	4,876,036	-	-	-
47	Equal Access Adjustment	Note 1	-	-	-	-	-	-	-	-	-	-	-	-	-
48	2001 TELECOM PLANT IN SVC (EALS)	Ln6R47	20,177,412	206,841	5,238,780	-	-	-	6,337,394	-	-	4,876,036	-	-	-
49	Distribution of Line 48	Ln48/48a	100,000%	1,0251%	25,9636%	-	-	-	31,4084%	-	-	24,1658%	-	-	-
50	GSF, COE, IOT, C&WF, Gross Eq. Ac	Ln1+7-A-9 Ln28	20,177,412	206,841	5,238,780	-	-	-	6,337,394	-	-	4,876,036	-	-	-
51	Equal Access Adjustment	Note 1	-	-	-	-	-	-	-	-	-	-	-	-	-
52	GSF, COE, IOT, C&WF, Eq. Ac (LS)	Ln50-51	20,177,412	206,841	5,238,780	-	-	-	6,337,394	-	-	4,876,036	-	-	-
53	Distribution of Line 52	Ln52/52a	100,000%	1,0251%	25,9636%	-	-	-	31,4084%	-	-	24,1658%	-	-	-
54	GSF, COE, IOT, C&WF, Gross Eq. Ac	Ln1+7-A-9 Ln29	20,177,412	206,841	5,238,780	-	-	-	6,337,394	-	-	4,876,036	-	-	-
55	Distribution of Line 54	Ln54/54a	100,000%	1,0251%	25,9636%	-	-	-	31,4084%	-	-	24,1658%	-	-	-
56	COE, IOT, C&WF, Gross Eq. Ac	A-2, Ln7	18,715,764	191,857	4,859,284	-	-	-	5,878,315	-	-	4,522,817	-	-	-
57	Equal Access Investment	A-2, Ln7	-	-	-	-	-	-	-	-	-	-	-	-	-
58	COE, IOT, C&WF, Eq. Ac	Ln57	18,715,764	191,857	4,859,284	-	-	-	5,878,315	-	-	4,522,817	-	-	-
59	Distribution of Line 56	Ln58/58a	100,000%	1,0251%	25,9636%	-	-	-	31,4084%	-	-	24,1658%	-	-	-
60	GSF, COE, IOT, C&WF, Eq. Ac (LS)	Ln52	16,452,210	-	5,238,780	-	-	-	6,337,394	-	-	4,876,036	-	-	-
62	Distribution of Line 61	Ln61/61a	100,000%	-	31,8424%	-	-	-	38,5200%	-	-	28,6376%	-	-	-
63	GSF, COE, IOT, C&WF, Eq. Ac (LS)	Ln52	3,725,201	206,841	-	-	-	-	-	-	-	-	-	-	-
64	(Special Access only)	Ln64/64a	100,000%	5,525%	-	-	-	-	-	-	-	-	-	-	-
66	COE, IOT, C&WF	Ln7	14,182,947	191,857	4,859,284	-	-	-	5,878,315	-	-	4,522,817	-	-	-
67	x/CCL, B&C, IX	Ln67/67a	100,000%	1,3518%	-	-	-	-	41,4172%	-	-	-	-	-	-
68	COE Switching Investment	A-5, Ln28	-	-	-	-	-	-	-	-	-	-	-	-	-
70	Equal Access Investment	A-5, Ln28	-	-	-	-	-	-	-	-	-	-	-	-	-
71	COE Switching, Equal Access Investment	Ln70-71	4,859,284	-	4,859,284	-	-	-	-	-	-	-	-	-	-
72	Distribution of Line 71	Ln71/71a	100,000%	-	100,000%	-	-	-	-	-	-	-	-	-	-
73	C&WF Cat 1,3	A-7, Ln6	3,458,666	-	-	-	-	-	-	-	-	3,458,666	-	-	-
74	Direct Ass'n - MSG (1,3)	A-7, Ln7	-	-	-	-	-	-	-	-	-	-	-	-	-
75	COE, IOT, C&WF, x/Cat 1,3	Ln 7-73, 74	15,257,088	191,857	4,859,284	-	-	-	5,878,315	-	-	1,064,151	-	-	-
76	Distribution of Line 75	Ln75/75a	100,000%	1,2575%	31,8493%	-	-	-	38,5284%	-	-	6,9745%	-	-	-

Note 1: Equal Access transferred to Local Switching for distribution

GENERAL SUPPORT FACILITIES

Albion Telephone Company
 Study Area: 472213
 Study Year: 2007

LINE	DESCRIPTION	SOURCE	INTERSTATE		Local Switching (e)	Information Surcharge (g)	Equal Access (h)	Transmission - Tandem Sw (j)	Carrier Common Line Pw BFP (k)	Record (m)	B&C Process (n)	Inter-exchange (o)
			IS (a)	TOTAL (a)								
1	COE (OT, CAWF) Distr	A-2 Ln8	100.0000%	100.0000%	25.8636%	-	-	31.4084%	-	3.3612%	-	-
2	Modified Big Three Expenses Distr	A-3 Ln12	100.0000%	100.0000%	20.5793%	-	-	27.2935%	-	-	2.6215%	-
LAND & SUPT ASSETS APPORTIONMENT												
3	2110 Land & Support Assets		1,461,647		379,466			459,079				
4	Support Assets-Joint X/GSF - B&C											
5	General Support Facilities - B&C											
6	Direct Assignment											
7	Total Support Assets		1,461,647		379,466			459,079				
8	Distribution of Line 7		100.0000%		25.8636%			31.4084%				
9	Land Assets-Joint											
10	Direct Assignment											
11	Total Land Assets		1,461,647		379,466			459,079				
12	TOTAL LAND & SUPPORT ASSETS		100.0000%		25.8636%			31.4084%				
13	Distribution of Line 12											

CENTRAL OFFICE EQUIPMENT

Albion Telephone Company
Study Area: 472213
Study Year: 2007

LINE	DESCRIPTION	SOURCE	INTERSTATE JURIS TOTAL (\$)	Chan Term (b)	Special Access Ckt-Term (c)	CLA-Facil (d)	Local Switching (g)	Dir Asst (h)	Intrastate Surcharge (i)	Equal Access (j)	Transmission Tandem Svc (k)	Carrier Common Line Pay (l)	Record (m)	B&S Process (n)	Inter-exchange (o)
1	COE - Cat 1, TSPS, C Switchboard Pkt	A-18, L03	100.0000%	-	-	-	-	-	-	-	-	-	-	-	100.0000%
2	COE - Cat 1, TSPS, C Switchboard Pkt	A-18, L05	100.0000%	-	-	-	-	-	-	-	-	-	-	-	100.0000%
3	2220 Operator Systems														
4	Cat 1-Operator Systems	Ln5a*1													
5	Manual Switchboards														
6	Auxiliary Switchboards														
7	Intercept	Direct													
8	Directory Assistance	Direct													
9	Svc Obs Boards	Ln6a*31													
10	TSPS														
11	Operator	Ln71a*2													
12	RTA	Ln72a*31													
13	Other	Ln73a*31													
14	Direct Assignment	Ln74a*31													
15	Total Cat 1	Ln7, 14													
16	Distribution of Line 15	Ln7, 14													
17	2210 Central Office Switching														
18	Cat 2-Tandem Switching	Direct													
19	Tandem Switching	Direct													
20	Direct Assign-MSG	Direct													
21	-PL	Ln19, 21													
22	Total Cat 2														
23	Cat 3-Local Switching - TS	Direct	4,859,284				4,859,284								
24	Cat 3-Local Switching - NTS	Direct													
25	Direct Assign-MSG	Direct													
26	-PL	Ln23, 26													
27	Total Cat 3		4,859,284				4,859,284								
28	TOTAL COE-SWITCHING		4,859,284				4,859,284								
28	Distribution of Line 28	Ln22-27	100.0000%				100.0000%								
30	COE Cat 1, 2&3 w/SOS (nb-d, h, k)	Ln7, 8&28	4,859,284				4,859,284								
31	Distribution of Line 30	Ln30/28a	100.0000%				100.0000%								

CENTRAL OFFICE EQUIPMENT

LINE	DESCRIPTION	SOURCE	INTERSTATE														
			Cham Term (b)	Special Access Cham Term (c)	Local Switching (s)	Information Surcharge (g)	Equal Access (h)	Transmission Tandem Sv (j)	Carrier Common Line Pay (k)	Record (m)	B&C Process (n)	Inter-exchange (o)					
32	2230 Central Office - Transmission																
33	Cat 4.1-Exchange Circuit	Direct															
34	Cat 4.1-Wideband Line	Direct															
35	Direct Assign-MSG	Direct															
36	-PL	Direct															
37	4.12 Ex Trk xWB - Basic	Direct	1,471,645														
38	Direct Assign-MSG	Direct															
39	-PL	Direct															
40	Ex Trk WB	Direct															
41	Direct Assign-MSG	Direct															
42	-PL	Direct															
43	4.13 Ex Line xWB	Direct	1,064,151														
44	Joint MSG	Direct															
45	PL & Local	Direct	39,928														
46	Direct Assign-MSG	Direct															
47	-PL	Direct															
48	Cat 4.2-Interexchange	Direct															
49	4.21 Furn to Others-MSG	Direct															
50	-PL	Direct															
51	4.22 Wideband	Direct															
52	Jt MSG-Access	Direct															
53	-Nonaccess	Direct															
54	PL TWX-Access	Direct															
55	-Nonaccess	Direct															
56	Direct Assign-MSG	Direct															
57	-PL	Direct															
			49,116	49,116													

CENTRAL OFFICE EQUIPMENT

LINE	DESCRIPTION APPORTIONMENT FACTORS	SOURCE	INTERSTATE														
			JURIS TOTAL (g)	Chan Term (b)	Special Access Ckt-Term (c)	CM-Facil (g)	Local Switching (e)	Div Asst (f)	Information Surcharge (g)	Equal Access (h)	Transmission (i)	Transport Tandem Sw (j)	Center Common Line Pay (k)	Record (m)	B/C Process (n)	Intr- exchange (o)	
58	COE APPORTIONMENT																
59	4.22 Allow		616,791														
60	Jt MSG-Access	Direct	44,149														
61	PL TWX-Access	Direct															
62	Jt Msg TWX-IT	Direct															
63	Direct Assign-MSG Nonaccess -PL Nonaccess	Direct															
64	Cat 4.3-Host/Remote	Direct	552,355														
65	Joint	Direct															
66	WATS-MSG	Direct															
67	-PL	Direct															
68	Direct Assign-MSG	Direct															
69	-PL	Direct															
70	Total Cat 4	Lt34..57+59..69	3,838,135	1,511,574	93,265												
71	TOTAL COE-TRANSMISSION	Lt70	3,838,135	1,511,574	93,265												
72	Distribution of Line 71	Lt71/71a	100.0000%	39.3530%	2.4289%												
73	TOTAL CENTRAL OFFICE EQUIP	Lt16+22+27+70	8,697,419	1,511,574	93,265			4,859,284									
74	Distribution of Line 73	Lt73/73a	100.0000%	17.3796%	1.0723%			55.8704%									

INFORMATION ORIGINATOR/TERMINATION EQUIPMENT

Albion Telephone Company
 Study Area: 472213
 Study Year: 2007

LINE	DESCRIPTION	SOURCE	INTERSTATE													
			Chan Term (b)	Special Access CMA Term (c)	CM-Facil (d)	Local Switching (e)	Dir Asst (f)	Information Surcharge (g)	Equal Access (h)	Transport Transmission (i)	Carrier Common Line Pay (k)	Record (m)	B&C Process (n)	Inter-exchange (o)		
1	IOT EQUIPMENT APPORTIONMENT															
2	12310 Into Orig/Term Equip															
3	Cat 1-Other IOT															
4	Public Telephone	Direct														
5	All Other IOT-MSG -PL	Direct														
6	Direct Assign-MSG -PL	Direct														
7	Total Cat 1 - Other IOT	Direct														
8	Distribution of Line 7	Ln3,7 Ln8a														
9	Cat 2 CPE-MSG	Direct														
10	Total Cat 2 - CPE -PL	Direct														
11	Distribution of Line 10	Ln10,11 Ln12/12a														
12	TOTAL IOT EQUIPMENT															
13	Distribution of Line 12	Ln8+12 Ln14/14a														
14	TOTAL IOT EQUIPMENT															
15	Distribution of Line 14															

CABLE AND WIRE FACILITIES

Albion Telephone Company
Study Area: 472213
Study Year: 2007

LINE	DESCRIPTION	SOURCE	APPORTIONMENT FACTORS										Inter-exchange exchange (c)				
			Chan Term (b)	Special Access Ckt-Term (c)	Local Switching (g)	Div Asst (f)	Information Surcharge (g)	Equal Access (c)	Transport Transmission (f)	Carrier Common Line Pay (k)	Record (m)	Process (c)					
1	1 Cat 1.3 Equip Inter-Loop Pct	Records	100.0000%														
INTERSTATE JURIS TOTAL			100.0000%														
2	2410 Cable & Wire Facilities																
3	Cat 1-Exch Line x/WB	Direct	128,775														
4	1.1 Intra PL & WATS	Direct															
5	1.2 Inter PL & WATS	Direct															
6	1.3 Jointly Used	Direct	3,458,686														
7	Direct Assign-MSG	Direct															
8	-PL	Direct															
9	Total Category 1	Ln4.8	3,588,442														
10	Cat 2-WB & Exch Trunk	Direct															
11	Ex Trk x/WB - joint message	Direct															
12	Ex Line WB - PL	Direct															
13	WB Line - MSG	Direct															
14	WB Trunk-PL	Direct	1,528,877														
15	WB Trk Direct Assign-MSG	Direct															
16	-PL	Direct															
17	Total Category 2	Ln11..16	1,528,877														

CABLE AND WIRE FACILITIES

LINE	DESCRIPTION	SOURCE	INTERSTATE TURIS TOTAL														
			Chan Term (b)	Special Access CM-Term (c)	CM-Facil (d)	Local Switching (e)	Div Asst (f)	Information Surcharge (g)	Equal Access (h)	Transmission (i)	Transport Tandem Sw (j)	Carrier Common Line Pay (k)	BFP (l)	Record (m)	B&C Process (n)	Intr. exchange (o)	
18	C&WF CAT 3-4 APPORTIONMENT																
19	Wholesale:																
20	Jt MSG-Access	Direct															
21	PLTWX-Access	Direct															
22	Direct Assign-MSG	Direct															
23	-PL	Direct	66,227														
24	All Other:																
25	Jt MSG-Access	Direct															
26	PLTWX-Access	Direct															
27	Joint TWX-TT	Direct															
28	Joint TWX-Remole	Direct															
29	Direct Assign-MSG Nonaccess	Direct															
30	-PL Nonaccess	Direct															
31	Total Category 3	Ln20..30			191,857												
32	Cat 4-Host/Remole																
33	Joint (w/WATS)	Direct															
34	WATS-MSG	Direct															
35	-PL	Direct															
36	Direct Assign-MSG	Direct															
37	-PL	Direct															
38	Total Category 4	Ln33..37															
39	TOTAL CABLE & WIRE FACILITIES	Ln9+17+31+38	1,958,652		191,857												
40	Distribution of Line 39	Ln9/39a	18.5562%		1.9751%												

AMORTIZABLE ASSETS

Albion Telephone Company
 Study Area: 472213
 Study Year: 2007

LINE	DESCRIPTION	SOURCE	INTERSTATE JURIS TOTAL		Special Access Ckt-Term (c)	Churn Term (b)	Local Switching (g)	Div Asst (f)	Intentional Surcharge (g)	Equal Access (h)	Transmission (i)	Transport Transsem Sw (j)	Carrier Common Line Pay (k)	BFP (l)	Record (m)	B&C Process (n)	Inter-exchange (o)
			(e)	(e)													
APPORTIONMENT FACTORS																	
1	Land & Supt Assets-Distr	A-1, Ln13	100.0000%	100.0000%	0.4983%	16.9388%	25.9636%	-	-	-	31.4084%	-	-	24.1658%	-	-	-
2	2210 COE-Switching	A-1, Ln20	100.0000%	100.0000%	-	-	100.0000%	-	-	-	-	-	-	-	-	-	-
3	2220 COE-Operator	A-1, Ln16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2230 COE-Transmission Distr	A-1, Ln12	100.0000%	100.0000%	2.4299%	39.3530%	-	-	-	-	30.4613%	-	-	27.7257%	-	-	-
5	2310 IOT Distr	A-1, Ln15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	2410 C&WF Distr	A-7, Ln40	100.0000%	100.0000%	-	16.5562%	-	-	-	-	47.0065%	-	-	34.5233%	-	-	-
7	GSF COE IOT C&WF Eq Ass (LS)	A-2, Ln63	100.0000%	100.0000%	0.4983%	16.9388%	25.9636%	-	-	-	31.4084%	-	-	24.1658%	-	-	-
TANGIBLE ASSETS APPORTIONMENT																	
8	2860 Tangible Assets-Cap Leases	Ln9a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	2110 Land & Supt Assets	Ln10a2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	2210 COE-Switching	Ln11a3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	2220 COE-Operator	Ln12a4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	2230 COE-Transmission	Ln13a5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	2310 IOT	Ln14a6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	2410 C&WF	Ln15a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Not Classified by Account	Ln16a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Direct Assignment - Cap Leases	Ln17a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Not Classified by Account	Ln18a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Distribution of Line 17	Ln17/17a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TANGIBLE ASSETS APPORTIONMENT																	
19	2860 Tangible Assets-Cap Leases	Ln20a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	2110 Land & Supt Assets	Ln21a2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	2210 COE-Switching	Ln22a3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	2220 COE-Operator	Ln23a4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	2230 COE-Transmission	Ln24a5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	2310 IOT	Ln25a6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	2410 C&WF	Ln26a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Not Classified by Account	Ln27a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Direct Assignment - Lease Improvements	Ln28a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	TOTAL LEASEHOLD IMPROVEMENTS	Ln20.27	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Distribution of Line 28	Ln28/28a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	TOTAL TANGIBLE ASSETS	Ln17.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Distribution of Line 30	Ln30/30a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
INTANGIBLE ASSETS APPORTIONMENT																	
32	2860 Tangible Assets	Ln32a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	Direct Assignment	Ln33a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	TOTAL INTANGIBLE ASSETS	Ln32.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Distribution of Line 34	Ln34/34a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

TELECOMMUNICATIONS PLANT - OTHER ACCOUNTS

Albion Telephone Company
 Study Area: 472213
 Study Year: 2007

LINE	DESCRIPTION	SOURCE	INTERSTATE		Chain Term (b)	Special Access Chg Term (c)	CM-Facil (d)	Local Switching (e)	Dir Asst (f)	Information Surcharge (g)	Equal Access (h)	Transmission (i)	Tandem Sw (j)	Carrier Common Line Pay (k)	BEP (l)	Record (m)	BSC Process (n)	Inter-exchange (o)	
			JURIS TOTAL (b)	(o)															
1	APPORTIONMENT FACTORS																		
1	GSF COE (OT) CAME Fcals	A-2, Ld55	100,0000%		16,9388%	0.4883%	1,0251%	25,9636%				31,4084%			24,1668%				
2	GSF COE (OT) CAME Fcals (LS)	A-2, Ld53	100,0000%		16,9388%	0.4883%	1,0251%	25,9636%				31,4084%			24,1668%				
3	OTHER ACCOUNTS APPORTIONMENT																		
3	2002 Prop Hld Fut Telecom Use	Ln3a*1																	
4	Direct Assignment	Ln4a*1																	
5	TOTAL PROP HLD FUT TELECOM USE	Ln5a																	
6	Distribution of Line 5																		
7	2003 PR Under Constr	Ln7a*1	106,217		17,992	528	1,089	27,578				33,361			25,668				
8	Direct Assignment	Ln8a*1																	
9	TOTAL PLT UNDER CONSTR	Ln9a	106,217		17,992	528	1,089	27,578				33,361			25,668				
10	Distribution of Line 9		100,0000%		16,9388%	0.4883%	1,0251%	25,9636%				31,4084%			24,1668%				
11	2005 Telecom Plant Adjust	Ln11a*2																	
12	Direct Assignment	Ln12a*2																	
13	TOTAL TELECOM PLANT ADJUST	Ln13a																	
14	DISTRIBUTION OF APPORTIONMENT	Ln14a																	
15	1402 Class B RTB Stock	Ln15a*2																	
15	1438 Deferred Charges	Ln15a*2																	
16	1220 Material & Supl x/CPE	Ln16a*2	107,174		18,154	534	1,089	27,826				33,662			25,869				
17	Direct Assignment	Ln17a*2																	
18	TOTAL MATERIALS AND SUPPLIES	Ln18a	107,174		18,154	534	1,089	27,826				33,662			25,869				
19	Cash Working Capital	Ln19a*2	253,997		43,024	1,266	2,604	65,947				79,778			61,381				
20	EQUAL ACCESS INVEST APPORTIONMENT																		
20	Equal Access Gross Investment	Direct																	
21	Equal Access Gross Investment - Direct Assignment	Direct																	
22	Accum Depreciation	Direct																	
23	Deferred Oper Inc Taxes	Direct																	
24	Unamortized Expenses	Direct																	
25	TOTAL EQUAL ACCESS INVESTMENT	Ln25a																	
26	DISTRIBUTION OF APPORTIONMENT	Ln26a																	
27	Investment Allow/Deductions	Ln27a*2																	
28	Direct Assignment	Ln28a*2																	
29	TOTAL INVEST ALLOW/DISALLOWANCES	Ln29a																	

CERTAIN INCOME ACCOUNTS AND ADJUSTMENTS

Albion Telephone Company
 Study Area: 472213
 Study Year: 2007

LINE	DESCRIPTION	SOURCE	JURIS TOTAL	Chan Term (b)	Special Access Cbl-Term (c)	CM,Facil (d)	Local Switching (e)	Equal Access (f)	Transmission (g)	Transport Tandem SW (h)	Carrier Common Line Pay (i)	Record (m)	BEC Process (n)	Inter-exchange (o)
INTERSTATE														
APPORTIONMENT FACTORS			100,000%	16,9388%	0,4983%	1,0251%	25,9636%	-	31,4084%	-	-	-	-	-
1	GSF COE (EN Adm)	A-2,Ln63	100,000%	16,9388%	0,4983%	1,0251%	25,9636%	-	31,4084%	-	-	-	-	-
2	GSF COE (OT C&WF)	A-2,Ln48	100,000%	16,9388%	0,4983%	1,0251%	25,9636%	-	31,4084%	-	-	-	-	-
3	COE C&WF (OT YCCLld Pw)BAC,IX	A-2,Ln68	100,000%	22,3368%	0,8571%	1,3518%	34,2373%	-	41,4172%	-	-	-	-	-
4	2,110. Support Assets Distr	A-4,Ln8	100,000%	16,9388%	0,4983%	1,0251%	25,9636%	-	31,4084%	-	-	-	-	-
5	2,210. COE Switching Distr	A-5,Ln28	100,000%	16,9388%	0,4983%	1,0251%	100,000%	-	31,4084%	-	-	-	-	-
6	2,220. COE Operator Distr	A-5,Ln16	100,000%	39,3830%	2,4289%	-	-	-	30,4613%	-	-	-	-	-
7	2,230. COE Transmission Distr	A-5,Ln72	100,000%	16,5562%	-	1,9151%	-	-	47,0055%	-	-	-	-	-
8	2,310. IOT Distr	A-6,Ln15	100,000%	16,9388%	0,4983%	1,0251%	25,9636%	-	31,4084%	-	-	-	-	-
9	2,410. C&WF Distr	A-7,Ln40	100,000%	19,0949%	0,4438%	1,3767%	9,8471%	-	38,3552%	-	-	-	-	-
10	2,001. Tel Pk in Svc Distr	A-2,Ln15	100,000%	16,9388%	0,4983%	1,0251%	25,9636%	-	31,4084%	-	-	-	-	-
11	Net Telecom Plant Distr	A-2,Ln34	100,000%	16,9388%	0,4983%	1,0251%	25,9636%	-	31,4084%	-	-	-	-	-
12	14100 Net Cur Def Op Inc Taxes	A-15,Ln48	100,000%	16,9388%	0,4983%	1,0251%	25,9636%	-	31,4084%	-	-	-	-	-
13	Big Three Expense Distr	A-3,Ln6	100,000%	16,9388%	0,4983%	1,0251%	25,9636%	-	31,4084%	-	-	-	-	-
OTHER INCOME APPORTIONMENT														
14	7100 Oth Oper Inc & Expenses	Ln15c*1	7,144	1,210	36	73	1,865	-	2,244	-	-	-	-	-
15	Alt Pk Used Dur Constr	Ln16	9,579	1,623	46	66	2,487	-	3,008	-	-	-	-	-
16	Contributions	Ln17	-	-	-	-	-	-	-	-	-	-	-	-
17	Unbonded Construction	Ln18	-	-	-	-	-	-	-	-	-	-	-	-
18	Other	Ln18a*1	-	-	-	-	-	-	-	-	-	-	-	-
19	TOTAL OTHER OPER INC & EXPENSES	Ln15..18	16,723	2,833	83	171	4,342	-	5,253	-	-	-	-	-
20	Fixed Charges	Ln21a*1	-	-	-	-	-	-	-	-	-	-	-	-
21	Interest on Capital Leases	Ln22a*1	-	-	-	-	-	-	-	-	-	-	-	-
22	Fixed Charges Excl Capital Leases	Ln23a*1	172,666	29,248	860	1,770	44,830	-	54,232	-	-	-	-	-
23	Amortization of Debt Discount	Ln24a*1	-	-	-	-	-	-	-	-	-	-	-	-
24	Other Interest	Ln25a*1	-	-	-	-	-	-	-	-	-	-	-	-
25	TOTAL FIXED CHARGES	Ln21..24	172,666	29,248	860	1,770	44,830	-	54,232	-	-	-	-	-
26	5240 Rent Revenues	Ln27a*4	-	-	-	-	-	-	-	-	-	-	-	-
27	Support Assets	Ln28a*5	-	-	-	-	-	-	-	-	-	-	-	-
28	COE-Switching	Ln28b*6	-	-	-	-	-	-	-	-	-	-	-	-
29	COE-Operator	Ln28c*7	-	-	-	-	-	-	-	-	-	-	-	-
30	COE-Transmission	Ln28d*8	-	-	-	-	-	-	-	-	-	-	-	-
31	OT	Ln28e*9	-	-	-	-	-	-	-	-	-	-	-	-
32	C&WF	Ln28f*10	-	-	-	-	-	-	-	-	-	-	-	-
33	Net Classified by Account	Ln28g*11	-	-	-	-	-	-	-	-	-	-	-	-
34	UNBUNDLED NETWORK ELEMENTS	Ln28h*12	-	-	-	-	-	-	-	-	-	-	-	-
35	Operator Systems	Direct	-	-	-	-	-	-	-	-	-	-	-	-
36	Operator Systems	Direct	-	-	-	-	-	-	-	-	-	-	-	-
37	Tandem Switching	Direct	-	-	-	-	-	-	-	-	-	-	-	-
38	Local Switching	Direct	-	-	-	-	-	-	-	-	-	-	-	-
39	Transport Termination	Direct	-	-	-	-	-	-	-	-	-	-	-	-
40	Transport Facility	Direct	-	-	-	-	-	-	-	-	-	-	-	-
41	OS87	Ln40a*7	-	-	-	-	-	-	-	-	-	-	-	-
42	OSS	Ln41a*10	-	-	-	-	-	-	-	-	-	-	-	-
43	Direct Assignment	Ln42a*10	-	-	-	-	-	-	-	-	-	-	-	-
44	TOTAL RENT REVENUES	Ln27..42	-	-	-	-	-	-	-	-	-	-	-	-
INCOME TAX ADJUST APPOINTMENT														
45	ITC Amortization - Federal	Ln45a*1	-	-	-	-	-	-	-	-	-	-	-	-
46	ITC Amortization - State	Ln46a*1	-	-	-	-	-	-	-	-	-	-	-	-
47	TOTAL ITC AMORTIZATION	Ln44..45	-	-	-	-	-	-	-	-	-	-	-	-
48	Amortization of Excess Def Taxes	Ln47a*10	-	-	-	-	-	-	-	-	-	-	-	-
49	Capitalized Payroll Taxes	Ln48a*2	-	-	-	-	-	-	-	-	-	-	-	-
50	Direct Assignment	Ln48a*2	-	-	-	-	-	-	-	-	-	-	-	-
51	TOTAL CAPITALIZED PAYROLL TAXES	Ln48..49	-	-	-	-	-	-	-	-	-	-	-	-
52	Depreciation Adjustments	Ln51a*2	-	-	-	-	-	-	-	-	-	-	-	-
53	Direct Assignment	Ln52a*2	-	-	-	-	-	-	-	-	-	-	-	-
54	TOTAL DEPRECIATION ADJUSTMENTS	Ln51..52	-	-	-	-	-	-	-	-	-	-	-	-
55	Uncollectibles - Joint Message	Ln54a*2	-	-	-	-	-	-	-	-	-	-	-	-
56	Uncollectibles - End User CCL	Direct	-	-	-	-	-	-	-	-	-	-	-	-
57	Uncollectibles - Interexchange Carrier	Ln56a*3	-	-	-	-	-	-	-	-	-	-	-	-
58	TOTAL UNCOLLECTIBLES	Ln54..56	-	-	-	-	-	-	-	-	-	-	-	-
59	Misc Inc Adjustments	Ln59a*10	-	-	-	-	-	-	-	-	-	-	-	-
60	Net Alloc on Bg 3 Exp	Ln60a*1	-	-	-	-	-	-	-	-	-	-	-	-
61	TOTAL MISC INC ADJUSTMENTS	Ln58..60	-	-	-	-	-	-	-	-	-	-	-	-
62	Total Other Income and Tax adjustments	Ln19-25+43+46+47+50	189,368	32,080	944	1,941	49,172	-	59,484	-	-	-	-	-
63	Distribution of Line 62	Ln62b2a	100,000%	16,9388%	0,4983%	1,0251%	25,9636%	-	31,4084%	-	-	-	-	-

PLANT SPECIFIC EXPENSES

LINE	DESCRIPTION	SOURCE	JURIS TOTAL (g)	Chen Term (h)	Special Access CML Term (g)	CML Facil (d)	Local Switching (e)	Dir Asst (f)	Information Surcharge (g)	Enial Access (h)	Transmission (i)	Transport Tardem Sw (j)	Carrier Common Line Pay (k)	BFP (l)	Record (m)	B&C Process (n)	Intr- exchange (o)
1	APPORTIONMENT FACTORS																
1	GSF COE IOT C&WF Exp (US)	A-2 Ln33	100,000%	16,838%	0.4883%	1,0251%	25,983%				31,4084%			24,1658%			
2	2110 Local & Support Assets Distr	A-4 Ln13	100,000%	16,838%	0.4883%	1,0251%	25,983%				31,4084%			24,1658%			
3	2210 COE Switching Distr	A-2 Ln72	100,000%				100,000%										
4	2220 COE Operator Systems Distr	A-5 Ln16	100,000%	39,3830%	2.4289%						30,4613%			27,7257%			
5	2230 COE Transmission Distr	A-6 Ln72	100,000%	16,5562%		1,9151%					47,0055%			34,5233%			
6	6410 C&WF Distr	A-7 Ln40															
7	6110 Network Support Expenses	Ln7a*1	78,355	13,272	390	803	20,344				24,610			18,935			
8	Direct Assignment	Ln8a*1															
9	TOTAL NETWORK SUPPORT EXPENSES	Ln7..8	78,355	13,272	390	803	20,344				24,610			18,935			
10	6120 General Support Expenses	Ln10a*2	96,864	16,408	463	993	25,148				30,423			23,408			
11	Direct Assignment	Ln11a*2															
12	TOTAL GENERAL SUPPORT EXPENSES	Ln10..11	96,864	16,408	463	993	25,148				30,423			23,408			
13	6210 COE Switching Expenses	Ln13a*3	253,015				253,015										
14	Direct Assignment	Ln14a*3															
15	TOTAL COE SWITCHING EXPENSES	Ln13..14	253,015				253,015										
16	6220 COE Operator Systems Expenses	Ln16a*4															
17	Direct Assignment	Ln17a*4															
18	TOTAL COE OPERATOR SYS EXPENSES	Ln16..17															
19	6230 COE Transmission Expenses	Ln19a*5	308,254	121,400	7,480						93,898			85,466			
20	Direct Assignment	Ln20a*5															
21	TOTAL COE TRANSMISSION EXPENSES	Ln19..20	308,254	121,400	7,480						93,898			85,466			
22	TOTAL COE EXPENSES	Ln15+18+21	561,269	121,400	7,480		253,015				93,898			85,466			
23	6510 IOT Equip Expenses	Direct															
24	Cat 1-Other IOT Eq Expenses	Direct															
25	Cat 2-Out Prem Equip Exp	Direct															
26	Direct Assignment	Ln26..26															
27	TOTAL IOT EXPENSES	Ln26..26															
28	6410 C&WF Expenses	Ln28a*6	531,802	88,046		10,184					249,876			183,566			
29	Direct Assignment	Ln29a*6															
30	TOTAL C&WF EXPENSES	Ln28..29	531,802	88,046		10,184					249,876			183,566			
31	PH Spec Exp v6110,6120	Ln22+27+30	1,093,071	209,446	7,480	10,184	253,015				343,874			269,061			
32	TOTAL PLANT SPEC OPER EXP	Ln8+12+31	1,266,280	239,128	8,364	11,981	298,508				399,807			311,404			
33	Distribution of Line 32	Ln32/32a	100,000%	18,8542%	0.6554%	0.9446%	23,5363%				31,4524%			24,5531%			

PLANT NONSPECIFIC EXPENSES

Albion Telephone Company
 Study Area: 472213
 Study Year: 2007

LINE	DESCRIPTION	SOURCE	JURIS TOTAL (g)	Chan Term (h)	Special Access Chg Term (i)	CM-Facil (d)	Local Switching (e)	Dir Asst (f)	Information Surcharge (g)	Equal Access (h)	Transmission Tandem Sw (i)	Carrier Common Line Pay (k)	BEP (l)	Record (m)	B&C Process (n)	Inter-exchange (o)
1	COE-ICT-Cable Distr	A-2,Ln8	100,0000%	16,8388%	0,4883%	1,0251%	25,9636%	-	-	-	31,4084%	-	24,1658%	-	-	-
2	210,0 Svc Asst Distr	A-4,Ln8	100,0000%	16,8388%	0,4883%	1,0251%	25,9636%	-	-	-	31,4084%	-	24,1658%	-	-	-
3	2210, COE-Switching Distr	A-2,Ln72	100,0000%	-	-	-	100,0000%	-	-	-	-	-	-	-	-	-
4	2220, COE-Operator Distr	A-5,Ln16	100,0000%	-	-	-	-	-	-	-	-	-	-	-	-	-
5	2230, COE-Transmission Distr	A-6,Ln72	100,0000%	39,3830%	2,4289%	-	-	-	-	-	30,4613%	-	27,7257%	-	-	-
6	2310, IOT Distr	A-6,Ln15	100,0000%	-	-	-	-	-	-	-	-	-	-	-	-	-
7	2410, CAMF Distr	A-7,Ln40	100,0000%	16,5562%	-	1,9151%	-	-	-	-	47,0065%	-	34,5233%	-	-	-
8	2001, Tel PR In Svc Distr	A-2,Ln15	100,0000%	16,8388%	0,4883%	1,0251%	25,9636%	-	-	-	31,4084%	-	24,1658%	-	-	-
9	2002, Prop Hld Rl Tel Use Distr	A-9,Ln6	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	2680, Capital Leases Distr	A-8,Ln18	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	2680, Leasehold Improve Distr	A-8,Ln28	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	2680, Intangible Asset Distr	A-8,Ln35	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	2005, Telecom Prt Adjustment	A-9,Ln14	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PLANT NONSPEC EXP APPORTION																
14	6510, Oth Prop Plant & Eq Exp	Ln14a*1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Direct Assignment	Ln14a*1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	TOTAL OTH PROP PLANT & EQ EXP	Ln14a*15	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	6530, Network Operations Exp	Ln17a*1	263,031	44,554	1,311	2,696	66,292	-	-	-	82,614	-	63,564	-	-	-
18	Direct Assignment	Ln18a*1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	TOTAL NETWORK OPERATIONS EXP	Ln17a*18	263,031	44,554	1,311	2,696	66,292	-	-	-	82,614	-	63,564	-	-	-
20	6540, Access Expenses	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Access Expense v/Federal Support	Direct	73,330	-	-	-	-	-	-	-	-	-	73,330	-	-	-
22	Federal Support	Ln21a*22	73,330	-	-	-	-	-	-	-	-	-	73,330	-	-	-
23	TOTAL ACCESS EXPENSES	Ln18+19+23	336,361	44,554	1,311	2,696	66,292	-	-	-	82,614	-	136,894	-	-	-
24	TOTAL ACCOUNTS 6510,6530,6540	Ln24a*2	46,284	7,840	231	474	13,017	-	-	-	14,537	-	11,185	-	-	-
25	6560, Depr and Amort Expenses	Ln25a*2	501,931	-	-	-	501,931	-	-	-	-	-	-	-	-	-
26	Depr-Support Assets	Ln26a*3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Depr-COE-Switching	Ln27a*4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Depr-COE-Operator	Ln28a*5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Depr-COE-Transmission	Ln29a*6	384,165	151,296	9,335	-	-	-	-	-	117,022	-	106,513	-	-	-
30	Depr-Int-Other Equip	Ln30a*7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Depr-Cable & Wire Facil	Ln31a*7	485,005	80,298	-	9,288	-	-	-	-	227,879	-	167,440	-	-	-
32	Depr-Prop Hld Rl Tel Use	Ln32a*9	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	Amort-Capital Leases	Ln33a*10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	Amort-Leasehold Improvements	Ln34a*11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Amort-Intangible Assets	Ln35a*12	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36	Amort-Other	Ln36a*13	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	TOTAL DEPR & AMORT EXPENSES	Ln26a*36	1,417,385	239,434	9,569	9,783	513,948	-	-	-	359,537	-	265,137	-	-	-
38	TOTAL PLANT NONSPEC OPER EXP	Ln18+19+23+37	1,753,746	283,988	10,876	12,469	562,240	-	-	-	442,151	-	422,091	-	-	-
39	Distribution of Line 39	Ln38/38a	100,0000%	16,1932%	0,6202%	0,7104%	33,1956%	-	-	-	25,218%	-	24,0645%	-	-	-

CUSTOMER OPERATIONS EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE UNITS TOTAL (a)	Chan Term (b)	Special Access CM-Term (c)	CM-Facil (d)	Local Switching (e)	Div Asst (f)	Information Surcharge (g)	Equal Access (h)	Transmission (i)	Transport Tandem Sw (j)	Carrier Common Line Pay (k)	BFP (l)	Record (m)	B&C Process (n)	Inter- exchange (o)	
1	APPORTIONMENT FACTORS																	
1	GSP COE IOT & WF Eq Acc (LS)	A-2 Ln165	100.0000%	16.9388%	0.4983%	1.0251%	25.9636%	-	-	-	31.4084%	-	-	24.1658%	-	-	100.0000%	
2	WSWS-Tel Oper Svcs Ptd	A-16 Ln17	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Operator Services Under Contract Ptd	A-16 Ln14	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	GSP COE IOT & WF Eq Acc (LS CCL+)	A-2 Ln162	100.0000%	9.0909%	-	-	31.8424%	-	-	-	38.5200%	-	-	29.6376%	-	-	100.0000%	
5	EU Service Order Contacts	A-16 Ln19	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	EU Payment & Collection	A-16 Ln24	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	EU Billing Inquiry Contacts	A-16 Ln29	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8	IX Carrier Svc Order Contacts	A-16 Ln33	100.0000%	-	-	-	31.8424%	-	-	-	38.5200%	-	-	29.6376%	-	-	100.0000%	
9	IX Carrier Payment & Collection	A-16 Ln37	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	IX Carrier Billing Inquiry Contacts	A-16 Ln41	100.0000%	-	-	-	31.8424%	-	-	-	38.5200%	-	-	29.6376%	-	-	100.0000%	
11	Coin Collection	A-16 Ln45	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
MARKETING EXPENSES APPORTIONMENT																		
12	6610 Marketing Expenses	Ln12*1	9,655	1,635	48	99	2,507	-	-	-	3,032	-	-	2,333	-	-	-	
13	Direct Assignment	Dirp	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Tel Services Expenses	Ln12.13	9,655	1,635	48	99	2,507	-	-	-	3,032	-	-	2,333	-	-	-	
TELEPHONE OPERATOR SERVICE APPORTIONMENT																		
15	6620 Services Expenses	Ln17*2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
16	Telephone Operator Service:	Ln17*2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
17	Tel Operator Svc	Ln18*3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
18	Operator services under contract	Ln17.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	Total Tel Oper Svc Exp	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	Published Direct Listings	Ln23*4	58,286	5,297	-	-	-	-	-	-	-	-	-	-	52,989	-	-	
21	All Other:	Ln24*5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
22	Cat 1-LBOE EU Svc Ord Proc	Direct	21,206	-	-	-	-	-	-	-	-	-	-	21,206	-	-	-	
23	Presubscription	Ln26*6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	Other	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
25	Cat 1-LBOE EU P&C	Ln28*7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
26	-CII	Ln31*8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27	C-Dir	Ln32*9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	Cat 1-LBOE EU BI	Ln33*10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	-CII	Ln34*11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	Cat 1-LBOE EU BI	Ln23.34	94,981	5,297	-	-	913	-	-	-	1,104	-	-	34,679	52,989	-	-	
31	Other	Ln23.34	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
32	Cat 1-LBOE IXC SOP	Ln23.34	12,624	-	-	-	92	-	-	-	112	-	-	12,624	-	-	-	
33	Cat 1-LBOE IXC P&C	Ln23.34	250	-	-	-	569	-	-	-	688	-	-	86	-	-	-	
34	Cat 1-LBOE IXC BI	Ln23.34	1,786	-	-	-	252	-	-	-	305	-	-	234	-	-	-	
35	Cat 1-LBOE Coin Col - Limit	Ln23.34	781	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
36	Total Cat 1-LBOE	Ln23.34	94,981	5,297	-	-	913	-	-	-	1,104	-	-	34,679	52,989	-	-	

CUSTOMER OPERATIONS EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE										Intra- exchange (c)						
			JURIS TOTAL (g)	Char Term (b)	Special Access Chk-Term (c)	CM-Fact (d)	Local Switching (e)	Dir Asst (f)	Intrastate Surcharge (g)	Equal Access (h)	Transmit Transmission (i)	Transmit Random Sv (j)		Carrier Common Line Pay (k)	Record (m)	Process (n)			
36	APPORTIONMENT FACTORS	A-2, L168	100.0000%	22.3366%	0.6571%	1.3518%	34.2373%	-	-	-	-	-	-	-	-	-	-	-	-
SERVICES EXPENSES APPORTIONMENT																			
37	Cat 2-CSE Msg Proc		17,009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Joint Message	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Cat 2-CSE Other B&C	Direct	24,304	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Direct Assignment	Direct	4,289	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	End User Common Line	Ln43a*36	8,758	1,956	58	118	2,998	2,998	3,627	-	-	-	-	-	-	-	-	-	-
43	Cat 2-CSE CABS	Ln37..43	54,359	1,956	58	118	2,998	2,998	3,627	-	-	-	-	-	-	-	-	-	-
44	Total Cat 2-CSE		100.0000%	91.7084%	2.6891%	5.5525%	-	-	-	-	-	-	-	-	-	-	-	-	-
45	Cat 2 Spec Acc Distr	Ln44/44a...d	149,320	7,253	58	118	3,911	3,911	4,731	-	-	-	-	-	-	-	-	-	-
46	Total 6620 v/Cat 3	Ln19+20+35+44	100.0000%	4.8574%	0.0385%	0.0793%	2.6192%	-	-	-	-	-	-	-	-	-	-	-	-
47	Distribution of Line 41	Ln6/6a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
48	Cat 3-All Other CSE	Ln48a*47	9,214	448	4	7	241	241	292	-	-	-	-	-	-	-	-	-	-
49	Cat 3-Direct Assignment	Ln48a*47	9,214	448	4	7	241	241	292	-	-	-	-	-	-	-	-	-	-
50	Total All Other Cat 3	Ln48..48	156,534	7,701	61	126	4,152	4,152	5,023	-	-	-	-	-	-	-	-	-	-
51	Total All Other-Cat 1,2,3	Ln35+44+50	156,534	7,701	61	126	4,152	4,152	5,023	-	-	-	-	-	-	-	-	-	-
52	TOTAL SERVICES EXPENSES	Ln19+20+51	156,534	7,701	61	126	4,152	4,152	5,023	-	-	-	-	-	-	-	-	-	-
53	TOTAL 6610 & 6620 X/amounts	Ln12+18+19+22..25	146,454	7,253	58	118	2,998	2,998	3,627	-	-	-	-	-	-	-	-	-	-
54	allocated on GSF	+29+39+44	168,189	9,398	109	225	6,669	6,669	8,055	-	-	-	-	-	-	-	-	-	-
55	TOTAL CUSTOMER OPER EXPENSES	Ln14+52	100.0000%	5.5505%	0.0649%	0.1339%	3.9592%	-	-	-	-	-	-	-	-	-	-	-	-
56	Distribution of Line 54	Ln5/5a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CORPORATE OPERATIONS, TAXES, & EQUAL ACCESS EXPENSES

Albion Telephone Company
 Study Area: 472213
 Study Year: 2007

LINE	DESCRIPTION	SOURCE	INTERSTATE JURIS TOTAL		Chasn Term (b)	Special Access Chn Term (g)	CMA/Facil (d)	Local Switching (e)	Information Div Asst (f)	Surcharge (g)	Equal Access (h)	Transmission Tandem Svr (j)	Carrier Common Line Fee (k)	BFP (l)	Record (m)	B&C Process (n)	Intrac-exchange (o)
			(g)	(h)													
1	APPORTIONMENT FACTORS		100,000%														
1	BIP Time Rev. Chn. Exp.	A-3 L16	100,000%				21,065%										
2	CSF COE (OT) CAME Exp. As (LS)	A-2 L163	100,000%				25,893%										
3	Customer Operations Distr	A-13 L166	100,000%				3,959%										
4	CORP OPERATIONS EXP APPORTIONMENT		434,388				91,507										
5	All Other	L16a*1															
6	Direct Assignment	L16a*1															
7	TOTAL EXEC & PLANNING EXPENSES	L16.6	434,388				91,507										
8	Gen'l and Admin Expenses	L16a*1	430,412				90,669										
9	All Other	L16a*1	44,866				9,409										
10	Direct Assignment	L16a*1	475,078				100,078										
11	TOTAL GEN'L & ADMIN EXPENSES	L16.10	909,466				191,565										
12	TOTAL CORPORATE OPER EXPENSES	L17+11	100,000%				21,065%										
13	Distribution of Line 12	L17/12a															
14	OPERATING TAXES APPORTIONMENT		108,879				28,269										
15	Operating Taxes	L16a*2															
16	Federal Income Taxes	L16a*2															
17	OP FED, STATE, LOCAL TAXES	L16a*2	108,866				28,271										
18	Allowances/Disallowances	L16a*2															
19	Operating Taxes - Property	L16a*2	65,634				17,093										
20	Operating Taxes - Other	L16a*2	1,453				377										
21	Operating Taxes - Direct Assignment	L16a*2	67,287				17,470										
22	TOTAL OPER TAXES x/FRIT/SIT	L16.21	108,866				28,271										
23	OPERATING REVENUE SEPARATIONS		5,086,132				1,618,877										
24	Basic Local Revenue	Direct															
25	Interstate Access/End User Revenue	L16a*2															
26	State Access/End User Revenue	Direct															
27	Long Distance Message Revenue	Direct															
28	Other Revenue	L16a*3															
29	TOTAL OPERATING REVENUE	L16a*3	5,086,132				1,618,877										
30	EQUAL ACCESS EXP APPORTIONMENT																
31	EXPENSES ALLOW/DISALLOW APPORTION																
32	Expense Allowances/Disallowances	L16a*2	131				34										
33	Interest on Customer Deposits	L16a*2															
34	Other Interest	L16a*2															
35	TOTAL EXP ALLOW/DISALLOWANCES	L16.34	131				34										

Note 1: Allocated on the A-1

RESERVES AND DEFERRALS

Albion Telephone Company
Study Area: 472213
Study Year: 2007

LINE	DESCRIPTION	SOURCE	JURIS TOTAL (g)		Chart Term (b)	Special Access Ckt-Term (c)	Clt-Facil (g)	Local Switching (g)	Div Asst (f)	Information Surcharge (g)	Equal Access (b)	Transmission (j)	Transport Tandem Sw (j)	Center Common Line Pw (k)	Carrier Common Line BFP (l)	Record (m)	Process (d)	Inter-exchange (e)
			100.0000%	100.0000%														
1	APPORTIONMENT FACTORS																	
1	2110 COE Support Assets	A-4, Ln18	100.0000%	100.0000%	16.9388%	0.4983%	1.0251%	25.9636%	-	-	-	31.4084%	-	-	24.1658%	-	-	-
2	2210 COE Operator Distr	A-2, Ln72	100.0000%	100.0000%	-	-	-	100.0000%	-	-	-	-	-	-	-	-	-	-
3	2220 COE Operator Distr	A-3, Ln16	100.0000%	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	2230 COE Transmission Distr	A-3, Ln72	100.0000%	100.0000%	38.3830%	2.4289%	-	-	-	-	-	30.4613%	-	-	27.7257%	-	-	-
5	2310 IOT Distr	A-8, Ln15	100.0000%	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	2410 C&WF Distr	A-7, Ln40	100.0000%	100.0000%	16.5562%	0.4983%	1.9151%	25.8638%	-	-	-	47.0065%	-	-	34.8233%	-	-	-
7	GSF COE IOT C&WF Eq Ass (LS)	A-2, Ln63	100.0000%	100.0000%	16.9388%	0.4983%	1.0251%	-	-	-	-	31.4084%	-	-	24.1658%	-	-	-
8	2880 Capital Leases Distr	A-3, Ln18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	2880 Leasehold Improve Distr	A-3, Ln28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	2005 Telecom P/L Adjustment	A-9, Ln14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RESERVES & DEFERRALS APPORTIONMENT																		
11	1500 Other Juris Assets - Net	Ln11a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	3100 Accum Depr-Support Assets	Ln12a1	1,149,976	1,149,976	194,792	5,731	11,789	288,575	-	-	-	361,189	-	-	277,901	-	-	-
13	-COE Switching	Ln13a2	4,037,686	4,037,686	-	-	-	4,037,686	-	-	-	-	-	-	-	-	-	-
14	-COE Operator	Ln14a3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	-COE Transmission	Ln15a4	2,252,500	2,252,500	887,103	54,735	-	-	-	-	-	686,140	-	-	624,522	-	-	-
16	-COE Support Assets	Ln16a5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	-C&WF	Ln17a6	3,716,218	3,716,218	615,263	-	71,168	-	-	-	-	1,746,825	-	-	1,282,982	-	-	-
18	TOTAL ACCUMULATED DEPRECIATION	Ln12.17	11,156,391	11,156,391	1,697,157	60,465	82,956	4,336,273	-	-	-	2,794,154	-	-	2,185,385	-	-	-
19	3200 Accum Depr Property Held For Future Telecom Use	Ln20a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	3400 Accum Amort Tangible Capital Leases	Ln22a8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Leasehold Improv	Ln23a9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	TOTAL ACCUMULATED AMORT-TANGIBLE	Ln22.23	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	3500 Accum Amort-Intangible	Ln25a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	3600 Accum Amort-Other	Ln26a10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	4040 Customer Deposits	Ln27a17	3,489	3,489	593	17	36	808	-	-	-	1,069	-	-	845	-	-	-
28	Direct Assets	Ln28a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	TOTAL CUSTOMER DEPOSITS	Ln27.28	3,489	3,489	593	17	36	808	-	-	-	1,069	-	-	845	-	-	-

RESERVES AND DEFERRALS

LINE	DESCRIPTION	SOURCE	Special Access		Local Switching	Information		Equal Access	Transmission		Carrier Common Line Pay	B&C Record	Process	Inter-exchange
			Chen Term	Chen Term		Dir Asst	Surcharge		Transm	Tandem Sw				
JURIS TOTAL	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)
30	2110 Support Assets	A-1 Ln8	100.0000%	0.4983%	1.0251%	25.9636%	-	-	31.4084%	-	24.1658%	-	-	-
31	2210 COE Switching	A-2 Ln72	100.0000%	-	-	100.0000%	-	-	-	-	-	-	-	-
32	2220 COE Operator	A-5 Ln16	100.0000%	-	-	-	-	-	30.4613%	-	27.7577%	-	-	-
33	2230 COE Transmission	A-5 Ln72	100.0000%	2.4286%	-	-	-	-	47.0055%	-	34.5233%	-	-	-
34	2310 IOT Distr	A-6 Ln15	100.0000%	-	1.9151%	-	-	-	31.4084%	-	24.1658%	-	-	-
35	2410 C&WF Distr	A-7 Ln40	100.0000%	0.4983%	0.8405%	25.9636%	-	-	27.6154%	-	24.1658%	-	-	-
36	2001 Tel Pft In Svc Distr	A-2 Ln15	100.0000%	0.5519%	0.8405%	21.0656%	-	-	31.4084%	-	24.1658%	-	-	-
37	Big Three Expense Distr	A-3 Ln6	100.0000%	0.4983%	1.0251%	25.9636%	-	-	31.4084%	-	24.1658%	-	-	-
38	GSF COE IOT C&WF 51 Asz (LS)	A-2 Ln53	100.0000%	-	-	-	-	-	-	-	-	-	-	-
RESERVES & DEFERRALS APPORTIONMENT														
39	4100 Net Cur Def Op Inc Taxes													
40	Support Assets	Ln49a*30	-	-	-	-	-	-	-	-	-	-	-	-
41	COE-Switching	Ln41a*31	-	-	-	-	-	-	-	-	-	-	-	-
42	COE-Operator	Ln42a*32	-	-	-	-	-	-	-	-	-	-	-	-
43	COE-Transmission	Ln43a*33	-	-	-	-	-	-	-	-	-	-	-	-
44	IOT	Ln44a*34	-	-	-	-	-	-	-	-	-	-	-	-
45	C&WF	Ln45a*35	-	-	-	-	-	-	-	-	-	-	-	-
46	Not Classified by Account	Ln46a*36	-	-	-	-	-	-	-	-	-	-	-	-
47	TOTAL NET CUR DEF OP INC TAXES	Ln47/47a	-	-	-	-	-	-	-	-	-	-	-	-
48	Distribution of Line 48													
49	4310 Other Long-Term Liabilities	Ln49a*38	88,900	16,752	483	25,678	1,014	-	31,063	-	23,960	-	-	-
50	4340 Net Noncurrent Def Taxes													
51	Support Assets	Ln51a*30	-	-	-	-	-	-	-	-	-	-	-	-
52	COE-Switching	Ln52a*31	-	-	-	-	-	-	-	-	-	-	-	-
53	COE-Operator	Ln53a*32	-	-	-	-	-	-	-	-	-	-	-	-
54	COE-Transmission	Ln54a*33	-	-	-	-	-	-	-	-	-	-	-	-
55	Info Orig/Term Equip	Ln55a*34	-	-	-	-	-	-	-	-	-	-	-	-
56	C&WF	Ln56a*35	-	-	-	-	-	-	-	-	-	-	-	-
57	Not Classified by Acct	Ln57a*36	301,473	51,066	1,502	78,273	3,060	-	94,688	-	72,853	-	-	-
58	TOTAL NET NONCURRENT DEF TAXES	Ln58/58	301,473	51,066	1,502	78,273	3,060	-	94,688	-	72,853	-	-	-
59	4360 Other Deferred Credits-Net	Ln59a*38	-	-	-	-	-	-	-	-	-	-	-	-
60	4370 Other Juris Liabilities													
61	& Deferred Credits - Net	Ln61a*38	-	-	-	-	-	-	-	-	-	-	-	-
ALLOWANCES APPORTIONMENT														
62	Accum Depr & Amort Allow/Disallow	Ln62a*38	-	-	-	-	-	-	-	-	-	-	-	-
63	Direct Assignment	Ln63a*38	-	-	-	-	-	-	-	-	-	-	-	-
64	TOTAL ACC DEPR/AMORT ALLOW/DISALLOW	Ln64/64	-	-	-	-	-	-	-	-	-	-	-	-

DISTRIBUTION FACTORS

LINE	DESCRIPTION	SOURCE	INTERSTATE JURIS TOTAL (a)	Chan Term (b)	Special Access CM-Term (c)	CM-Fact (d)	Local Switching (e)	Di Asst (f)	Information Surcharge (g)	Equal Access (h)	Transmission Tandem Sw (i)	Carrier Common Lbs Pay BIP (j)	Record (k)	B&C Process (l)	Inter-exchange (m)	
1	6020 Telephone Operator Services	Records	100.0000%	10												
2	Sid Work Seconds - Manual Boards	Records	100.0000%	9.0500%												
3	SWS - Manual Boards %	Records	100.0000%													
4	Sid Work Seconds - TSPS	Records	100.0000%													
5	SWS - TSPS %	Records	100.0000%													
6	Sid Work Seconds - Operators	Records	100.0000%													
7	SWS - Operator %	Records	100.0000%													
8	Operator Services Under Contract	Records	100.0000%													
9	Transport	Records	100.0000%													
10	Information	Records	100.0000%													
11	Local Switching	Records	100.0000%													
12	All Other	Records	100.0000%													
13	Total	Records	100.0000%													
14	Operator Services Under Contract %	Records	100.0000%													
15	6020 Local Business Office	Records	100.0000%													
16	EU Service Order Processing	Records	100.0000%													
17	LEC's own Toll Service	Records	100.0000%													
18	Concerning IXC's Toll Service	Records	100.0000%													
19	EU SDF Contract %	Records	100.0000%													
20	EU Payment & Collection	Records	100.0000%													
21	LEC's Own Toll Billing	Records	100.0000%													
22	Billing on Behalf of IXC	Records	100.0000%													
23	End User CCL Charges	Records	100.0000%													
24	EU P&C %	Records	100.0000%													
25	EU Billing Inquiry	Records	100.0000%													
26	LEC's Own Toll Billing	Records	100.0000%													
27	Billing on Behalf of IXC	Records	100.0000%													
28	End User CCL Charges	Records	100.0000%													
29	EU BI %	Records	100.0000%													
30	IXC Service Order Contacts	Records	100.0000%													
31	Msg Toll and Access Service	Records	100.0000%													
32	Billing and Collection Service	Records	100.0000%													
33	IXC SO Contract %	Records	100.0000%													
34	IXC Billed Revenue	Records	100.0000%													
35	Total Excluding B&C	Records	100.0000%													
36	Billing and Collections	Records	100.0000%													
37	IXC P&C %	Records	100.0000%													
38	IXC Billing Inquiry Contacts	Records	100.0000%													
39	Total Excluding B&C	Records	100.0000%													
40	Billing and Collections	Records	100.0000%													
41	IXC BI Contract %	Records	100.0000%													
42	Public Telephones Revenue	Records	100.0000%													
43	United Public Telephones	Records	100.0000%													
44	Public Interest Paystations	Records	100.0000%													
45	IXC BI Contract %	Records	100.0000%													

SEPARATION INPUTS AND FEDERAL INCOME TAX ADJUSTMENT ANALYSIS

Line	Year	Source	Revenue Requirements										
			Total Special Access	Channel Termination	Special Access Channel Termination	Local Switching	Local Switching (A)	Switched Access Information Surcharge	Transport	Common Line Carrier Common Line	Non Access B&C Pay	Non Access B&C	
1		Ln6+Ln9+Ln12	5,518,121	1,088,849	1,002,180	32,260	54,410	2,648,353	1,132,248	1,514,107	1,631,468	151,450	151,450
2		A-1,Ln3	9,084,537	1,896,349			4,482,188			2,706,000			
3		A-1,Ln21	4,176,688	753,659			2,223,434			1,048,146		151,450	
4		A-1,Ln17	15,287	3,266			7,283			4,728			
5		A-1,Ln22					(103,203)			103,203			
6		Allocated Line Port Revenue Requirements					(129,815)			76,415			
7		Allocated TIC Revenues					1,987,709			1,232,492		151,450	
8		Total Expense & Other Taxes	4,191,975	810,325			4,098			1,727			
9		Income from Interest Charged to Construction	7,144	1,319			228,465			125,624			
10		Income Adjustment for FIT	443,920	89,831									
11		FIT Tax Credit											

LN	DESCRIPTION	SOURCE	TOTAL COMPANY	Chan Term (b)	Special Access CM-Term (c)	CM-Facil (d)	Local Switching (e)	Dir Asst (f)	Information Surcharge (g)	Equal Access (h)	Transmission (i)	Tandem SW (j)	Carrier Common Line Pay (k)	Common Line BFP (l)	Record (m)	Process (n)	Inter-exchange (o)
12	STEP A - Determine Effective Tax Rate	A-1,Ln50/47	26.8200%														
13	Effective FIT Rate		36.6494%														
14	Gross-up Factor		1,022,010	184,784	4,545	14,010	103,387				400,889			304,425			
15	Return on Investment	A-1,Ln5	172,666	29,248	860	1,770	44,830				54,232			41,726			
16	FIT Tax Credits	A-1,Ln45	311,279	60,968	1,350	4,486	21,461				127,037			96,277			
17	FIT Amount at EC's Effective FIT Rate	(Ln14-15-16)/13-16															
18	STEP B - Determine EC's Tax Allowance based upon NECA Settlement System Calculation		35,000%														
19	Maximum Tax Rate Per NECA		53,862%														
20	FIT Base Amount	Ln14-15-16	457,339	89,135	1,984	6,591	59,657				348,627			262,869			
21	FIT at Maximum Tax Rate						31,631				168,645			141,463			
22	STEP C - Gross up of Difference Between Effective Rate and Maximum Rate	Ln17-20	146,060	28,467	634	2,105	10,070				58,609			45,176			
23	Difference in Income Tax Amounts	Ln21/18	271,254	52,867	1,177	3,909	18,701				110,702			83,889			
24	Gross up of Difference in Tax Amounts	Ln15+22	443,920	82,115	2,037	5,679	83,532				164,934			125,624			
25	Amount to Be Reported as Income																
26	Adjustment for FIT		311,279	60,968	1,350	4,486	21,461				127,037			96,277			

Income Adjustment for FIT: Recalculation

25	Inherstate After Tax Income (A1, ln. 20)	846,344
26	Inherstate FIT (A1, ln. 45)	311,279
Adjustment:		1,160,624
Ln1 + Ln2/35 - Ln2		271,254
		0.35

Adjustment by Pool:	FIT (1)	Adjustment (2)	Fixed Charges (3)	Misc. Income Adj. (4)	Income Adj. (cols 2 + 3-4) (5)
Common Line	96,277	83,888	41,726	-	125,624
Traffic Sensitive - SW	146,487	128,403	96,062	-	228,465
Traffic Sensitive - SP	66,504	57,953	31,878	-	89,831
B&C					
Total	311,279	271,254	172,666	-	443,920
Checksum		271,254			

OK