

ALB-T

# ***ANNUAL REPORT***

OF

Albion Telephone Company, Inc.

**NAME**

225 West North Street, PO Box 98  
Albion, ID 83311

**ADDRESS**

TO THE

**IDAHO PUBLIC**

**UTILITIES COMMISSION**

FOR THE

YEAR ENDED 2013

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UTILITIES COMMISSION



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p 208-673-5335 / f 208-673-6200 / e atc@atcnet.net / a 225 W. North St. Albion, ID 83311

April 10, 2014

Idaho Public Utilities Commission  
Attn: Terri Carlock  
PO Box 83720  
Boise, ID 83720-0074

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IDAHO PUBLIC UTILITIES COMMISSION

Dear Ms. Carlock:

Enclosed please find the Annual Report of Small Telephone Companies for Albion Telephone Company, Inc.

If you have any questions or concerns, please feel free to call me at 673-5335.

Sincerely,

A handwritten signature in blue ink that reads 'Julie Laumb'.

Julie Laumb  
Controller

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

**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: Darla 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.

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

**DIRECTORS**

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

<b>Name and Address</b>	<b>Term Expired or Current Term Will Expire</b>	<b>Meetings Attended This year</b>	<b>Fees Paid During Year</b>
ODEen K. Redman	NA	1	1200
Richard L. Redman	NA	3	3600
Darla Redman	NA	3	3600
Barry Redman	NA	3	3600
Jennifer Bradshaw	NA	3	1800
Nicole Allphin	NA	3	1800
Kyle Redman	NA	3	1800

Name of Chairman of the Board: Darla Redman  
 Name of Secretary (or Clerk) of Board: Richard Redman  
 Number of Meetings of the Board during the year: 3

**MANAGERS**

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

<b>Name</b>	<b>Title</b>	<b>Wages and Bonuses Paid</b>
ODEen K. Redman	President	Confidential
Richard L. Redman	Vice-President/General Manager	Confidential
Darla Redman	President	Confidential



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

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
<b>Current Assets</b>			
1120 Cash and Equivalents	2269110	3033746	764636
1130 Cash			
1140 Special Cash Deposits			
1150 Working Cash Advances			
1160 Temporary Investments			
1180 Telecommunications Accts. Receivable	513766	576940	63174
1181 Accts. Rec. Allow. -Telecommunications	-31209	-28847	2362
1190 Other Accounts Receivable	565142	425986	-139156
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable	17787	13194	
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	688638	765105	76467
1280 Prepayments	115754	138595	22841
1290 Prepaid Rents			
1300 Prepaid Taxes			
1310 Prepaid Insurance			
1320 Prepaid Directory Expenses			
1330 Other Prepayments			
1350 Other Current Assets			
<b>Noncurrent Assets</b>			
1401 Investment in Affiliated Companies			0
1402 Investment in Nonaffiliated Companies	4097178	4686655	589477
1406 Nonregulated Investments	705171	553842	-151329
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets			
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges	843092	866693	23601
1500 Other Jurisdiction Assets - Net			
<b>Property, Plant and Equipment</b>			
2001 Telecommunications Plants in Service	38853409	38481909	-371500
2002 Prop. Held for Future Telecom. Use			
2003 Telecom. Plant under Constr. - Short Term	47620	256542	208922
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant			
2007 Goodwill	4324455	4324455	0
<b>Depreciation and Amortization Accounts</b>			
3100 Accumulated Depreciated	-30526844	-30261643	265201
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	-4324455	-4324455	0
3600 Accumulated Amortization - Other			
<b>TOTAL ASSETS</b>	<b>18158614</b>	<b>19508717</b>	<b>1350103</b>

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

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
<b>Current Liabilities</b>			
4010 Accounts Payable	262610	264835	2225
4020 Notes Payable			
4030 Advance Billings and Payments	284000	348184	64184
4040 Customer Deposits	5790	5880	90
4050 Current Maturities - Long -Term Debt	600503	648219	47716
4060 Current Maturities - Capital leases	5292	0	
4070 Income Taxes - Accrued			0
4080 Other Taxes - Accrued	43518	-31	-43549
4100 Net Current Defer. Oper. Income Taxes			
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities			
4130 Other Current Liabilities	588772	537358	-51414
<b>Long-Term Debt</b>			
4210 Funded Debt	4561788	4105586	-456202
4220 Premium on Long-Term Debt			0
4230 Discount on Long-Term Debt			0
4240 Reacquired Debt			0
4250 Obligations Under Capital Leases	0	0	0
4260 Advances from Affiliated Companies			
4270 Other Long-Term Debt	215125	103648	-111477
<b>Other Liabilities &amp; Deferred Credits</b>			
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	22918	0	-22918
4370 Other Juris. Liab. & Def. Credits - Net			
<b>Stockholders' Equity</b>			
4510 Capital Stock	40200	40200	0
4520 Additional Paid-In Capital			
4530 Treasury Stock			
4540 Other Capital			
4550 Retained Earnings	11528098	13454838	1926740
<b>TOTAL LIAB. &amp; OTHER CREDITS</b>	<b>18158614</b>	<b>19508717</b>	<b>1350103</b>

**ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE**

**TOTAL Company Basis**

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
<b>Analysis of Telecommunications Plant in Service</b>					
2111 Land	106546				106546
2112 Motor Vehicles	103461	1746			105207
2113 Aircraft	242121				242121
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment	503925	49498	12200		541223
2121 Buildings	1684292	83909	84535	272994	1956660
2122 Furniture	190416	5781			196197
2123 Office Equipment	9186		237		8949
2124 General Purpose Compute	371756	16366	11955		376167
2211 Analog Electronic Switchin	0				0
2212 Digital Electronic Switching	3981179	48326	780890	-421940	2826675
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	249350				249350
2232 Circuit Equipment	9336846	794413	1427947	160364	8863676
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal	3778		3778		0
2362 Other Terminal Equipment	0				0
2411 Poles	101758				101758
2421 Aerial Cable	392914				392914
2422 Underground Cable	745731			-10000	735731
2423 Buried Cable	20767664	1205393	242936	-13871	21716250
2424 Submarine Cable					
2426 Intrabuilding Network Cabi	19327				19327
2431 Aerial Wire	43160				43160
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles					
<b>TOTAL PLANT ACCOUNT</b>	<b>38853410</b>	<b>2205432</b>	<b>2564478</b>	<b>-12453</b>	<b>38481911</b>



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

**Analysis of Telecommunications Plant in Service**

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
2111 Land	106546				106546
2112 Motor Vehicles	103461	1747			105208
2113 Aircraft	242121				242121
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment	503925	49498	12200		541223
2121 Buildings	1684292	83909	84535	272994	1956660
2122 Furniture	190416	5781			196197
2123 Office Equipment	9186		237		8949
2124 General Purpose Computers	371756	16366	11955		376167
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	3981179	48326	780890	-421940	2826675
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	247074				247074
2232 Circuit Equipment	9336846	794413	1427947	160364	8863676
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment	3778		3778		0
2362 Other Terminal Equipment	0				0
2411 Poles	101758				101758
2421 Aerial Cable	392914				392914
2422 Underground Cable	745731			-10000	735731
2423 Buried Cable	20719382	1205393	241504	-13871	21669400
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					
<b>TOTAL PLANT ACCOUNTS</b>	<b>38802852</b>	<b>2205433</b>	<b>2563046</b>	<b>-12453</b>	<b>38432786</b>
					<b>49125</b>

**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
<b>Analysis of Entries in Accumulated Depreciation</b>					
2112 Motor Vehicles	129049	25.00%			129049
2113 Aircraft	242121	10.00%			242121
2114 Special Purpose Vehicles	503925	12.50%	40815	5200	539540
2115 Garage Work Equipment					
2116 Other Work Equipment					
2121 Buildings	804869	3.00%	53798	-302618	1161285
2122 Furniture	190416	12.50%	5781		196197
2123 Office Equipment	9186	20.00%		237	8949
2124 General Purpose Computers	356568	20.00%	31553	11955	376166
2211 Analog Electronic Switching	0	12.50%			0
2212 Digital Electronic Switching	3423622	12.50%	411810	1202830	2632602
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	244449	20.00%	4901		249350
2232 Circuit Equipment	8176685	10.00%	881859	1165258	7893286
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment	3778	23.00%		3778	0
2362 Other Terminal Equipment	0	20.00%			0
2411 Poles	101758	7.50%			101758
2421 Aerial Cable	343648	8.60%	5073		348721
2422 Underground Cable	477633	6.50%	47985		525618
2423 Buried Cable	15456649	6.50%	476678	138813	15794514
2424 Submarine Cable					
2426 Intrabuilding Network Cable	19327	20.00%			19327
2431 Aerial Wire	43160	14.60%			43160
2441 Conduit Systems					
<b>TOTAL</b>	30526843		1960253	2225453	30261643

\*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	129048	25.00%			129048
2113 Aircraft	242121	10.00%			242121
2114 Special Purpose Vehicles	503925	12.50%	40815	5200	539540
2115 Garage Work Equipment					
2116 Other Work Equipment		12.50%			
2121 Buildings	804869	3.00%	53798	-302618	1161285
2122 Furniture	190416	12.50%	5781		196197
2123 Office Equipment	9187	20.00%		237	8950
2124 General Purpose Computers	356568	20.00%	31553	11955	376166
2211 Analog Electronic Switching	0	12.50%			0
2212 Digital Electronic Switching	3423622	12.50%	411810	1202830	2632602
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	242172	20.00%	4901		247073
2232 Circuit Equipment	8176685	10.00%	881859	1165258	7893286
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment	3778	23.00%		3778	0
2362 Other Terminal Equipment	0	20.00%			0
2411 Poles	101758	7.50%			101758
2421 Aerial Cable	343647	8.60%	5073		348720
2422 Underground Cable	477633	6.50%	47985		525618
2423 Buried Cable	15408370	6.50%	476678	138813	15746235
2424 Submarine Cable					
2426 Intra-building Network Cable	19327	20.00%			19327
2431 Aerial Wire	43160	14.60%			43160
2441 Conduit Systems					
<b>TOTAL</b>	<b>30476286</b>		<b>1960253</b>	<b>2225453</b>	<b>30211086</b>

\*Please list individual depreciation rate for each account.

## INVESTMENTS

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

<u>Description</u>	<u>Date Acquired</u>	<u>Book Cost of Investments Disposed of This year</u>	<u>Book Cost of Investments Held at End of Year</u>
Telsat	_____	_____	0
CoBank Patronage	_____	_____	225159
Redban Investment	_____	_____	37683
Syringa Networks	_____	_____	4385662
Raft River Patronage	_____	_____	22482
Lost River Patronage	_____	_____	13678
Syringa Electronic Equip.	_____	_____	225415
Syringa Fiber	_____	_____	229580
Independent Cable Systems	_____	_____	1991
ICS Electronics	_____	_____	-23182
ICS Cable	_____	_____	117138
Spec Access Eq Non-Reg	_____	_____	-1281
Internet Equipment	_____	_____	15172
Declo Wireless DSL Elec	_____	_____	0
Declo Wireless DSL Cable	_____	_____	0
Voip Equipment	_____	_____	0
Syringa Wireless	_____	_____	0
Syringa Wireless Tower	_____	_____	0
Syringa Wireless Elec	_____	_____	0
Nextphone Website	_____	_____	0
Redban Goodwill	_____	_____	0
DSL Inventory	_____	_____	0
Syringa Wireless Inventory	_____	_____	4971
Voip Inventory	_____	_____	0
<b>Totals</b>			5254468

## 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	_____	482558
Qwest	_____	-21
CABS	_____	126672
AT&T	_____	0
NECA	_____	372760
Red-Ban	_____	-13276
Idaho USF	_____	77417
Syringa Network	_____	100
Misc.	_____	1489
<b>Totals</b>		1047699

**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>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
<b>Totals</b>	_____	_____	_____	_____

**ACCOUNTS PAYABLE**

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

<u>Name of Creditor</u>	<u>Amount</u>
Federal Excise Tax	13349
Misc	179333
Qwest pmts to Arapahoe Tel	0
Syringa Wireless	42236
ATC Long Distance	10463
State USF Surcharge	624
Dish Network	7356
911 Payable	3888
Conseco	-475
Franchise Fee - ICS	8061
<b>Totals</b>	264835
	0





**INCOME & RETAINED EARNINGS STATEMENT**

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	8421975	8396453
Total Operating Expenses (from page 17)	7199005	7168137
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	2029	535
7240 Operating Other Taxes	45676	92517
7250 Provision for Deferred Operating Income Taxes-Net	0	0
7200 Operating Taxes (Total)	47705	93052
7310 Dividend Income		
7320 Interest Income	64657	25791
7330 Income from Sinking and Other Funds		
7340 Allowance for Funds Used During Construction	0	0
7350 Gains/Losses from the Disposition of Certain Property	0	0
7360 Other Nonoperating Income	780315	-15147
7370 Special Charges		
7300 Nonoperating Income and Expense	844972	10644
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	232231	255103
7520 Interest Expense-Capital Leases	-1951	6730
7530 Amortization of Debt Issuance Expense		
7540 Other Interest Deductions	0	0
7500 Interest and Related Items	230280	261833
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	1685532	1437350
<b>AMOUNT TRANSFERRED TO RETAINED EARNINGS</b>	<b>3475489</b>	<b>2321425</b>



**OPERATING REVENUES**

Item	Total Company	Idaho Only
<b>Local Network Services Revenues</b>		
5001 Basic Area Revenue	\$ 1,237,944.00	1229833
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	\$ 212,690.00	212690
5069 Other Local Exchange Settlements	_____	_____
<b>Network Access Services Revenues</b>		
5081 End User Revenue (SLC)	\$ 428,827.00	427016
5082 Switched Access Revenue (Interstate)	\$ 4,910,967.00	4898340
5083 Special Access Revenue	\$ 966,909.00	966909
5084 State Access Revenue (Intrastate)	\$ 615,601.00	612628
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All	_____	_____
<b>Miscellaneous Revenues</b>		
5230 Directory Revenue	_____	_____
5240 Rent Revenue	\$ (20,899.00)	-20899
5250 Corporate Operations Revenue	_____	_____
5261 Special Billing Arrangements Revenue	_____	_____
5262 Customer Operations Revenue	\$ 1,680.00	1680
5263 Plant Operations Revenue	_____	_____
5264 Other Incidental Regulated Revenue	\$ -	0
5269 Other Revenue Settlements	_____	_____
5270 Carrier Billing & Collection Revenue	\$ 69,170.00	69170
<b>Uncollectible Revenues</b>		
5301 Uncollectible Revenue - Telecommunications	\$ (914.00)	-914
5302 Uncollectible Revenue - Other	_____	_____
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 8,421,975.00</b>	<b>8396453</b>

Please identify the following revenues:

NECA USF \$ \_\_\_\_\_ 1,790,742.00 \_\_\_\_\_. To what account were they booked 5082.12

State USF \$ \_\_\_\_\_ 464502.00 \_\_\_\_\_. To what account were they booked 5084.50

## OPERATING REVENUES

Item	Total Company	Idaho Only
<b>Plant Specific Operations Expense</b>		
6110 Network Support Expenses	0	0
6112 Motor Vehicle Expense	66285	65894
6113 Aircraft Expense	3816	3794
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense		
6116 Other Work Equipment Expense	0	0
6120 General Support Expenses	1216	1209
6121 Land and Building Expenses	206573	205356
6122 Furniture and Artworks Expense	987	981
6123 Office Equipment Expense	47285	47006
6124 General Purpose Computers Expense	88211	87691
6210 Central Office Switching Expenses	147097	146230
6211 Analog Electronic Expense		
6212 Digital Electronic Expense	0	0
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	968309	962603
6231 Radio Systems Expense	0	0
6232 Circuit Equipment Expense	121175	120461
6310 Information Origination/Termination Expense	0	0
6311 Station Apparatus Expense	0	0
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	-6975	-6934
6411 Pole Expense	0	
6421 Aerial Cable Expense	12752	12677
6422 Underground Cable Expense	0	0
6423 Buried Cable Expense	1657860	1648091
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense		
6441 Conduit Systems Expense		
<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	<b>3314591</b>	<b>3295061</b>

**OPERATING REVENUES**

<b>Item</b>	<b>Total Company</b>	<b>Idaho Only</b>
	3314591	3295061
<b>Plant Nonspecific Operations Expense</b>		
6510 Other Property/Plant/Equipment Expenses		
6511 Property Held for Future Telecomm. Use Expenses	0	
6512 Provisioning Expense	0	0
6530 Network Operations Expense	0	0
6531 Power Expense	158547	157613
6532 Network Administration Expense	78268	77807
6533 Testing Expense		
6534 Plant Operations Administration Expense		
6535 Engineering Expense	129668	128904
6540 Access Expense	122136	121416
6560 Depreciation and Amortization Expenses	0	0
6561 Depreciation Expense-Telecom. Plant in Service	1960253	1960253
6562 Depreciation Expense-Property Held for Future Use		
6563 Amortization Expense - Tangible		
6564 Amortization Expense - Intangible		
6565 Amortization Expense - Other		
<b>Total Plant Nonspecific Operations Expenses</b>	<b>2448872</b>	<b>2445993</b>
<b>Customer Operations Expense</b>		
6610 Marketing	0	-6
6611 Product Management	0	0
6612 Sales		
6613 Product Advertising	81975	81492
6620 Services	3274	-133
6621 Call Completion Services		
6622 Number Services		
6623 Customer Services	575922	575922
<b>Total Customer Operations Expense</b>	<b>661171</b>	<b>657275</b>
<b>Corporate Operations Expense</b>		
6710 Executive and Planning		
6711 Executive	203158	201961
6712 Planning		
6720 General and Administrative	302006	300220
6721 Accounting and Finance	143877	143035
6722 External Relations	95889	95324
6723 Human Resources	15890	15796
6724 Information Management	0	0
6725 Legal	13551	13471
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	0	0
6790 Provision for Uncollectible Notes Receivable		
<b>Total Corporate Operations Expense</b>	<b>774371</b>	<b>769808</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>7199005</b>	<b>7168137</b>

**CENTRAL OFFICE DATA**  
as of December 31, 2011 (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:** Digital X \_\_\_\_\_  
Host X \_\_\_\_\_ Analog \_\_\_\_\_  
Remote \_\_\_\_\_ Other: \_\_\_\_\_ Soft Switch X \_\_\_\_\_

**Access Line Capacity**  
Design: 10000 \_\_\_\_\_  
**Access Lines in Use**  
Customer Lines: 3428 \_\_\_\_\_  
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 10000 \_\_\_\_\_  
Public Telephone Lines 2 \_\_\_\_\_  
Company Official Lines 103 \_\_\_\_\_  
Company Test Lines 26 \_\_\_\_\_

**Classification of Customer Access**

	Residence		Business			Total Residence & Business		
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Centrex N.A.R.	Multi- Line 1-Party		Single Line Multi- Party	Subtotal Business
Beginning of Year		2652	2652			867	867	3519
New Connects		305	305			22	22	327
Disconnects		359	359			59	59	418
End of Year		2598	2598			830	830	3428

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

**Directory Listings:**

Number of Customers with Nonpublished or Nonlisted: 410 \_\_\_\_\_

**Custom Calling:**  
Number of customers with at least one feature: 1460 \_\_\_\_\_  
Total number of features subscribed to: 18 \_\_\_\_\_

**NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING 2013**

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	3474			102465	158298	260763	75
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, 2011

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 4-1-13

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 \_\_\_\_\_

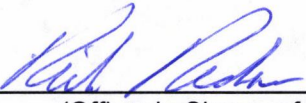
Rev 3/02

CERTIFICATE

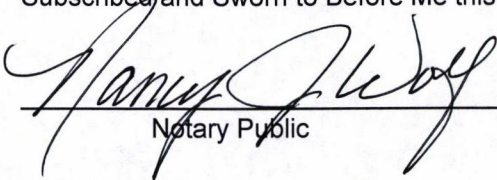
State of Idaho )  
 ) ss  
County of Cassia )

I, the undersigned Richard 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.

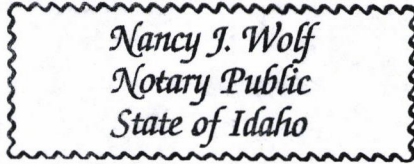
  
\_\_\_\_\_  
(Chief Officer)

  
\_\_\_\_\_  
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 10th day of April, (Year) 2014.

  
\_\_\_\_\_  
Notary Public

My Commission expires 12/14, (Year) 2015.



2012 FORM INPUT MASTER		For The Year Ended: December 31, 2012		Separated Results of Idaho Operations					
COMPANY NAME: Albion Telephone Company, Inc.									
FCC Account and Description	Note No.	Total Idaho Operations Subject To Separations	MTS & WATS Switched Access	Interstate Operation TOLL PLS Special Access	MTS & WATS Switched Access	TOLL PLS Special Access	Intrastate Operation EAS	Local (other)	Total
<b>SUMMARY</b>									
Operating Revenues									
50XX Local-Billed	(1)	1,498,806						1,498,806	1,498,806
-EAS Billed	(1)	-							-
-EAS Settlement	(1)	-							-
508X Access-SLC (End User)	(2)	416,550	416,550						416,550
-Switched (TS+NTS)	(2)	6,173,316	5,489,384	706,428	683,932				683,932
-Special	(2)	719,142				12,714			12,714
51XX Toll -Message	(3a)	(23)				(23)			(23)
-Private Line	(3b)	-							-
-Settlement	(3c)	-							-
52XX Misc.-Billing & Collection	(4)	17,208			17,208				17,208
-Directory Advertising		-							-
-Operating Rents		36,002							36,002
-Other Misc.		52,499							52,499
530X Less: Uncollectible Rev. (-)		(14,289)							(14,289)
<b>Total Revenues</b>		<b>8,899,211</b>	<b>5,905,934</b>	<b>706,428</b>	<b>701,140</b>	<b>12,691</b>	<b>-</b>	<b>1,573,018</b>	<b>2,286,849</b>
<b>Operating Expenses</b>									
61XX-64XX Plant Specific Oper.	(5a)	2,772,733	965,106	351,862	465,144	87,436	34,344	868,841	1,455,765
65XX Plant Nonspecific Operations	(5a)	410,885	210,475	32,352	54,662	10,184	3,453	99,759	168,058
656X Depreciation & Amortization	(5a)	2,174,020	844,757	302,697	325,231	55,271	31,138	614,926	1,026,566
66XX Customer Operations	(5a)	576,615	256,674	1,458	100,986	1,234	-	216,263	318,483
67XX Corporate Operations	(5a)	1,162,230	448,194	118,659	189,883	29,600	11,508	364,386	595,377
---- Other Operating	(5a)	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	(5a)	<b>7,096,483</b>	<b>2,725,206</b>	<b>807,028</b>	<b>1,135,906</b>	<b>183,725</b>	<b>80,443</b>	<b>2,164,175</b>	<b>3,564,249</b>
<b>Operating Taxes:</b>	(6)								
7240 General Taxes		88,474	30,161	9,413	15,905	2,963	1,005	29,027	48,900
7230 State/Local Inc. Tax (Current)		93,275	183,107	(7,999)	(57,441)	(10,530)	(5,034)	(9,228)	(82,233)
7220 Federal Income Tax (Current)		620,359	1,217,823	(50,540)	(382,036)	(70,034)	(33,480)	(61,374)	(546,924)
7250 Net Deferred Income Taxes		(124,202)	(243,820)	10,119	76,487	14,021	6,703	12,288	109,500
7210 Net Investment Tax Credits		-	-	-	-	-	-	-	-
<b>Total Taxes</b>		<b>677,906</b>	<b>1,187,271</b>	<b>(38,607)</b>	<b>(347,085)</b>	<b>(63,580)</b>	<b>(30,806)</b>	<b>(29,287)</b>	<b>(470,757)</b>
<b>Net Operating Income</b>		<b>1,124,822</b>	<b>1,993,457</b>	<b>(61,993)</b>	<b>(87,681)</b>	<b>(107,454)</b>	<b>(49,637)</b>	<b>(561,870)</b>	<b>(806,643)</b>



<b>SUMMARY (continued)</b>										
	(5b)									
Average Rate Base										
2001 Telecom. Plant in Service	40,522,050	13,814,119	4,311,399	18,125,518	7,284,619	1,357,200	460,112	13,294,601	22,396,532	
2005 Plant Acquisition Adjustment	-	-	-	-	-	-	-	-	-	-
3100 Less: Accumulated Depr. (-)	(29,569,091)	(8,734,339)	(3,202,473)	(11,936,812)	(5,456,166)	(1,218,406)	(275,312)	(10,682,395)	(17,632,279)	
34xx-36xx Accumulated Amort. (-)	(951,133)	(364,057)	(112,063)	(476,120)	(148,658)	(27,940)	(10,951)	(287,464)	(475,013)	
4100-4340 Accum. Deferred Tax (-)	561,506	183,740	37,770	221,510	113,814	20,905	5,270	200,007	339,996	
1220 Materials and Supplies	(6,654)	(2,268)	(708)	(2,976)	(1,196)	(223)	(76)	(2,183)	(3,678)	
4040 Customer Deposits	-	-	-	-	-	-	-	-	-	
4310 Other Long Term Liabilities	-	-	-	-	-	-	-	-	-	
--- Equal Access Equipment	693,894	382,268	57,466	439,734	56,820	8,013	2,360	186,967	254,160	
--- Other Rate Base	11,250,572	5,279,463	1,091,391	6,370,854	1,849,233	139,549	181,403	2,709,533	4,879,718	
<b>Total Average Rate Base</b>	<b>3,292,290</b>	<b>1,122,354</b>	<b>350,288</b>	<b>1,472,642</b>	<b>591,852</b>	<b>110,268</b>	<b>37,383</b>	<b>1,080,145</b>	<b>1,819,648</b>	
<b>PLANT IN SERVICE DETAIL</b>										
21XX General Support Facilities										
22XX Central Office Equipment:										
CAT 1-Operator Systems	-	-	-	-	-	-	-	-	-	-
CAT 2-Tandem Switching (Alloc.)	-	-	-	-	-	-	-	-	-	-
CAT 2-Tandem Switching (Assign.)	-	-	-	-	-	-	-	-	-	-
CAT 3-Local Switching	2,475,971	2,104,575		2,104,575				371,396	371,396	
CAT 4.12 -Exch. Trunk (Joint Use)	198,222						198,222			
CAT 4.12 -Exch. Trunk (Ded. Use)	498,595			201,682						
CAT 4.13 -Subscr. Line (Joint Use)	6,122,611	1,518,384	34,392	1,553,376	1,518,984	12,283		3,037,968	296,913	
CAT 4.13 -Subscr. Line (Ded. Use)	-	-	-	-	-	-	-	-	-	
CAT 4.23 -IX Trunk (Joint Use)	671,433	521,287	9,535	530,822	136,638	3,973			140,611	
CAT 4.23 -IX Trunk Ckt. (Ded. Use)	2,149,664	719,442	2,106,473	2,106,473	188,573	43,191		284,654	473,227	
CAT 4.3 -Host/Remote Trunk Ckt.	1,192,669			719,442						
Other COE	-	-	-	-	-	-	-	-	-	-
<b>Total COE</b>	<b>13,309,165</b>	<b>4,864,288</b>	<b>2,352,082</b>	<b>7,216,370</b>	<b>1,844,195</b>	<b>356,360</b>	<b>198,222</b>	<b>3,694,018</b>	<b>6,092,795</b>	
23XX Information Orig./Term. Equipment:										
CAT 1-Regulated CPE	-	-	-	-	-	-	-	-	-	-
Other IOT	-	-	-	-	-	-	-	-	-	-
<b>Total IOT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
24XX Cable & Wire Facilities:										
CAT 1.3-Subscriber Line (Common)	16,205,528	4,051,382	91,729	4,051,382	4,051,382	32,761		8,102,764	12,154,146	
CAT 1.1,2-Subscriber Line (Ded.)	124,490			91,729					32,761	
CAT 2-Exch. Trunk (Joint Use)	224,507						224,507		224,507	
CAT 2-Exch. Trunk (Ded. Use)	1,331,937		538,618	538,618					793,319	
CAT 3-IX Trunk (Joint Use)	3,280,222	2,720,457	33,019	2,753,476	520,497	6,249			526,746	
CAT 3-IX Trunk (Ded. Use)	1,003,906		945,663	945,663					58,243	
CAT 4-Host/Remote Trunk	1,750,005	1,055,638		1,055,638	276,693			417,674	694,367	
Other C&WF	-	-	-	-	-	-	-	-	-	-
<b>Total C&amp;WF</b>	<b>23,920,595</b>	<b>7,827,477</b>	<b>1,609,029</b>	<b>9,436,506</b>	<b>4,848,572</b>	<b>890,572</b>	<b>224,507</b>	<b>8,520,438</b>	<b>14,484,089</b>	
26XX Other Assets:										
Capital Leases	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-	-
<b>Total Other Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Telecom. Plant in Service</b>	<b>40,522,050</b>	<b>13,814,119</b>	<b>4,311,399</b>	<b>18,125,518</b>	<b>7,284,619</b>	<b>1,357,200</b>	<b>460,112</b>	<b>13,294,601</b>	<b>22,396,532</b>	





OPERATING TAXES DETAIL												
7240	General Taxes											
7240	Property	88,474	30,161	9,413	39,574	15,905	2,963	1,005	29,027	48,900		
7240	Gross Receipts	-	-	-	-	-	-	-	-	-		
7240	PUC Fee	-	-	-	-	-	-	-	-	-		
7240	Franchise Fees	-	-	-	-	-	-	-	-	-		
7240	Other	3,405	3,405	-	3,405	-	-	-	-	-		
	<b>Total General Taxes</b>	<b>91,879</b>	<b>33,566</b>	<b>9,413</b>	<b>42,979</b>	<b>15,905</b>	<b>2,963</b>	<b>1,005</b>	<b>29,027</b>	<b>48,900</b>		
72XX	Income Taxes (Calculated)											
(13)	Net Income Before SIT & FIT	1,710,849	3,147,162	(110,013)	3,037,149	(450,671)	(173,997)	(81,448)	(620,184)	(1,326,300)		
	Less Fixed Charges (-)	161,125	74,599	15,791	90,390	27,369	2,033	2,726	38,607	70,735		
(14)	Subtotal (lines 7-8)	1,549,724	3,072,563	(125,804)	2,946,759	(478,040)	(176,030)	(84,174)	(658,791)	(1,397,035)		
(15)	Other SIT Base Add/Ded. (+)	-	-	-	-	-	-	-	-	-		
	SIT Taxable Inc. (lines 9+-10)	1,549,724	3,072,563	(125,804)	2,946,759	(478,040)	(176,030)	-	(658,791)	(1,397,035)		
(16)	7230 SIT-Current (at 7.78%)	116,838	63,143	13,012	76,155	15,345	1,164	1,499	22,675	40,683		
(17)	Other FIT Base Add/Ded. (+)	-	-	-	-	-	-	-	-	-		
	FIT Taxable Inc. (lines 9-12+-13)	1,432,886	3,009,420	(138,816)	2,870,604	(493,385)	(177,194)	5,538	(681,466)	(1,352,045)		
15	Gross FIT at 31.4700%	431,562	233,229	48,063	281,292	56,678	4,299	83,755	150,270	150,270		
16	7210P Claimed ITC (-)	-	-	-	-	-	-	-	-	-		
17	Surtax Elimination (-)	-	-	-	-	-	-	-	-	-		
(18)	<b>7220 FIT-Current (lines 15-16-17)</b>	<b>431,562</b>	<b>233,229</b>	<b>48,063</b>	<b>281,292</b>	<b>56,678</b>	<b>4,299</b>	<b>5,538</b>	<b>83,755</b>	<b>150,270</b>		

2012 FORM I INPUT MASTER		For The Year Ended: December 31, 2012		Separated Results of Idaho Operations		Total Idaho		Intrastate		Operation	
COMPANY NAME: Albion Telephone Company, Inc.		Total Idaho		Interstate		Intrastate		Intrastate		EAS	
Description		Operations Subject To Separations		Toll		Toll		Toll		Local (Other)	
Note No.	Line No.										
<b>Separation Parameters</b>											
<b>Plant</b>											
	1.	SLU Minutes of Use (MOU)	90,184,712	25,347,570	6,592,010	20,387,268	37,857,864				
	2.	SLU Factor	1.000000	0.28	0.07	0.23	0.42				
	3.	Base SPF - January 1	1.000000	0.25	0.25		0.50				
	4.	Base SPF - December 31	1.000000	0.25	0.25		0.50				
(20)	5.	Current Composite SPF	1.000000	0.25	0.25		0.50				
	6.	1996 Weighted DEM	1.000000	0.85			0.15				
	7.	1996 Unweighted DEM	1.000000	0.31	0.10	0.13	0.45				
(21)	8.	Current CAT 3 Dial Equipment Minutes	90,184,713	25,347,648	6,591,933	20,387,268	37,857,864				
	9.	Current Composite DEM Factor	1.000000	0.85			0.15				
(22)	10.	Exchange Trunk - Joint Use MOU	0								
(23)	11.	Host/Remote MOU Kilometers	90,184,713	25,347,648	6,591,933	20,387,268	37,857,864				
(24)	12.	Equal Access MOU	0								
(25)	13.	Operator Standard Work Seconds	0								
(26)	14.	Tandem Switching MOU	0								
	15.	IX Conversation MOU	31,939,580	25,306,313	6,633,267						
	16.	IX Conversation Minute Kilometers	190,191,538	159,645,592	30,545,946						
<b>Other Parameters</b>											
	17.	Access Lines	3,656								
(27)	18.	Unseparated Loop Cost @ 11.1 ROR	4,601,536								
<b>Gross Billed Revenues</b>											
(28a)	19.	-Marketing Allocation Basis	16,672	9,655	1,654		5,363				
(28b)	20.	-Payment & Collection-End User	3,042,153	970,696	608,739		1,462,718				
(28c)	21.	-Payment & Collection-CXR	2,666	1,333	1,333						
<b>Service Order Contacts</b>											
(29a)	22.	-Service Order Proc.-End User	3,558	1,586	186		1,786				
(29b)	23.	-Service Order Proc.-CXR	433	216	217						
<b>Billing Inquiry Contacts</b>											
(30a)	24.	-Billing Inquiry-End User	3,042,153	970,696	608,739		1,462,718				
(30b)	25.	-Billing Inquiry-CXR	1,180	590	590						
(31)	26.	SP+RC Toll Messages	1,113,798	477,663	636,135						
	27.	EAS/Local Messages (Msg. Proc.)	0								
(32)	28.	'BIG 3' Expense Factor-Message	0.90	0.41	0.17	0.02	0.30				
	29.	-PLS & Special Access	0.10	0.09	0.01						
	30.	Operator Services Expense - Factor	1				1.00				
	31.	Access Minutes of Use (End Office)	14,922,624	10,891,487	4,031,137						