

# ANNUAL REPORT

OF

CAM-T

Cambridge Telephone Company, Inc.

**NAME**

P.O. Box 88, Cambridge, ID 83610

**ADDRESS**

TO THE

**IDAHO PUBLIC**

**UTILITIES COMMISSION**

FOR THE

YEAR ENDED December 31,

2007

IDAHO PUBLIC  
UTILITIES COMMISSION

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## ACCOUNTANT'S COMPILATION REPORT

The Board of Directors  
Cambridge Telephone Company, Inc.  
PO Box 88  
Cambridge, Idaho 83610

We have compiled the accompanying balance sheets of Cambridge Telephone Company, Inc. as of December 31, 2007 and 2006, and the related income and retained earnings statement for the year ended December 31, 2007, included in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information, except for pages 1, 2, 18, 19, and 20.

Our compilation was limited to presenting in the form prescribed by the Idaho Public Utilities Commission information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly; do not express an opinion or any other form of assurance on them.

These financial statements and the supplementary information are presented in accordance with the requirements of the Idaho Public Utilities Commission, which differ from generally accepted accounting principles. Accordingly, the financial statements and supplementary information are not designed for those who are not informed about such differences.

The information contained on pages 1, 2, 18, 19, and 20 has not been audited, reviewed, or compiled by us, and, accordingly, we assume no responsibility for that information.

*Kiesling Associates LLP*

Colorado Springs, CO  
April 26, 2008

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO  
THE IDAHO PUBLIC UTILITIES COMMISSION  
FOR THE YEAR ENDING DECEMBER 31, 2007**

**COMPANY INFORMATION**

Exact name of utility: Cambridge Telephone Company, Inc.  
 Address of principal office: P.O. Box 69, Cambridge, ID 83610  
 Telephone Number (Area Code 208) 257-3314  
 Cities or towns served: Cambridge, Council, Indian Valley, Cuprum, Lowman

Name and title of officer having custody of the general corporate books of account: \_\_\_\_\_  
Richard Wiggins, General Manager/President  
 Address of office where corporate books are kept and phone number: \_\_\_\_\_  
P.O. Box 88, 130 Superior Street, Cambridge, ID 83610, (208) 257-3314  
 Organized under the laws of the State of: Idaho  
 Date of organization: 1966  
 Form of organization (proprietorship, association, corporation): Corporation  
 If a Subchapter S Corporation, please specify: N/A  
 Name and address of controlling company, if any: N/A

Names of affiliated companies. Give address and description of business: CTC Construction, Inc.,  
P.O. Box 88, Cambridge, ID 83610-Construction Services; CTC Telecom, Inc., P.O. Box 69, Cambridge, ID  
83610-Telecommunications, Internet and Wireless (CLEC)

**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	Richard Wiggins	P.O. Box 88, Cambridge, ID 83610
Vice President	Kermit Wiggins	P.O. Box 88, Cambridge, ID 83610
Secretary/Treasurer	Kristie Kanady	P.O. Box 353, Cambridge, ID 83610

**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>
Kermit Wiggins P.O. Box 88, Cambridge, ID 83610	Indefinite	1	15,000
Richard Wiggins P.O. Box 88, Cambridge, ID 83610	Indefinite	1	15,000
Joana Wiggins P.O. Box 88, Cambridge, ID 83610	Indefinite	1	15,000
Karen Wiggins P.O. Box 88, Cambridge, ID 83610	Indefinite	1	15,000
Krisie Kanady P.O. Box 88, Cambridge, ID 83610	Indefinite	1	15,000

Name of Chairman of the Board: Kermit Wiggins  
 Name of Secretary (or Clerk) of Board: Kristie Kanady  
 Number of Meetings of the Board during the year: 1

**MANAGERS**

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

<b>Name</b>	<b>Title</b>	<b>Wages and Bonuses Paid</b>
Richard Wiggins	President	109,359
Kermit Wiggins	Vice President	6,170
Kristie Kanady	Secretary/Treasurer	45,023
Jerry Piper	Assistant Manager	62,864

## NOTES TO THE FINANCIAL STATEMENTS

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

1 In 1998, CTC Telecom, Inc. (CTC), a wholly-owned subsidiary of Cambridge Telephone Company, was incorporated, with an initial investment of \$100,000. CTC operates as a Competitive Local Exchange Carrier in the state of Idaho. Additional capital investments of \$900,000 have been made through December 31, 2007.

In April, 1999, CTC secured a loan from CoBank, ACB in the amount of \$1,700,000, of which \$896,981 was unpaid as of December 31, 2007. The loan is secured by a Leasehold Deed of Trust and Security Agreement covering all real and personal property. In addition, the loan is secured by Personal Guarantee of Payment Agreements by certain shareholders of Cambridge Telephone Company, and Pledge Agreements for stock of Cambridge Telephone Company owned by certain shareholders.

An additional loan from CoBank, ACB of \$800,000 was arranged for in 2001, of which \$332,334 was unpaid as of December 31, 2007.

2 Cambridge Telephone Company (Pledgor) is a member of Syringa Networks, LLC, an Idaho Limited Liability Company. In 2002, as security for an extension of credit by Rural Telephone Finance Cooperative, a South Dakota cooperative association (Lender) to Syringa Networks, LLC (Borrower), in the principal amount of up to \$30,000,000, Pledgor executed and delivered to lender a Pledge and Security Agreement and a Guarantee Agreement. In 2007, Borrower refinanced through CoBank and the guarantee was lifted. Pledgor's investment in borrower as of December 31, 2007 was \$992,935 (equity method investment)

3 In 2003, the Company received approval from the Rural Utilities Service (RUS) for new loans from RUS and the Rural Telephone Bank (RTB) in the total amount of \$17,143,950. The loans were approved by the Idaho Public Utilities Commission by Order No. 29399 dated December 10, 2003. The loans were finalized in 2004, and notes dated April 4, 2004 in the total amount of \$17,143,950 were issued. Funds totaling \$7,997,779 were advanced, and \$7,214,311 were unpaid under these loans through December 31, 2006. From these advances, \$2,437,712 was used in 2004 to refinance the balance of the loan from CoBank, ACB.

5 During 2006, the Company, through its 100% owned subsidiary CTC Telecom, made a prior period adjustment to reclassify \$21,375 of payments received in 2005 out of 2005 net income and into a deferred revenue account to be recognized over 10 years, the expected life of the assets. Had this reclassification not been made, 2005 net income (loss) would have been reduced by \$21,375 net of tax of \$7,550. Prior year balance sheet accounts were adjusted to reflect this prior period adjustment.

**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			
1130 Cash	(4,206)	15,493	19,699
1140 Special Cash Deposits	247,263	606	(246,657)
1150 Working Cash Advances			-
1160 Temporary Investments			-
1180 Telecommunications Accts. Receivable	206,225	231,506	25,281
1181 Accts. Rec. Allow. -Telecommunications			-
1190 Other Accounts Receivable	1,626,010	1,922,744	296,734
1191 Accounts Receivable Allow. - Other			-
1200 Notes Receivable	82,919	75,756	(7,163)
1201 Notes Receivable Allowance			-
1210 Interest & Dividends Receivable	3,007	4,749	1,742
1220 Material and Supplies	111,996	181,701	69,705
1280 Prepayments			-
1290 Prepaid Rents			-
1300 Prepaid Taxes	7,017	7,017	-
1310 Prepaid Insurance			-
1320 Prepaid Directory Expenses			-
1330 Other Prepayments	11,194	1,168	(10,026)
1350 Other Current Assets			-
<b>Noncurrent Assets</b>			
1401 Investment in Affiliated Companies	(139,406)	(155,118)	(15,712)
1402 Investment in Nonaffiliated Companies	1,827,400	2,061,357	233,957
1406 Nonregulated Investments	197,227	184,462	(12,765)
1407 Unamortized Debt Issuance Expense	6,275	5,835	(440)
1408 Sinking Funds			-
1410 Other Noncurrent Assets	71,526	115,811	44,285
1438 Deferred Maintenance & Retirements			-
1439 Deferred Charges	1,470	1,470	-
1500 Other Jurisdiction Assets - Net			-
<b>Property, Plant and Equipment</b>			
2001 Telecommunications Plants in Service	16,713,222	17,961,034	1,247,812
2002 Prop. Held for Future Telecom. Use			-
2003 Telecom. Plant under Constr. - Short Term	464,898	143,450	(321,448)
2004 Telecom. Plant under Constr. - Long Term			-
2005 Telecom. Plant Adjustment			-
2006 Nonoperating Plant			-
2007 Goodwill	1,691,657	1,691,657	-
<b>Depreciation and Amortization Accounts</b>			
3100 Accumulated Depreciated	(10,288,277)	(10,594,660)	(306,383)
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			-
3600 Accumulated Amortization - Other			-
<b>TOTAL ASSETS</b>	<b>12,837,417</b>	<b>13,856,038</b>	<b>1,018,621</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	241,554	412,386	170,832
4020 Notes Payable	-	470,000	470,000
4030 Advance Billings and Payments	91,177	96,808	5,631
4040 Customer Deposits	2,815	3,975	1,160
4050 Current Maturities - Long -Term Debt	786,300	960,600	174,300
4060 Current Maturities - Capital leases			-
4070 Income Taxes - Accrued			-
4080 Other Taxes - Accrued	19,195	19,108	(87)
4100 Net Current Defer. Oper. Income Taxes	(56,932)	(74,381)	(17,449)
4110 Net Current Defer. Nonoper. Income Taxes			-
4120 Other Accrued Liabilities	108,547	112,635	4,088
4130 Other Current Liabilities		52,830	52,830
<b>Long-Term Debt</b>			
4210 Funded Debt	7,971,010	8,109,513	138,503
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			-
<b>Other Liabilities &amp; Deferred Credits</b>			
4310 Other Long-Term Liabilities			-
4320 Unamort. Oper. Invest. Tax Credits - Net	152,947	147,862	(5,085)
4330 Unamort. Nonoper. Invest. Tax Credits - Net			-
4340 Net Noncurrent Defer. Oper. Income Taxes	137,868	148,331	10,463
4350 Net Noncur. Defer. Nonoper. Income Taxes	168,976	183,926	14,950
4360 Other Deferred Credits	98,587	83,521	(15,066)
4370 Other Juris. Liab. & Def. Credits - Net			-
<b>Stockholders' Equity</b>			
4510 Capital Stock	30,000	30,000	-
4520 Additional Paid-In Capital			-
4530 Treasury Stock	(12,511)	(12,511)	-
4540 Other Capital			-
4550 Retained Earnings	3,097,884	3,111,435	13,551
<b>TOTAL LIAB. &amp; OTHER CREDITS</b>	<b>12,837,417</b>	<b>13,856,038</b>	<b>1,018,621</b>

ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE

TOTAL Company Basis

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	102,302				102,302
2112 Motor Vehicles	614,971	84,863		(112,313)	587,521
2113 Aircraft	-				-
2114 Special Purpose Vehicles	-				-
2115 Garage Work Equipment	616,703	196,463	(13,123)	(159,178)	640,865
2116 Other Work Equipment	1,814,240	406,245		17,563	2,238,048
2121 Buildings	7,262	51,585			58,847
2122 Furniture	40,924	7,746	(8,669)		40,001
2123 Office Equipment	103,256	7,690		1,170	112,116
2124 General Purpose Computers	-				-
2211 Analog Electronic Switching	1,901,934	16,531			1,918,465
2212 Digital Electronic Switching	-				-
2215 Electro-Mechanical Switching	-				-
2220 Operator Systems	-				-
2231 Radio Systems	1,511,787		(482,359)		1,029,428
2232 Circuit Equipment	1,676,276	220,948	(1,608)	33,394	1,929,010
2311 Station Apparatus	-				-
2321 Customer Premises Wiring	-				-
2341 Large Private Branch Exchanges	-				-
2351 Public Telephone Terminal Equipment	2,760				2,760
2362 Other Terminal Equipment	-				-
2411 Poles	21,888				21,888
2421 Aerial Cable	-				-
2422 Underground Cable	37,662				37,662
2423 Buried Cable	8,140,038	1,088,424	(74,166)	(33,394)	9,120,902
2424 Submarine Cable	-				-
2426 Intrabuilding Network Cable	7,359				7,359
2431 Aerial Wire	-				-
2441 Conduit Systems	113,860				113,860
2681 Capital Leases	-				-
2682 Leasehold Improvements	-				-
2690 Intangibles	-				-
<b>TOTAL PLANT ACCOUNTS</b>	<b>16,713,222</b>	<b>2,080,495</b>	<b>(579,925)</b>	<b>(252,758)</b>	<b>17,961,034</b>



ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS  
IDAHO Operations Only

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
<b>Analysis of Telecommunications Plant in Service</b>					
2111 Land		SAME AS TOTAL COMPANY			
2112 Motor Vehicles					
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment					
2121 Buildings					
2122 Furniture					
2123 Office Equipment					
2124 General Purpose Computers					
2211 Analog Electronic Switching					
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment					
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable					
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles					
<b>TOTAL PLANT ACCOUNTS</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	474,206	25.00%	145,321	(106,044)	513,483	
2113 Aircraft	-				-	
2114 Special Purpose Vehicles	-				-	
2115 Garage Work Equipment	333,189	12.50%	84,447	(172,301)	245,335	
2116 Other Work Equipment	937,251	3.00%	60,563	13,464	1,011,278	
2121 Buildings	3,394		4,145		7,539	
2122 Furniture	34,996		6,445	(8,670)	32,771	
2123 Office Equipment	102,956	20.00%	9,160		112,116	
2124 General Purpose Computers	-				-	
2211 Analog Electronic Switching	932,739	12.00%	196,868		1,129,607	
2212 Digital Electronic Switching	-				-	
2215 Electro-Mechanical Switching	-				-	
2220 Operator Systems	-				-	
2231 Radio Systems	1,511,762	12.00%	25	(482,359)	1,029,428	
2232 Circuit Equipment	587,158	10.00%	126,174	(1,608)	711,724	
2311 Station Apparatus	-				-	
2321 Customer Premises Wiring	-				-	
2341 Large Private Branch Exchanges	-				-	
2351 Public Telephone Terminal Equipment	2,760				2,760	
2362 Other Terminal Equipment	-				-	
2411 Poles	21,888	6.50%			21,888	
2421 Aerial Cable	-	6.50%			-	
2422 Underground Cable	36,927	6.50%	735		37,662	
2423 Buried Cable	5,250,917	6.50%	496,305	(74,167)	5,673,055	
2424 Submarine Cable	-				-	
2426 Intrabuilding Network Cable	637	6.50%	479		1,116	
2431 Aerial Wire	-				-	
2441 Conduit Systems	57,497	6.50%	7,401		64,898	
<b>TOTAL</b>	<b>10,288,277</b>		<b>1,138,068</b>	<b>(831,685)</b>	<b>10,594,660</b>	

\*Please list individual depreciation rate for each account.

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

IDAHO Operations Only

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
<b>Analysis of Entries in Accumulated Depreciation</b>					
2112 Motor Vehicles		SAME AS TOTAL COMPANY			
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment					
2121 Buildings					
2122 Furniture					
2123 Office Equipment					
2124 General Purpose Computers					
2211 Analog Electronic Switching					
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment					
2311 Station Apparatus					
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable					
2424 Submarine Cable					
2426 Intra-building Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
<b>TOTAL</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>
CTC Telecom, Inc.	1998		(155,118)
Cash value life insurance			644,859
Coins			34,497
Land	Various		224,975
Syringa Networks, LLC	2000-2004		992,935
CoBank equity	1999-2004		156,143
Buried cable-leased to Syringa Networks, LLC			184,462
NRTC			7,948
<b>Totals</b>		-	2,090,701

## 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>
Due from customers		231,506
Interexchange carriers		231,487
CTC Telecom, Inc.		1,482,266
CTC Construction		154,793
Other		54,198
R. & B. Crocket, 8.0%, due 2018	75,756	
<b>Totals</b>	75,756	2,154,250

## 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>
Wells Fargo		8.25%	8/17/2008	500,000
unadvanced				(30,000)
<b>Totals</b>				<b>470,000</b>

## ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
NECA	111,100
Taxes, 911 billing	20,238
Calix	31,123
Codale Electric Company	9,321
Idaho Power	3,220
Idaho Optic Transport Association	131,910
National Cable Television	5,103
State Insurance Fund	4,023
Wells Fargo Remittance	18,074
Western States Equipment	3,514
Various employee payables (board fees and other miscellaneous)	45,677
Various other vendors	29,083
<b>Totals</b>	<b>412,386</b>



**LONG - TERM DEBT**

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

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

<u>Class &amp; Series of Obligation</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Fact Amount Authorized</u>	<u>Outstanding Year-End</u>	<u>Premium/ Discount</u>		<u>Interest for year</u>		
					<u>Total</u>	<u>Year Amortized</u>	<u>Rate</u>	<u>Amount</u>	
RUS Notes	1977	2012	975,000	221,583		5.00	Detail		
RUS Notes	various	various	2,932,000	888,532		2.00	Not		
RUS Notes	1985	2050	818,379	595,477		5.00	Available		
RUS Notes	2004	various	13,596,000	7,214,626		various			
RTB Note	2004	2019	3,379,000	-		-			
Wells Fargo	2004	2009	67,886	23,042		7.15			
Western States	2007	2008	129,893	129,893					
Less RUS prepayment						(3,040)			
Less current maturities						(960,600)			
<b>Total</b>				<b>8,109,513</b>				<b>394,501</b>	





**INCOME & RETAINED EARNINGS STATEMENT**

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	3,311,033	<b>Same as</b>
Total Operating Expenses (from page 17)	3,149,479	<b>total company</b>
7100 Other Operating Income and Expense		
7210 Operating Investment Tax Credits-Net	(5,085)	
7220 Operating Federal Income Taxes		
7230 Operating State and Local Income Taxes		
7240 Operating Other Taxes	37,578	
7250 Provision for Deferred Operating Income Taxes-Net	(67,517)	
7200 Operating Taxes (Total)	(35,024)	
7310 Dividend Income	6,861	
7320 Interest Income	6,994	
7330 Income from Sinking and Other Funds		
7340 Allowance for Funds Used During Construction	12,298	
7350 Gains/Losses from the Disposition of Certain Property		
7360 Other Nonoperating Income	209,379	
7370 Special Charges	(5,555)	
7300 Nonoperating Income and Expense	229,977	
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	75,481	
7400 Nonoperating Taxes	75,481	
7510 Interest on Funded Debt	394,501	
7520 Interest Expense-Capital Leases	-	
7530 Amortization of Debt Issuance Expense	439	
7540 Other Interest Deductions	41,426	
7500 Interest and Related Items	436,366	
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	98,843	
<b>AMOUNT TRANSFERRED TO RETAINED EARNINGS</b>	<b>13,551</b>	

**OPERATING REVENUES**

Item	Total Company	Idaho Only
<b>Local Network Services Revenues</b>		
5001 Basic Area Revenue	668,091	<b>Same as</b>
5002 Optional Extended Area Revenue		<b>total company</b>
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	88,201	
5069 Other Local Exchange Settlements	515,362	
<b>Network Access Services Revenues</b>		
5081 End User Revenue (SLC)	193,461	
5082 Switched Access Revenue (Interstate)	1,399,677	
5083 Special Access Revenue	77,325	
5084 State Access Revenue (Intrastate)	350,805	
<b>Long Distance Network Services Revenues</b>		
5100 Long Distance Message Revenue - All		
<b>Miscellaneous Revenues</b>		
5230 Directory Revenue	8,852	
5240 Rent Revenue	3,803	
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue		
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	8,014	
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	4	
<b>Uncollectible Revenues</b>		
5301 Uncollectible Revenue - Telecommunications	2,562	
5302 Uncollectible Revenue - Other		
<b>TOTAL OPERATING REVENUES</b>	<b>3,311,033</b>	

Please identify the following revenues:

NECA USF \$ 514,456. To what account were they booked?

5069.1

State USF \$ 167,380. To what account were they booked?

5084.52

**OPERATING REVENUES**

Item	Total Company	Idaho Only
<b>Plant Specific Operations Expense</b>		
6110 Network Support Expenses		<b>Same as</b>
6112 Motor Vehicle Expense	4,646	<b>total company</b>
6113 Aircraft Expense		
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense		
6116 Other Work Equipment Expense		
6120 General Support Expenses		
6121 Land and Building Expenses	79,050	
6122 Furniture and Artworks Expense		
6123 Office Equipment Expense		
6124 General Purpose Computers Expense	90,303	
6210 Central Office Switching Expenses		
6211 Analog Electronic Expense		
6212 Digital Electronic Expense	193,057	
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	527,640	
6231 Radio Systems Expense		
6232 Circuit Equipment Expense	100,242	
6310 Information Origination/Termination Expense		
6311 Station Apparatus Expense		
6341 Large Private Branch Exchange Expense		
6351 Public Telephone Terminal Equipment Expense		
6362 Other Terminal Equipment Expense		
6410 Cable and Wire Facilities Expenses		
6411 Pole Expense		
6421 Aerial Cable Expense		
6422 Underground Cable Expense		
6423 Buried Cable Expense	184,982	
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>1,179,920</b>	

**OPERATING REVENUES**

Item	Total Company	Idaho Only
<b>Plant Nonspecific Operations Expense</b>		
6510 Other Property/Plant/Equipment Expenses		<b>Same as</b>
6511 Property Held for Future Telecomm. Use Expenses		<b>total company</b>
6512 Provisioning Expense		
6530 Network Operations Expense		
6531 Power Expense		
6532 Network Administration Expense	1,850	
6533 Testing Expense		
6534 Plant Operations Administration Expense		
6535 Engineering Expense	14,471	
6540 Access Expense	26,480	
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	1,138,068	
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>1,180,869</b>	
<b>Customer Operations Expense</b>		
6610 Marketing	19,764	
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services		
6621 Call Completion Services		
6622 Number Services	9,302	
6623 Customer Services	157,708	
<b>Total Customer Operations Expense</b>	<b>186,774</b>	
<b>Corporate Operations Expense</b>		
6710 Executive and Planning		
6711 Executive	281,583	
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	170,616	
6722 External Relations		
6723 Human Resources		
6724 Information Management		
6725 Legal	5,271	
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	144,446	
6790 Provision for Uncollectible Notes Receivable		
<b>Total Corporate Operations Expense</b>	<b>601,916</b>	
<b>TOTAL OPERATING EXPENSES</b>	<b>3,149,479</b>	

**CENTRAL OFFICE DATA**  
as of December 31, 2007 (unless otherwise indicated)

Name of Central Office: Council  
Prefix (es): 253  
Type: DCO-RLS & Tagua T7000

Central Office Switch  
Type: DCO-RLS & Tagua T7000

**Check all that apply:**  
Stand Alone       
Host X       
Remote     

**Check one:**  
Electronic X  
Electro-Mechanical       
Other:     

**Access Line Capacity**  
Design: 1890 & 2208

**Access Lines in Use**  
Customer Lines: 1000  
(Include Centrex, PAL, Semi-Pub.)  
Public Telephone Lines 4  
Company Official Lines 10  
Company Test Lines 0

Installed/Equipped: 1710 & 1536

**Classification of Customer Access**

	Residence			Business			Total Residence & Business
	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	
Beginning of Year		809			219		1028
New Connects		179			25		204
Disconnects		-203			-29		-232
End of Year		785			215		1000
		Subtotal Residence			Subtotal Business		
		809			219		
		179			25		
		-203			-29		
		785			215		

**Foreign Exchange:**  
Dial Tone from this C.O.: 3  
Dial Tone from another C.O.: 0

**Directory Listings:**  
Number of Customers with Nonpublished or Nonlisted: 179

**Custom Calling:**  
Number of customers with at least one feature: 583  
Total number of features subscribed to: 19

**CENTRAL OFFICE DATA**  
as of December 31, 2007 (unless otherwise indicated)

Name of Central Office: Indian Valley  
Prefix (es): 256

Central Office Switch Type: DLC

**Check all that apply:**  
Stand Alone       
Host       
Remote X  
**Check one:**  
Electronic X  
Electro-Mechanical       
Other: Calix digital subscriber carrier (303 interface to Council)

**Access Line Capacity**  
Design: 1200  
**Access Lines in Use**  
Customer Lines: 172  
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 288  
Public Telephone Lines 0

Company Official Lines 7

Company Test Lines 0

**Classification of Customer Access**

	Residence			Business			Total Residence & Business
	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	
Beginning of Year		161			12		173
New Connects		23			3		26
Disconnects		26			-1		25
End of Year		158			14		172
		Subtotal Residence			Subtotal Business		
		161			12		
		23			3		
		26			-1		
		158			14		

**Foreign Exchange:**  
Dial Tone from this C.O.: 0  
Dial Tone from another C.O.: 0

**Directory Listings:**

Number of Customers with Nonpublished or Nonlisted: 22

**Custom Calling:**

Number of customers with at least one feature: 107  
Total number of features subscribed to: 15

**CENTRAL OFFICE DATA**  
as of December 31, 2007 (unless otherwise indicated)

Name of Central Office: Cambridge  
Prefix (es): 257  
Central Office Switch Type: DCO AND TEKELEC T7000

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

**Access Line Capacity**  
Design: 1080 & 1536  
**Access Lines in Use**  
Customer Lines: 495  
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 810 & 768  
      
Public Telephone Lines 7  
Company Official Lines 8  
Company Test Lines 0

	Residence			Business			Total Residence & Business
	Multi- Line 1-Party	Single Line 1-Party	Multi- Line 1-Party	Multi- Line 1-Party	Single Line 1-Party	Multi- Party	
Beginning of Year		396			98		494
New Connects		97			3		100
Disconnects		-97			-2		-99
End of Year		396			99		495
		Subtotal Residence			Subtotal Business		
		396			98		

**Foreign Exchange:**  
Dial Tone from this C.O.: 5  
Dial Tone from another C.O.: 0

**Directory Listings:**  
Number of Customers with Nonpublished or Nonlisted: 134

**Custom Calling:**  
Number of customers with at least one feature: 306  
Total number of features subscribed to: 20

**CENTRAL OFFICE DATA**  
as of December 31, 2007 (unless otherwise indicated)

Name of Central Office: Cuprum  
Prefix (es): 258

Central Office Switch Type: DCO-RLG

**Check all that apply:**  
Stand Alone       
Host       
Remote X

**Check one:**  
Digital X  
Analog       
Electro-Mechanical       
Other:     

**Access Line Capacity**  
Design: 90  
**Access Lines in Use**  
Customer Lines: 54  
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 90  
Public Telephone Lines 1  
Company Official Lines 1  
Company Test Lines 0

**Classification of Customer Access**

	Residence			Business			Total Residence & Business
	Multi- Line 1-Party	Single Line 1-Party	Multi- Line Party	Multi- Line 1-Party	Single Line 1-Party	Multi- Party	
Beginning of Year		48			1		49
New Connects		21			0		21
Disconnects		-16			0		-16
End of Year		53			1		54
		Subtotal Residence			Subtotal Business		
		48			1		49
		21			0		21
		-16			0		-16
		53			1		54

**Foreign Exchange:**  
Dial Tone from this C.O.: 0  
Dial Tone from another C.O.: 0

**Custom Calling:**  
Number of customers with at least one feature: 26  
Total number of features subscribed to: 8

**Directory Listings:**  
Number of Customers with Nonpublished or Nonlisted: 11





**NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year) 2007**

Local Exchange	Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)			
		Number (1000s)	Avg./ Line	Intrastate	Interstate	Total	Avg./ Line
1 253	1004			274,227	506,691	780,918	778
2 256	170			34,105	68,580	102,685	604
3 257	494			97,383	208,025	305,408	618
4 258	54			6,482	15,104	21,586	400
5 259	274			23,592	65,980	89,572	327
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							



CERTIFICATE

State of Idaho )  
County of Washington ) ss  
)

WE, the undersigned RICHARD WIGGINS

and ANN E. SHARP

of the CAMBRIDGE TELEPHONE COMPANY, INC. utility,

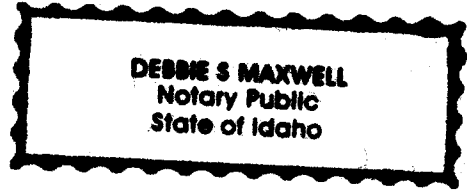
on our oath do severally say that the foregoing return has been prepared under our direction, from the original books, papers, and records of said utility; that we have carefully examined same, and declare the same to be a correct statement of the business affairs of said utility for the period covered by the return in respect to each and every matter and thing therein set forth, to the best of our knowledge, information and belief.

*Richard Wiggins*  
(Chief Officer)

*Ann E. Sharp*  
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 30 day of April, (Year) 2008.

*Debbie A Maxwell*  
Notary Public



My Commission expires 8-24, (Year) 2013.

Rev 3/02

gdk/excel/jnelson/anulrpts/telannualrpt





PLANT IN SERVICE DETAIL										
21XX	General Support Facilities	1,214,892	120,411	1,335,303	678,896	23,779	121,052	850,155		1,673,882
22XX	Central Office Equipment:									
	CAT 1-Operator Systems	0		0						0
	CAT 2-Tandem Switching (Alloc.)	0		0						0
	CAT 2-Tandem Switching (Assign.)	0		0						0
	CAT 3-Local Switching	1,169,545		1,169,545			440,195	206,390		206,390
	CAT 4.12 -Exch. Trunk (Joint Use)	440,195		440,195				440,195		440,195
	CAT 4.12 -Exch. Trunk (Ded. Use)	355,062		355,062						8,212
	CAT 4.13 -Subscr. Line (Joint Use)	1,454,163		1,454,163						1,067,044
	CAT 4.13 -Subscr. Line (Ded. Use)	0		0						0
	CAT 4.23 -IX Trunk (Joint Use)	1,081,544		1,081,544						350,462
	CAT 4.23 -IX Trunk Ckt. (Ded. Use)	41,872		41,872						7,835
	CAT 4.3 -Host/Remote Trunk Ckt.	618,143		618,143						353,269
	Other COE	0		0						0
	<b>Total COE</b>	<b>5,366,914</b>	<b>405,030</b>	<b>2,913,507</b>	<b>866,993</b>	<b>36,461</b>	<b>440,195</b>	<b>1,109,758</b>		<b>2,453,407</b>
23XX	Information Orig./Term. Equipment:									
	CAT 1-Regulated CPE	0		0						0
	Other IOT	0		0						0
	<b>Total IOT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
24XX	Cable & Wire Facilities:									
	CAT 1.3-Subscriber Line (Common)	1599796	27856	1,627,652	1599797	20118		3199592		4,819,507
	CAT 1.1.2-Subscriber Line (Ded.)	0		0						0
	CAT 2-Exch. Trunk (Joint Use)	187,219		187,219			187,219			187,219
	CAT 2-Exch. Trunk (Ded. Use)	78,251		78,251						37,332
	CAT 3-IX Trunk (Joint Use)	3,068,260	40919	40,919	960333	18264				978,597
	CAT 3-IX Trunk (Ded. Use)	118,790	42563	2,089,663						11,071
	CAT 4-Host/Remote Trunk	330,010	107719	107,719	91597	11071				188,600
	Other C&WF	0	141,410	141,410						0
	<b>Total C&amp;WF</b>	<b>10,229,689</b>	<b>219,057</b>	<b>4,007,363</b>	<b>2,651,727</b>	<b>86,785</b>	<b>187,219</b>	<b>3,296,595</b>		<b>6,222,326</b>
26XX	Other Assets:									
	Capital Leases	0		0						0
	Leasehold Improvements	0		0						0
	Intangibles	0		0						0
	<b>Total Other Assets</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Telecom. Plant in Service (5b)</b>	<b>18,605,788</b>	<b>7,511,675</b>	<b>8,256,173</b>	<b>4,197,616</b>	<b>147,025</b>	<b>748,466</b>	<b>5,256,508</b>		<b>10,349,615</b>







OPERATING EXPENSE (continued)												
66XX Customer Operations												
661X Marketing												
662X Operator Services												
662X Directory Publishing-Alpha												
662X Directory Publishing-Classified												
662X Directory Publishing-Foreign												
6623 Service Order Proc.-End User												
6623 Payment & Collection-End User												
6623 Billing Inquiry-End User												
6623 Service Order Proc.-CXR												
6623 Payment & Collection-CXR												
6623 Billing Inquiry-CXR												
6623 Coin Administration												
6623 Rev. Acctg.-Local Mess. Proc.												
6623 Rev. Acctg.-Other Bill & Coll.												
6623 Rev. Acctg.-SLC Billing												
6623 Rev. Acctg.-CXR B & C												
6623 B & C Armts Paid to LECs												
6623 Other Customer Service												
Total Customer Operations												
67XX Corporate Operations:												
671X Executive & Planning												
672X General & Administrative												
6728 EAS Settlement Expense												
Total Corporate Operations												
Other Operating Expenses:												
Equal Access Provision												
Universal Service Fund												
Lifeline Connection Assistance												
Total Other												
Total Operating Expenses												

OPERATING TAXES DETAIL												
7240	General Taxes											
7240	Property	35,428	14303	1418	15,721	7993	280	1425	10009			19,707
7240	Gross Receipts	0			0							0
7240	PUC Fee	0			0							0
7240	Franchise Fees	0			0							0
7240	Other	742	742		742							0
	Total General Taxes	36,170	15,045	1,418	16,463	7,993	280	1,425	10,009			19,707
72XX	Income Taxes (Calculated)											
	Net Income Before SIT & FIT	969,562	744,483	18,165	762,648	-463,813	34,697	-89,973	726,003			206,914
	Less Fixed Charges (-)	243,856	109442	10999	120,441	58549	2437	10788	51641			123,415
	Subtotal (lines 7-8)	725,706	635,041	7,166	642,207	-522,362	32,260	-100,761	674,362			83,499
	Other SIT Base Add/Ded. (+)	0			0							0
	SIT Taxable Inc. (lines 9+-10)	725,706	635,041	7,166	642,207	-522,362	32,260	-100,761	674,362			83,499
	7230 SIT-Current (at 8%)	66,117	50,803	573	51,377	-41,789	2,581	0	53,949			14,741
	Other FIT Base Add/Ded. (+)	0			0							0
	FIT Taxable Inc. (lines 9-12+-13)	659,589	584,238	6,593	590,830	-480,573	29,679	-89,973	620,413			169,519
	Gross FIT	258,519	198,641	2,242	200,892	-163,395	10,091	0	210,940			57,637
	7210P Claimed ITC (-)	0			0							0
	Surtax Elimination (-)	0			0							0
	7220 FIT-Current (lines 15-16-17)	258,519	198,641	2,242	200,892	-163,395	10,091	0	210,940			57,637

2005 FORM 1 INPUT MASTER'		For The Year Ended: December 31, 2006		Separated Results of Idaho Operations		Operation	
COMPANY NAME: Cambridge Telephone Company, Inc.		Total Idaho		Intrastate		EAS	
Description		Note No.	Line No.	Interstate Toll	Intrastate Toll	EAS	Local (Other)
Separation Parameters		(19)					
Plant							
SLU Minutes of Use (MOU)			1.				
SLU Factor			2.	0.32138	0.20816		0.47046
Base SPF - January 1			3.	0.25	0.25		0.5
Base SPF - December 31			4.	0.25	0.25		0.5
Current Composite SPF	(20)		5.	0.25	0.25		0.5
1996 Weighted DEM			6.	0.85			0.15
1996 Unweighted DEM			7.	0.329249	0		0
Current CAT 3 Dial Equipment Minutes	(21)		8.				
Current Composite DEM Factor			9.	0.85			0.15
Exchange Trunk - Joint Use MOU	(22)		10.				
Host/Remote MOU Kilometers	(23)		11.				
Equal Access MOU	(24)		12.				
Operator Standard Work Seconds	(25)		13.				
Tandem Switching MOU	(26)		14.				
IX Conversation MOU			15.				
IX Conversation Minute Kilometers			16.				
Other Parameters							
Access Lines			17.		2070		
Unseparated Loop Cost @ 11.1 ROR	(27)		18.		965208		
Gross Billed Revenues							
-Marketing Allocation Basis	(28a)		19.				
-Payment & Collection-End User	(28b)		20.	294661	297150		490464
-Payment & Collection-CXR	(28c)		21.	1	2		
Service Order Contacts							
-Service Order Proc.-End User	(29a)		22.	1714	351		6134
-Service Order Proc.-CXR	(29b)		23.				
Billing Inquiry Contacts							
-Billing Inquiry-End User	(30a)		24.	294661	297150		490464
-Billing Inquiry-CXR	(30b)		25.	1	2		
SP+RC Toll Messages	(31)		26.	120894	326723		
EAS/Local Messages (Msg. Proc.)	(32)		27.				
'BIG 3' Expense Factor-Message			28.	0.404119	0.229643	0.039641	0.280982
-PLS & Special Access			29.	0.039152	0.006462		
Operator Services Expense - Factor			30.				
Access Minutes of Use (End Office)			31.	8788613	2237327		

Cambridge Telephone Company, Inc.  
 Study Area: 472215  
 Study Year: 2006

REVENUE REQUIREMENT SUMMARY

S-1

LINE	DESCRIPTION	SOURCE	TOTAL COMPANY			INTERSTATE			INTRASTATE			LOCAL		
			MSG	IntraLATA	PL	MSG	IntraLATA	PL	MSG	IntraLATA	PL	EAS	User Defined	Other
1	Net Telecom Plant	LIn6	9,037,982	4,053,642	406,865	-	-	-	479,323	1,688,572	89,915	399,190	-	1,920,465
2	Rate Adjustment #1	Records	-	-	-	-	-	-	-	-	-	-	-	-
3	RATE BASE	LIn2	9,037,982	4,053,642	406,865	-	-	-	479,323	1,688,572	89,915	399,190	-	1,920,465
4	Rate of Return	Records	9.4875%	11.2500%	11.2500%	-	-	-	7.7700%	7.7700%	7.7700%	7.7700%	-	7.7700%
5	RETURN ON RATE BASE	LIn3-4	857,475	458,035	45,772	-	-	-	37,243	131,202	6,986	31,017	-	149,219
6	NET RETURN	Records	857,475	458,035	45,772	-	-	-	37,243	131,202	6,986	31,017	-	149,219
7	NET RETURN	LIn5-6	243,856	109,442	10,969	-	-	-	12,994	45,555	2,437	10,788	-	51,641
8	Fixed Charges	LIn24	-	-	-	-	-	-	-	-	-	-	-	-
9	Amortization of Excess Def Taxes	LIn47	-	-	-	-	-	-	-	-	-	-	-	-
10	Capitalized Payroll Taxes	LIn50	-	-	-	-	-	-	-	-	-	-	-	-
11	Depreciation Adjustment	LIn53	-	-	-	-	-	-	-	-	-	-	-	-
12	FIT Allowance/Disallowances	LIn22	-	-	-	-	-	-	-	-	-	-	-	-
13	Inc Adj Alloc on 2001	LIn59+60	-	-	-	-	-	-	-	-	-	-	-	-
14	Inc Adj Alloc on Big 3 Exp	LIn61+62	-	-	-	-	-	-	-	-	-	-	-	-
15	Total Misc Inc Adjustment	LIn63	-	-	-	-	-	-	-	-	-	-	-	-
16	AFTER TAX INCOME	Note 1	613,619	346,593	34,773	-	-	-	24,250	85,647	4,950	20,229	-	97,578
17	State Income Tax	LIn2	83,323	47,064	4,722	-	-	-	3,293	11,630	618	2,747	-	13,250
18	State ITC Amortization	LIn45	-	-	-	-	-	-	-	-	-	-	-	-
19	Net Federal Income Tax	LIn43	316,107	178,548	17,913	-	-	-	12,492	44,121	2,344	10,421	-	50,268
20	Federal ITC Amortization	LIn44	-	-	-	-	-	-	-	-	-	-	-	-
21	Operating Expenses & Taxes	LIn17	2,771,592	1,222,624	91,740	-	-	-	85,429	495,526	15,579	90,346	-	770,345
22	Nonoperating Expenses	S-10, LIn17+18	-	-	-	-	-	-	-	-	-	-	-	-
23	Uncollectibles	LIn67	-	-	-	-	-	-	-	-	-	-	-	-
24	Other Adjustments (Net RR)	Records	-	-	-	-	-	-	-	-	-	-	-	-
25	NET REVENUE REQUIREMENT	LIn7+17, 23-24	4,028,498	1,904,271	160,148	-	-	-	138,458	682,480	25,527	134,533	-	983,082
26	Gross Receipts Tax	Note 2	23,053	9,307	922	-	-	-	837	4,364	182	927	-	6,513
27	7340 AIR FOS Used Dir Constr	LIn15	-	-	-	-	-	-	-	-	-	-	-	-
28	REVENUE REQUIREMENT	LIn25-26, 27	4,005,445	1,894,964	159,225	-	-	-	137,620	678,116	25,345	133,606	-	976,569
29	Distribution of Line 31	LIn28/29	100.0000%	47.3973%	3.9752%	-	-	-	3.4358%	16.9299%	0.5328%	3.3356%	-	24.3810%
30	Net Return	LIn7	857,475	458,035	45,772	-	-	-	37,243	131,202	6,986	31,017	-	149,219
31	Fixed Charges	LIn8	243,856	109,442	10,969	-	-	-	12,994	45,555	2,437	10,788	-	51,641
32	Amortization of Excess Deferred Taxes	LIn9	-	-	-	-	-	-	-	-	-	-	-	-
33	Capitalized Payroll Taxes	LIn10	-	-	-	-	-	-	-	-	-	-	-	-
34	Depreciation Adjustment	LIn11	-	-	-	-	-	-	-	-	-	-	-	-
35	FIT Allowance/Disallowances	LIn12	-	-	-	-	-	-	-	-	-	-	-	-
36	Inc Adj Alloc on 2001	LIn13	-	-	-	-	-	-	-	-	-	-	-	-
37	Inc Adj Alloc on Big 3 Exp	LIn14	-	-	-	-	-	-	-	-	-	-	-	-
38	Federal ITC Amortization	LIn44	-	-	-	-	-	-	-	-	-	-	-	-
39	Total Income Adjustments	LIn31+35, 37	243,856	109,442	10,969	-	-	-	12,994	45,555	2,437	10,788	-	51,641
40	Federal Taxable Income	LIn30-39	929,726	525,141	52,687	-	-	-	36,742	129,768	6,893	30,650	-	147,846
41	Federal Income Tax	Records	316,107	178,548	17,913	-	-	-	12,492	44,121	2,344	10,421	-	50,268
42	Federal Sur-Tax Allocation	LIn41-42-38	316,107	178,548	17,913	-	-	-	12,492	44,121	2,344	10,421	-	50,268
43	Net Federal Income Tax	LIn40	857,475	458,035	45,772	-	-	-	37,243	131,202	6,986	31,017	-	149,219
44	Net Return	LIn30	243,856	109,442	10,969	-	-	-	12,994	45,555	2,437	10,788	-	51,641
45	Fixed Charges	LIn31	243,856	109,442	10,969	-	-	-	12,994	45,555	2,437	10,788	-	51,641
46	Other SIT Adjustments	Records	-	-	-	-	-	-	-	-	-	-	-	-
47	Federal Income Tax	LIn41	316,107	178,548	17,913	-	-	-	12,492	44,121	2,344	10,421	-	50,268
48	State Taxable Income	LIn44-47	1,013,450	572,205	57,408	-	-	-	40,035	141,398	7,511	33,397	-	181,066
49	State Income Tax	Records	83,323	47,064	4,722	-	-	-	3,293	11,630	618	2,747	-	13,250
50	State Sur-Tax Allocation	LIn48-50	-	-	-	-	-	-	-	-	-	-	-	-
51	State ITC Amortization	LIn45	-	-	-	-	-	-	-	-	-	-	-	-
52	Net State Income Tax	LIn49-50-51	83,323	47,064	4,722	-	-	-	3,293	11,630	618	2,747	-	13,250

SEPARATED TELECOMMUNICATIONS PLANT SUMMARY

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LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL			
			TOTAL COMPANY (a)	MSG (b)	IntraLATA PL (c)	IntraLATA MSG (d)	MSG (f)	IntraLATA PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
1	2110 Land & Support Assets	Ln13	3,003,185	1,214,892	120,411	-	-	-	-	569,803	23,779	121,052	-	850,155
2	2210 COE-Switching	Ln36	1,375,935	1,160,545	-	-	-	-	-	-	-	-	-	206,390
3	2220 COE-Operator	Ln16	3,960,980	1,338,932	405,031	-	-	-	-	721,954	36,460	440,195	-	903,368
4	2230 COE-Transmission	Ln12	10,229,680	3,788,305	219,057	-	-	-	-	2,230,268	86,788	187,219	-	3,296,596
5	2310 Int'l Transm Equip	Ln41	15,596,625	6,246,782	624,098	-	-	-	-	2,952,263	123,246	627,414	-	4,406,354
6	2410 COE, IOT, C&MF	Ln2, 6	100,000,000%	40,3728%	4,0014%	-	-	-	-	3,6320%	0,7902%	4,0228%	-	28,2520%
7	2410 COE, IOT, C&MF	Ln77a	-	-	-	-	-	-	-	-	-	-	-	-
8	Distribution of Line 7	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Equal Access - Investment	Ln22	-	-	-	-	-	-	-	-	-	-	-	-
10	2690 Tangible Assets	Ln31	18,605,790	7,511,674	744,498	-	-	-	-	3,521,857	147,025	748,466	-	5,256,510
11	TELECOM PLT IN SVC-EXCL 2690	Ln17+9+10	100,000,000%	40,3728%	4,0014%	-	-	-	-	3,6320%	0,7902%	4,0228%	-	28,2520%
12	Distribution of Line 11	Ln17+11a	-	-	-	-	-	-	-	-	-	-	-	-
13	2690 Intangible Assets	Ln35	18,605,790	7,511,674	744,498	-	-	-	-	3,521,857	147,025	748,466	-	5,256,510
14	2001 TELECOM PLANT IN SVC	Ln11+13	100,000,000%	40,3728%	4,0014%	-	-	-	-	3,6320%	0,7902%	4,0228%	-	28,2520%
15	Distribution of Line 14	Ln14+14a	-	-	-	-	-	-	-	-	-	-	-	-
16	2110 Land Assets	Ln12	18,605,790	7,511,674	744,498	-	-	-	-	3,521,857	147,025	748,466	-	5,256,510
17	2001 TPIS x/Land	Ln 14-16	100,000,000%	40,3728%	4,0014%	-	-	-	-	3,6320%	0,7902%	4,0228%	-	28,2520%
18	Distribution of Line 17	Ln17+17a	-	-	-	-	-	-	-	-	-	-	-	-
19	2002 Prop Hld Fut Telecom Use	Ln6	412,100	166,376	16,490	-	-	-	-	14,967	3,256	16,578	-	116,426
20	2003 Plant Under Construction	Ln10	19,017,869	7,878,050	760,988	-	-	-	-	690,729	150,281	765,044	-	5,372,996
21	2005 Telecom Plant Adjustment	Ln14+19, 21	-	-	-	-	-	-	-	-	-	-	-	-
22	TOTAL TELECOM PLANT	-	124,776	46,208	2,672	-	-	-	-	5,140	1,059	2,284	-	40,210
23	1220 Materials and Supplies	Ln14	10,165,793	3,706,502	359,888	-	-	-	-	219,379	61,934	371,235	-	3,513,130
24	1500 Other Juris Assets-Net	Ln24	-	-	-	-	-	-	-	-	-	-	-	-
25	3100 Accumulated Depreciation	Ln24	-	-	-	-	-	-	-	-	-	-	-	-
26	Equal Access - Accum Depreciation	Ln24	-	-	-	-	-	-	-	-	-	-	-	-
27	3200 Acc Dep-Hld for Fut Use	Ln31, 32	-	-	-	-	-	-	-	-	-	-	-	-
28	3400 Accum Amort-Tangible	Ln33	-	-	-	-	-	-	-	-	-	-	-	-
29	3500 Accum Amort-Intangible	Ln34	-	-	-	-	-	-	-	-	-	-	-	-
30	3600 Accum Amort-Other	Ln35	-	-	-	-	-	-	-	-	-	-	-	-
31	4100 Net Cur Dep Inc Taxes	Ln36	-	-	-	-	-	-	-	-	-	-	-	-
32	4200 Noncur Dep Oper Inc Taxes	Ln36	-	-	-	-	-	-	-	-	-	-	-	-
33	4300 Other Dep-Oper Inc Taxes	Ln36	-	-	-	-	-	-	-	-	-	-	-	-
34	4400 Other Dep-Credits-Net	Ln36	-	-	-	-	-	-	-	-	-	-	-	-
35	4370 Other Jur Liab & Dtd Credits-Net	Ln69	-	-	-	-	-	-	-	-	-	-	-	-
36	NET TELECOM PLANT	Ln22+23-24...35	8,911,276	3,999,347	401,947	-	-	-	-	474,834	89,045	394,238	-	1,887,134
37	Distribution of Line 36	Ln36/36a	100,000,000%	44,8796%	4,5105%	-	-	-	-	5,3295%	0,9992%	4,4240%	-	21,1769%
38	1402 Rural Tel Bank Stock	Ln16	-	-	-	-	-	-	-	-	-	-	-	-
39	Cash Working Capital	Ln21	130,509	55,839	5,071	-	-	-	-	4,627	900	5,105	-	34,401
40	Equal Access - Unamortized Expenses	Ln26	-	-	-	-	-	-	-	-	-	-	-	-
41	Investment Allow/Disallow	Ln31	-	-	-	-	-	-	-	-	-	-	-	-
42	Accum Depr/Amort Allow/Disallow	Ln31	-	-	-	-	-	-	-	-	-	-	-	-
43	4040 Customer Deposits	Ln37	3,823	1,543	153	-	-	-	-	139	30	154	-	1,080
44	4310 Other Long-Term Liab.	Ln57	-	-	-	-	-	-	-	-	-	-	-	-
45	Other Telecom PI Adjust	Records	-	-	-	-	-	-	-	-	-	-	-	-
46	NET TELECOM PLT & OTH RATE BASE ITEMS	A+B, F+H(G+H)	9,037,962	4,053,642	406,965	-	-	-	-	479,323	89,515	398,190	-	1,920,495
47	Distribution of Line 46	Ln46/46a	100,000,000%	44,8613%	4,5017%	-	-	-	-	5,3041%	0,9949%	4,4168%	-	21,2685%

Cambridge Telephone Company, Inc.  
 Study Area: 472215  
 Study Year: 2006

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SEPARATED EXPENSE SUMMARY

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL						INTRASTATE TOLL						LOCAL		
			TOTAL COMPANY (a)	MSG (b)	IntraLATA (c)	PL (c)	MSG (c)	IntraLATA (e)	PL (e)	MSG (f)	IntraLATA (g)	PL (g)	MSG (h)	IntraLATA (i)	PL (i)	EAS (j)	User Defined (k)
1	PH Spec Exp Accts 6210.6220		558,195	271,711	271,711	-	-	-	-	-	-	-	-	-	28,895	-	145,482
2	6230.6310.6410		4,338	749	749	-	-	-	-	-	-	-	-	830	-	5,828	
3	PH Nonoper Account 6530		170,923	525	525	-	-	-	-	-	-	-	-	830	-	58,748	
4	Cost Other Accts 6610.6620		59,437	723	723	-	-	-	-	-	-	-	-	29,635	-	210,058	
5	TOTAL BIG THREE EXPENSES		747,583	28,269	28,269	-	-	-	-	-	-	-	-	29,635	-	28,0982%	
6	Distribution of Line 5		100.0000%	3.9162%	3.9162%	-	-	-	-	-	-	-	-	3,9641%	-	-	
7	Plant Specific Expenses		729,871	302,043	34,420	-	-	-	-	-	-	-	-	35,550	-	192,854	
8	Plant Non-specific Expenses		1,212,784	572,732	31,866	-	-	-	-	-	-	-	-	29,779	-	341,513	
9	Customer Operations Expenses		170,780	58,437	733	-	-	-	-	-	-	-	-	443	-	58,748	
10	Corporate Operations Expenses		616,030	268,022	22,931	-	-	-	-	-	-	-	-	23,218	-	184,572	
11	7300 Contributions		9,847	4,286	395	-	-	-	-	-	-	-	-	370	-	2,622	
12	TOTAL OPERATING EXPENSES		2,735,292	1,207,520	90,316	-	-	-	-	-	-	-	-	88,917	-	760,309	
13	Operating Taxes		36,169	15,045	1,418	-	-	-	-	-	-	-	-	1,425	-	10,009	
14	Equal Access Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	Expense Allowances/Disallowances		131	59	6	-	-	-	-	-	-	-	-	6	-	28	
16	5240 Rent Revenues		2,771,592	1,222,624	91,740	-	-	-	-	-	-	-	-	90,348	-	770,345	
17	TOTAL OPERATING EXP & TAXES		100.0000%	44.1127%	3.3100%	-	-	-	-	-	-	-	-	3.2598%	-	27.7943%	
18	Distribution of Line 17		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	Total Depr & Amort		1,170,441	542,689	31,041	-	-	-	-	-	-	-	-	28,950	-	335,685	
20	Fixed Charges		243,856	105,442	10,969	-	-	-	-	-	-	-	-	10,788	-	51,641	
21	Total Operating Revenue		2,771,592	1,222,624	91,740	-	-	-	-	-	-	-	-	90,348	-	770,345	
22	Total Operating Expense & Taxes		243,856	105,442	10,969	-	-	-	-	-	-	-	-	10,788	-	51,641	
23	Uncollectibles		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	Fixed Charges		(3,015,446)	(1,332,066)	(102,739)	-	-	-	-	-	-	-	-	(101,136)	-	(821,986)	
25	Income Adjustments		100.0000%	44.1747%	3.4071%	-	-	-	-	-	-	-	-	3.3539%	-	27.2592%	
26	Net Income		1,845,907	789,377	71,688	-	-	-	-	-	-	-	-	72,187	-	486,301	
27	Distribution of Line 26		100.0000%	42.7845%	3.8861%	-	-	-	-	-	-	-	-	3,9125%	-	26.3577%	
28	TOTAL CASH OPER EXPENSES		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	Distribution of Line 28		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
INCOME TAX CALCULATION																	
31	Other Operating Income		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	AFUDC		23,053	9,307	922	-	-	-	-	-	-	-	-	927	-	6,513	
33	Operating Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
34	Uncollectible Revenue		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
35	Income Effect Jurisdictional Difference		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
36	IRS Income Adjustment		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
37	TOTAL REVENUE & OTHER INCOME		23,053	9,307	922	-	-	-	-	-	-	-	-	927	-	6,513	
38	Contributions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
39	Operating Expenses		2,725,445	1,203,234	89,951	-	-	-	-	-	-	-	-	88,547	-	757,686	
40	Operating Taxes		36,169	15,045	1,418	-	-	-	-	-	-	-	-	1,425	-	10,009	
41	Fixed Charges		243,856	105,442	10,969	-	-	-	-	-	-	-	-	10,788	-	51,641	
42	TOTAL OPERATING EXPENSES		3,015,317	1,332,007	102,733	-	-	-	-	-	-	-	-	101,130	-	821,959	
43	State Taxable Income		(2,992,284)	(1,322,700)	(101,811)	-	-	-	-	-	-	-	-	(100,203)	-	(815,446)	
44	State Income Tax		(246,114)	(108,792)	(8,374)	-	-	-	-	-	-	-	-	(8,242)	-	(67,070)	
45	Federal Taxable Income		(2,992,284)	(1,322,700)	(101,811)	-	-	-	-	-	-	-	-	(100,203)	-	(815,446)	
46	Federal Income Tax		(246,114)	(108,792)	(8,374)	-	-	-	-	-	-	-	-	(8,242)	-	(67,070)	
47	Amortization of Investment Tax Credit		(933,691)	(412,729)	(31,769)	-	-	-	-	-	-	-	-	(31,267)	-	(254,446)	
48	Federal Income Tax		(933,691)	(412,729)	(31,769)	-	-	-	-	-	-	-	-	(31,267)	-	(254,446)	

Cambridge Telephone Company, Inc.  
 Study Area: 472215  
 Study Year: 2006

GENERAL SUPPORT FACILITIES

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LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL					
			TOTAL COMPANY (a)	IntraLATA 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)		
<b>SEPARATIONS FACTORS</b>																
1	Carrier Classification	Records	100.0000%	40.4119%	3.9152%	-	-	-	-	3.3554%	19.6008%	0.6452%	3.8641%	-	-	28.0962%
2	Big Three Expense Dier	Ln6	100.0000%	40.3728%	4.0014%	-	-	-	-	3.6320%	18.9288%	0.7902%	4.0228%	-	-	28.2520%
3	Total COE, TOT, C&WF Dier	Ln8														
<b>LAND &amp; SUPPORT ASSETS SEPARATION</b>																
4	2110 Land & Support Assets	Note 1	3,009,165	1,214,892	120,411	-	-	-	-	109,293	569,603	23,779	121,052	-	-	850,165
5	Support Assets- Joint MSGF - B&C	Note 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	General Support Facilities - B&C	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Direct Assignment	Ln5, 7	3,009,165	1,214,892	120,411	-	-	-	-	109,293	569,603	23,779	121,052	-	-	850,165
8	Total Support Assets	Ln8a	100.0000%	40.3728%	4.0014%	-	-	-	-	3.6320%	18.9288%	0.7902%	4.0228%	-	-	28.2520%
9	Distribution of Line 8															
10	Land	Note 1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Total Land	Ln10, 11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	TOTAL LAND & SUPPORT ASSETS	Ln8+12	3,009,165	1,214,892	120,411	-	-	-	-	109,293	569,603	23,779	121,052	-	-	850,165
14	Distribution of Line 13	Ln13/13a	100.0000%	40.3728%	4.0014%	-	-	-	-	3.6320%	18.9288%	0.7902%	4.0228%	-	-	28.2520%

Note 1: If Carrier Classification = A, then Ln5a+2, Ln6a+2, Ln10a+2  
 If Carrier Classification = B, then Ln5a+3, Ln6a+3, Ln10a+3





Cambridge Telephone Company, Inc.  
 Study Area: 472215  
 Study Year: 2006

CENTRAL OFFICE EQUIPMENT

9-5  
 Sheet 2 of 3

TOTAL COMPANY	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL		
	MSG (b)	IntraLATA PL (c)	IntraLATA PL (e)	MSG (d)	IntraLATA PL (g)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)
100,000%	25.0000%	-	-	0.7850%	-	24.2150%	-	-	50.0000%
355,062	348,850	-	-	-	-	8,212	-	-	-
440,195	-	-	-	-	-	-	440,195	-	-
1,443,343	360,896	6,283	-	11,330	349,505	4,538	-	-	721,671
10,821	-	-	-	-	-	-	-	-	-
41,872	34,037	-	-	-	-	7,835	-	-	-

LINE	DESCRIPTION	SOURCE
38	WB Line	Records
39	Ex Trk WB	Records
40	Ex Trk WB - Exchange Trunk	Records
41	RL MWB - MISC (SPF)	Records
42	COE Cat 4.21-Fun to Others Pst	Records
43	Interexchange Trk WB	Records
<b>COE CATEGORY 4 SEPARATION</b>		
44	2230 Central Office - Transmission	
45	Cat 4.1-Exchange Circuit	Lr46a*38
46	4.11 Wideband-Line	Direct
47	Direct Assignment	Direct
48	4.12 Exch Trunk - EAS	Lr46a*40
49	Ex Trk xWB - Basic	Direct
50	Ex Trk xWB - Basic DA	Lr46a*39
51	Ex Trk WB	Direct
52	Exch Trk WB - Direct Assignment	Direct
53	4.13 Ex Line xWB	Lr64b*41
54	Joint MSG	Lr64c..1
55	PL & Local	Direct
56	Direct Assignment - Basic/Special	
57	Cat 4.2-Interexchange	
58	4.21 Fun to Others	Lr58a*42
59	4.22 Wideband	
60	Joint MSG	Lr60a*43
61	PL	Direct
62	Direct Assignment	Direct

TOTAL COMPANY	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL		
	MSG (b)	IntraLATA PL (c)	IntraLATA PL (e)	MSG (d)	IntraLATA PL (g)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)
2,083	2,068	9	-	7	-	-	-	-	-
1,454,163	1,443,343	6,283	-	4,538	-	-	-	-	-

Note 1: Cost per loop = 688.1101

Cambridge Telephone Company, Inc.  
 Study Area: 472216  
 Study Year: 2006

CENTRAL OFFICE EQUIPMENT

S-5  
 Sheet 3 of 5

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL				
			MSG (b)	IntraLATA PL (c)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	MSG (h)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)	
65	SEPARATIONS FACTORS	Records	68,068.00%	-	-	12,247.04%	19,685.00%	-	-	-	-	-	-
66	CONVERSATION HOUR VALUE Pct	Records	42,866.00%	-	-	0.8710%	26,886.00%	-	-	-	-	-	28,354.00%
67	COE CATEGORY 4 SEPARATION (Cont)												
67	4.23 All Other												
68	Joint MSG	Lr62*64	713,222	-	-	128,325	208,281	-	-	-	-	-	-
69	PL, TWX & Local	Lr82c..i	17,860	-	-	-	-	-	-	-	-	-	-
70	Direct Assignment - Nonaccess	Direct	-	-	-	-	-	-	-	-	-	-	-
71	Call 4.3-Host/Remote MSG	Lr72*66	264,874	-	-	5,384	166,188	-	-	-	-	-	181,697
72	Joint (WATS)	Direct	-	-	-	-	-	-	-	-	-	-	-
73	WATS	Direct	-	-	-	-	-	-	-	-	-	-	-
74	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
75	Total Cat 4	Lr46, 62*67, 74	1,338,932	405,031	-	145,039	721,954	-	-	440,195	-	-	903,368
76	TOTAL COE-TRANSMISSION	Lr75	3,990,980	1,338,932	405,031	145,039	721,954	-	-	440,195	-	-	903,368
77	Distribution of Line 76	Lr78/76a	100,000.00%	33,548.00%	10,148.7%	3,634.2%	18,089.6%	-	-	11,029.7%	-	-	22,635.2%
78	TOTAL CENTRAL OFFICE EQUIP	Lr73+36+76	5,366,915	2,508,477	405,031	145,039	721,954	-	-	440,195	-	-	1,108,756
79	Distribution of Line 78	Lr78/78a	100,000.00%	46,738.6%	7,546.8%	2,702.5%	13,451.9%	-	-	8,202.0%	-	-	20,677.8%

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL				
			MSG (b)	IntraLATA PL (c)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	MSG (h)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)	
80	COE Cat 4.23 Terminations	Records	273	-	-	-	-	-	-	-	-	-	-
81	COE Cat 4.23 - Terminations	Note 1	24	-	-	-	-	-	-	-	-	-	-
82	COE Cat 4.23 - Joint Message Total Allocated Investment	Note 1	1,091,506	17,860	-	-	-	-	-	-	-	-	-
			1,091,506	17,860	-	-	-	-	-	-	-	-	-
			3,968.97										

Note 1: Cost per termination =



Cambridge Telephone Company, Inc.  
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CABLE AND WIRE FACILITIES

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 Sheet 1 of 2

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL			
			TOTAL COMPANY (g)	MSG (b)	IntraLATA PL (c)	MSG (d)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	MSG (h)	User Defined (k)	Other (l)
<b>SEPARATION FACTORS</b>												
1	Cross Allocated Pct (Trans. SPF)	Records	100.0000%	25.0000%	-	-	-	-	-	-	-	50.0000%
2	REL MOU's - Exchange Trunk	Records	-	-	-	-	-	-	-	-	-	-
3	WB Line	Records	-	-	-	-	-	-	-	-	-	-
4	MOU Pk-Ex-Trk WB	Records	-	-	-	-	-	-	-	-	-	-
<b>C&amp;WF CAT 1-2 SEPARATION</b>												
5	2410 Cable & Wire Facilities											
6	Cat 1-Exch Line w/WB											
7	1.1 Intra PL & WATS	Lnt2a..i	20,118	-	-	-	-	-	-	-	-	-
8	1.2 Inter PL & WATS	Lnt2c..d	27,866	27,866	-	-	-	-	-	-	-	-
9	1.3 Jointly Used	Lnt2b*1	6,399,185	1,599,796	27,866	-	-	-	-	-	-	3,199,592
10	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
11	Total Category 1	Lnt..10	6,447,160	1,599,796	27,866	-	-	-	-	-	-	3,199,592
12	Cat 2-WB & Exch Trunk											
13	Ex Trk - Joint message	Lnt3a*2	187,219	-	-	-	-	-	-	-	-	-
14	Ex Trk - EAS	Direct	-	-	-	-	-	-	-	-	-	-
15	Ex Line WB	Lnt15a*3	78,251	-	40,919	-	-	-	-	-	-	-
16	WB Line	Direct	-	-	-	-	-	-	-	-	-	-
17	WB Trunk	Lnt17a*4	-	-	-	-	-	-	-	-	-	-
18	WB Trunk DA	Direct	-	-	-	-	-	-	-	-	-	-
19	Total Category 2		265,470	-	40,919	-	-	-	-	-	-	-
<b>TOTAL COMPANY (g)</b>			2,083	2,083	9	9	7	7	20,118	187,219	187,219	-
<b>ASSIGNMENT OF C&amp;WF CAT 1</b>												
20	C&WF Cat 1 Working Loops	Records	100.0000%	0.4321%	0.4321%	-	-	-	-	-	-	-
21	Division of Line 21	Lnt200a	6,447,160	6,599,185	27,866	-	-	-	-	-	-	-
22	Cat 1-Ex Line 21WB	Lnt22a*21	-	-	-	-	-	-	-	-	-	-
<b>TOTAL COMPANY (g)</b>			6,447,160	6,599,185	27,866	-	-	-	-	-	-	-

Note 1: Cost per loop = 3,085.1318

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CABLE AND WIRE FACILITIES

LINE	DESCRIPTION	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL			
		MSG (a)	InterLATA (b)	PL (c)	MSG (d)	InterLATA (e)	PL (f)	MSG (g)	InterLATA (h)	PL (i)	MSG (j)	User Defined (k)	Other (l)
<b>SEPARATIONS FACTORS</b>													
23	Interexchange Trk WB	100.00000%	68.0680%	-	-	-	-	-	-	-	-	-	-
24	CHM P-d-X xWB	100.00000%	68.0680%	-	-	-	-	-	-	-	-	-	-
25	C&W TWX Connect Min Miles P-d-T	100.00000%	68.0680%	-	-	-	-	-	-	-	-	-	-
26	C&W TWX Connect Min Miles P-d-Rnt	100.00000%	42.8500%	-	-	-	-	-	-	-	-	-	-
27	Host/Remote MDU Miles P-d	100.00000%	-	-	-	-	-	-	-	-	-	-	-
<b>C&amp;W CAT 3-4 SEPARATION</b>													
28	Car 3-Interexchange C&W	118,790	-	107,719	-	-	-	-	-	-	-	-	-
29	WB PL - Direct Assignment	-	-	-	-	-	-	-	-	-	-	-	-
30	WB - Joint Message	3,007,433	2,047,100	-	-	-	-	-	-	-	-	-	-
31	Joint MSG xWB	60,827	-	42,563	-	-	-	-	-	-	-	-	-
32	PL TWX & Local xWB	-	-	-	-	-	-	-	-	-	-	-	-
33	PL TWX-JT	-	-	-	-	-	-	-	-	-	-	-	-
34	Joint TWX-Rnt	-	-	-	-	-	-	-	-	-	-	-	-
35	Direct Assignment - Nonaccess	-	-	-	-	-	-	-	-	-	-	-	-
36	Total Category 3	3,187,050	2,047,100	150,282	-	-	-	-	-	-	-	-	-
37	Car 4-Host/Remote C&W	330,011	141,410	-	-	-	-	-	-	-	-	-	-
38	Joint (x)WATS	-	-	-	-	-	-	-	-	-	-	-	-
39	WATS	-	-	-	-	-	-	-	-	-	-	-	-
40	Direct Assignment	330,011	141,410	-	-	-	-	-	-	-	-	-	-
41	Total Category 4	10,229,690	3,788,305	219,057	-	-	-	-	-	-	-	-	-
42	TOTAL CABLE & WIRE FACILITIES	10,229,690	3,788,305	219,057	-	-	-	-	-	-	-	-	-
43	Distribution of Line 42	-	37.0325%	2,141,414	-	-	-	-	-	-	-	-	-

LINE	DESCRIPTION	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL			
		Joint MSG Excl TWX (a)	Inter LATA (b)	PL (c)	MSG (d)	Inter LATA (e)	PL (f)	MSG (g)	Inter LATA (h)	PL (i)	User Defined (j)	Other Intertoll (k)	Remote (l)
<b>ASSIGNMENT OF C&amp;W CAT 3</b>													
44	Equip IX Circ Miles-MSG	20,191	19,791	280	-	-	-	-	-	-	-	-	-
45	-PL TWX & Local	-	-	-	-	-	-	-	-	-	-	-	-
46	Distribution of Line 44	100.00000%	98.0175%	1,367.2%	-	-	-	-	-	-	-	-	-
47	Distribution of Line 45	3,068,280	3,007,433	42,563	-	-	-	-	-	-	-	-	-
48	Car 3-All Other xWB-MSG	-	-	-	-	-	-	-	-	-	-	-	-
49	-PL TWX & Local	-	-	-	-	-	-	-	-	-	-	-	-

Note 1: Cost per circuit mile = 151.96

Cambridge Telephone Company, Inc.  
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AMORTIZABLE ASSETS

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LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL			
			MSG (b)	InterLATA PL (c)	InterLATA PL (e)	MSG (f)	InterLATA PL (g)	MSG (h)	InterLATA PL (i)	EAS (j)	User Defined (k)	Other (l)
TOTAL COMPANY (e)												
<b>SEPARATIONS FACTORS</b>												
1	Land & Support Assets Distr	Ln14	40.3728%	4.0014%	-	3.6320%	-	18.9288%	0.7902%	4.0228%	-	28.2520%
2	2210 COE-Switch Distr	Ln37	85.0000%	-	-	-	-	-	-	-	-	15.0000%
3	2220 COE-Operator Systems Distr	Ln24	-	-	-	-	-	-	-	-	-	-
4	2230 COE-Transmission Distr	Ln77	33.5490%	10.1487%	-	3.6342%	-	18.0696%	0.9136%	11.0297%	-	22.6352%
5	2310 IOT Distr	Ln12	-	-	-	-	-	-	-	-	-	-
6	2410 C&WF Distr	Ln43	37.0325%	2.1414%	-	4.1197%	-	21.8022%	0.8484%	1.8301%	-	32.2258%
7	2001 TPIS	Ln8	100.0000%	40.3728%	4.0014%	3.6320%	-	18.9288%	0.7902%	4.0228%	-	28.2520%
8	2001 TPIS incl 2680	S-2, Ln11	100.0000%	40.3728%	4.0014%	3.6320%	-	18.9288%	0.7902%	4.0228%	-	28.2520%
<b>TANGIBLE ASSETS-CAPITAL LEASES SEP</b>												
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	-	-	-	-	-	-	-	-	-	-
<b>TANGIBLE ASSETS-LEASEHLD IMPROVE SEP</b>												
20	2680 Tangible Assets - Leasehld 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 LEASEHLD IMPROVEMENTS	Ln21..28	-	-	-	-	-	-	-	-	-	-
30	Distribution of Line 29	Ln29*29a	-	-	-	-	-	-	-	-	-	-
31	TOTAL TANGIBLE ASSETS	Ln18+29	-	-	-	-	-	-	-	-	-	-
32	Distribution of Line 31	Ln31*31a	-	-	-	-	-	-	-	-	-	-
<b>INTANGIBLE ASSETS SEPARATION</b>												
33	2680 Intangible Assets	Ln33a*8	-	-	-	-	-	-	-	-	-	-
34	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-
35	TOTAL INTANGIBLE ASSETS	Ln33..34	-	-	-	-	-	-	-	-	-	-
36	Distribution of Line 35	Ln35*35a	-	-	-	-	-	-	-	-	-	-







Cambridge Telephone Company, Inc.  
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PLANT SPECIFIC EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL					
			TOTAL COMPANY (a)	MSG (b)	InterLATA PL (c)	InterLATA PL (e)	MSG (d)	InterLATA PL (g)	InterLATA PL (f)	MSG (h)	InterLATA PL (i)	EAS (j)	User Defined (k)	Other (l)		
<b>SEPARATIONS FACTORS</b>																
1	2110 Land & Supp Assets Distr	Ln14	100,000%	40,372%	4,0014%	-	-	-	-	-	-	-	-	-	-	-
2	Total COE Distr - EA Distr	Ln19 Incl EA	100,000%	46,739%	7,546%	-	-	-	-	-	-	-	-	-	-	28,252%
3	2310 IOT Cat 1-Other Distr	Ln1	100,000%	25,000%	-	-	-	-	-	-	-	-	-	-	-	20,677%
4	2310 IOT Cat 2-CPE Distr	Ln10	100,000%	37,032%	2,141%	-	-	-	-	-	-	-	-	-	-	50,000%
5	2410 C&WF Distr	Ln43	100,000%	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>PLANT SPECIFIC EXPENSES SEPARATION</b>																
6	6110 Network Support Expenses	Ln6a*1	5,683	2,284	227	-	-	-	-	-	-	-	-	-	-	1,606
7	Direct Assignment	Ln6.7	5,683	2,284	227	-	-	-	-	-	-	-	-	-	-	1,606
8	TOTAL NETWORK SUPPORT EXPENSES		161,983	65,401	6,482	-	-	-	-	-	-	-	-	-	-	45,766
9	6120 General Support Expenses	Ln9a*1	161,983	65,401	6,482	-	-	-	-	-	-	-	-	-	-	45,766
10	Direct Assignment	Ln9..10	161,983	65,401	6,482	-	-	-	-	-	-	-	-	-	-	45,766
11	TOTAL GENERAL SUPPORT EXPENSES		207,574	97,019	15,665	-	-	-	-	-	-	-	-	-	-	42,922
12	6210 COE Switching Expenses	Ln12a*2	207,574	97,019	15,665	-	-	-	-	-	-	-	-	-	-	42,922
13	Direct Assignment	Ln12..13	207,574	97,019	15,665	-	-	-	-	-	-	-	-	-	-	42,922
14	TOTAL COE SWITCHING EXPENSES		-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	6220 COE Operator Systems Expenses	Ln15a*2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Direct Assignment	Ln15..16	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	TOTAL COE OPERATOR SYS EXPENSES		-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	6230 COE Transmission Expenses	Ln18a*2	84,738	39,606	6,395	-	-	-	-	-	-	-	-	-	-	17,522
19	Direct Assignment	Ln18..19	84,738	39,606	6,395	-	-	-	-	-	-	-	-	-	-	17,522
20	TOTAL COE TRANSMISSION EXPENSES		293,312	136,626	22,060	-	-	-	-	-	-	-	-	-	-	60,444
21	TOTAL COE EXPENSES	Ln14+17+20	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	6310 IOT Equip Expenses	Ln23a*3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Cat 1-Other IOT Eq Expenses	Ln23a*4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Cat 2-Cut Prem Equip Exp	Ln24a*4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Direct Assignment	Ln23..25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	TOTAL IOT EXPENSES		-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	6410 C&WF Expenses	Ln27a*5	263,883	97,722	5,651	-	-	-	-	-	-	-	-	-	-	86,038
28	Direct Assignment	Ln27..28	263,883	97,722	5,651	-	-	-	-	-	-	-	-	-	-	86,038
29	TOTAL C&WF EXPENSES		556,195	234,348	27,711	-	-	-	-	-	-	-	-	-	-	145,482
30	PII Spec Exp x/6110,6120	Ln8+11+30	723,871	302,043	34,420	-	-	-	-	-	-	-	-	-	-	192,354
31	TOTAL PLANT SPEC OPER EXP	Ln31/31a	100,000%	41,7261%	4,7550%	-	-	-	-	-	-	-	-	-	-	26,6420%
32	Distribution of Line 31		-	-	-	-	-	-	-	-	-	-	-	-	-	-

Cambridge Telephone Company, Inc.  
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PLANT NONSPECIFIC EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL					
			TOTAL COMPANY (a)	MSG (b)	IntraLATA (c)	PL (d)	MSG (e)	IntraLATA (f)	PL (g)	MSG (h)	IntraLATA (i)	PL (j)	EAS (k)	User Defined (l)	Other (m)	
1	2001 TRIS Distr	Ln15	100.0000%	40.3728%	4.0014%	-	-	-	-	18.9286%	0.7902%	4.0228%	-	-	28.2520%	
2	Total COE, IOT, C&WF Distr	Ln17-19	100.0000%	40.3728%	4.0014%	-	-	-	-	18.9286%	0.7902%	4.0228%	-	-	28.2520%	
3	2110 Support Assets Distr	Ln9	100.0000%	40.3728%	4.0014%	-	-	-	-	18.9286%	0.7902%	4.0228%	-	-	28.2520%	
4	2210 COE-Switching Distr	Ln49	100.0000%	85.0000%	-	-	-	-	-	-	-	-	-	-	19.0000%	
5	2220 COE-Operator Distr	Ln24	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	
6	2230 COE-Transmission Distr	Ln77	100.0000%	33.5490%	10.1487%	-	-	-	-	18.0896%	0.9136%	11.0297%	-	-	22.6362%	
7	2310 IOT Distr	Ln12	100.0000%	37.0325%	2.1414%	-	-	-	-	21.9022%	0.8484%	1.8301%	-	-	32.2258%	
8	2410 C&WF Distr	Ln45	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	
9	2602 Prop HD RT Tel Use Distr	Ln18	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	Capital Lines Distr	Ln19	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Leased Lines Distr	Ln30	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	2690 In-Service Assets Distr	Ln36	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	2005 Telecom PM Adjustment	Ln15	-	-	-	-	-	-	-	-	-	-	-	-	-	
PLANT NONSPECIFIC EXP SEPARATION																
14	6510 On Prop Plant & Eq Exp	Ln14a1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	TOTAL OTH PROP PLANT & EQ EXP	Ln14..15	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	6530 Network Operations Exp	Ln17a2	20.628	8.328	825	-	-	-	-	3.905	163	830	-	-	5.828	
18	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	TOTAL NETWORK OPERATIONS EXP	Ln17..18	20.628	8.328	825	-	-	-	-	3.905	163	830	-	-	5.828	
20	6540 Access Expenses	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Access Expense v/Federal Support	Direct	21.715	21.715	-	-	-	-	-	-	-	-	-	-	-	-
22	Federal Support	Ln21..22	21.715	21.715	-	-	-	-	-	-	-	-	-	-	-	-
23	TOTAL ACCESS EXPENSES	Direct	21.715	21.715	-	-	-	-	-	-	-	-	-	-	-	-
24	6560 Depr and Amort Expenses	Ln26a3	252.404	101.903	10,100	-	-	-	-	9,167	1,995	10,154	-	-	71,309	
25	Depr - Support Assets	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Depr - Support Assets - Direct Assignment	Ln27a4	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Depr - COE-Switching	Direct	244,164	207,599	-	-	-	-	-	-	-	-	-	-	36,625	
28	Depr - COE-Switching - Direct Assignment	Ln29a5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Depr - COE-Operator	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Depr - COE-Operator - Direct Assignment	Ln31a6	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Depr - COE-Transmission	Direct	123,344	48,059	12,560	-	-	-	-	6,625	942	11,865	-	-	20,440	
32	Depr - COE-Transmission - Direct Assignment	Ln33a7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	Depr - Info Orig/Term Equip	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	Depr - Info Orig/Term Equip - Direct Assignment	Ln35a8	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	Depr - Cable & Wire Facilities	Direct	550,529	184,188	8,351	-	-	-	-	17,203	2,361	6,801	-	-	207,311	
36	Depr - Cable & Wire Facilities - Direct Assignment	Ln37a9	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	Depr-Prop Plant Tel Use	Ln38a10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Amort-Capital Leases	Ln39a11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Amort-Leasehold Improvements	Ln40a12	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Amort-Intangible Assets	Ln41a13	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Amort-Other	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Amort-Direct Assignment	Ln26..41	1,170,441	542,669	31,041	-	-	-	-	32,995	5,298	28,950	-	-	336,685	
43	TOTAL DEPR & AMORT EXPENSES	Ln16+19+23+43	1,212,784	572,732	31,866	-	-	-	-	33,745	5,461	29,779	-	-	341,513	
44	TOTAL PLANT NONSPEC OPER EXP	Ln44/44a	100.0000%	47.2245%	2.6275%	-	-	-	-	16.3044%	0.4502%	2.4555%	-	-	28.1594%	
45	Distribution of Line 39		-	-	-	-	-	-	-	-	-	-	-	-	-	-

Cambridge Telephone Company, Inc.  
 Study Area: 472215  
 Study Year: 2006

CUSTOMER OPERATIONS EXPENSES

Sheet 1 of 3  
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LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL					
			TOTAL COMPANY (a)	MSG (b)	IntraLATA PL (c)	MSG (g)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	MSG (h)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)
1	Marketing expense factor	Records	100.00000%	37.9347%	8,7946%	-	-	-	-	-	-	-	-	28.8822%
2	WVMS-Tel Oper Svc	Records	100.00000%	32.1380%	-	-	-	-	-	-	-	-	-	47.0460%
3	Number Data Contacts	Records	100.00000%	20.9045%	-	-	-	-	-	-	-	-	-	74.8161%
4	EU Billd Revenue Inq CCL	Records	100.00000%	27.2222%	-	-	-	-	-	-	-	-	-	45.3245%
5	EU Billd Revenue Inq CCL	Records	100.00000%	27.2222%	-	-	-	-	-	-	-	-	-	45.3245%
6	EU Billd Revenue Inq CCL	Records	100.00000%	27.2222%	-	-	-	-	-	-	-	-	-	45.3245%
7	IX Svc Ord Proc Contacts	Records	100.00000%	33.3333%	-	-	-	-	-	-	-	-	-	45.3180%
8	IX Svc Ord Proc Contacts	Records	100.00000%	33.3333%	-	-	-	-	-	-	-	-	-	45.3180%
9	IX Svc Ord Proc Contacts	Records	100.00000%	33.3333%	-	-	-	-	-	-	-	-	-	45.3180%
10	Public Interest Paystating Revenue	Records	100.00000%	33.3333%	-	-	-	-	-	-	-	-	-	45.3180%
11	6510 Marketing Expenses	Lnt11a*1	8,335	3,162	733	-	-	-	-	-	-	-	-	2,408
12	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
13	TOTAL MARKETING EXPENSES	Lnt11..12	8,335	3,162	733	-	-	-	-	-	-	-	-	2,408
14	6520 Services Expenses	Lnt16a*2	-	-	-	-	-	-	-	-	-	-	-	-
15	Telephone Operator Service	Direct	30	-	-	-	-	-	-	-	-	-	-	30
16	Tel Operator Svc	Direct	30	-	-	-	-	-	-	-	-	-	-	30
17	Direct Assignment	Lnt16..17	-	-	-	-	-	-	-	-	-	-	-	-
18	Total Tel Oper Svc Exp	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Published Direct Listings:	Direct	-	-	-	-	-	-	-	-	-	-	-	-
20	Classified	Direct	-	-	-	-	-	-	-	-	-	-	-	-
21	TWX	Lnt21a*3	-	-	-	-	-	-	-	-	-	-	-	-
22	Alpha	Direct	-	-	-	-	-	-	-	-	-	-	-	-
23	Foreign	Lnt23a*4	-	-	-	-	-	-	-	-	-	-	-	-
24	Total Publ Direct List	Lnt20..23	-	-	-	-	-	-	-	-	-	-	-	-
25	All Other:	Direct	6,825	2,193	-	-	-	-	-	-	-	-	-	3,211
26	Cat 1-LBOE EU Svc Ord Proc	Direct	7,646	7,646	-	-	-	-	-	-	-	-	-	17,162
27	Subscription	Lnt26a*4	22,939	4,795	-	-	-	-	-	-	-	-	-	-
28	Cat 1-LBOE EU Prnt & Col	Direct	-	-	-	-	-	-	-	-	-	-	-	-
29	Cat 1-LBOE EU Prnt & Col	Lnt26a*5	-	-	-	-	-	-	-	-	-	-	-	-
30	- Other	Direct	22,939	6,244	-	-	-	-	-	-	-	-	-	10,397
31	Cat 1-LBOE EU Bill Inq	Direct	-	-	-	-	-	-	-	-	-	-	-	-
32	- CI	Lnt32a*6	-	-	-	-	-	-	-	-	-	-	-	-
33	- Other	Lnt32a*7	-	-	-	-	-	-	-	-	-	-	-	-
34	Cat 1-LBOE IX Svc Ord Proc	Lnt36a*8	-	-	-	-	-	-	-	-	-	-	-	-
35	Cat 1-LBOE IX Svc Ord Proc	Lnt36a*7	-	-	-	-	-	-	-	-	-	-	-	-
36	Cat 1-LBOE IX Prnt & Col	Lnt37a*9	-	-	-	-	-	-	-	-	-	-	-	-
37	Cat 1-LBOE IX Bill Inq	Lnt38a*10	-	-	-	-	-	-	-	-	-	-	-	-
38	Cat 1-LBOE On Col & Admin	Lnt38a*10	-	-	-	-	-	-	-	-	-	-	-	-
39	Total Cat 1-LBOE	Lnt26..38	76,462	24,932	-	-	-	-	-	-	-	-	-	37,954

Cambridge Telephone Company, Inc.  
 Study Area: 472215  
 Study Year: 2006

CUSTOMER OPERATIONS EXPENSES

S-13  
 Sheet 2 of 2

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL					
			MSG (b)	PL (c)	IntraLATA (d)	MSG (f)	PL (g)	IntraLATA (h)	MSG (i)	PL (j)	User Defined (k)	Other (l)		
SEPARATIONS FACTORS														
40	Relative Toll & Local Msgs Pct	Records	27.0084%			2.8719%			70.1198%					
41	CABS Pct	Records	50.0000%			23.0000%			23.0000%					
SERVICES EXP SEPARATION (CONTD)														
42	Cat 2-CSE Msg Proc	Ln42a-40				448			10,930					
43	Joint Message	Direct	4,210											
44	Direct Assignment													
45	Cat 2-CSE Other B&C	Direct	12,874						15,145					15,145
46	End User Commitment	Direct	2,272											
47	End User Commitment	Ln46a-41	8,261			4,146			4,146					
48	Cat 2-CSE CABS	Ln42, 48	27,647			4,593			30,220					15,145
49	Total Cat 2-CSE													
50	Total All Other Cat 1, 2 & 2	Ln39-49	52,579			5,520			42,870					53,099
51	Distribution of Line 50	Ln50/50a	34,1271%			3.5828%			27.8253%					34.4648%
52	Cat 3-All Other CSE	Ln52a*51	1,503											
53	Cat 3-Direct Assignment	Direct	1,503											
54	Total All Other Cat 3	Ln52, 53												
55	Total All Other-Cat 1, 2, 3	Ln50-54	54,082			5,520			42,870					53,099
56	TOTAL SERVICES EXPENSES	Ln18-24+55	56,275			5,564			44,246					56,340
57	TOTAL CUSTOMER OPER EXPENSES	Ln13+56	59,437		733	5,564			45,835					58,748
58	Distribution of Line 57	Ln57/57a	34.8072%	0.4293%		3.2587%			28.8415%					34.4035%

Cambridge Telephone Company, Inc.  
 Study Area: 472215  
 Study Year: 2006

CORPORATE OPERATIONS, TAXES, & EQUAL ACCESS EXPENSES

S-14

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL				
			MSG (d)	IntraLATA PL (e)	IntraLATA PL (f)	MSG (g)	IntraLATA PL (h)	IntraLATA PL (i)	MSG (j)	User Defined (k)	Other (l)		
1	Big Three Expenses Distr	Ln6	40,411.9%	3,919.2%	-	-	-	-	18,609.9%	0,645.2%	3,954.1%	-	28,098.2%
2	2001 TPIIS Distr	Ln16	40,372.8%	4,001.4%	-	-	-	-	18,528.8%	0,790.2%	4,022.8%	-	28,252.0%
3	Equal Access Invest Distr	Ln17	44,981.1%	4,544.2%	-	-	-	-	18,638.8%	1,001.4%	4,460.9%	-	21,020.0%
4	Net Revenue Distr excl 1220, EA	Ln27	44,174.7%	3,407.1%	-	-	-	-	17,943.7%	0,597.5%	3,353.9%	-	27,259.2%
5	Income Tax Distr	S-3, Ln 27	-	-	-	-	-	-	-	-	-	-	-
6	CORPORATE OPER EXP SEPARATIONS		-	-	-	-	-	-	-	-	-	-	-
7	Exec & Planning Expenses	Direct	124,767	12,088	-	-	-	-	60,540	1,995	12,239	-	86,750
8	EAS	Ln6a*1	-	-	-	-	-	-	-	-	-	-	-
9	All Other	Direct	124,767	12,088	-	-	-	-	60,540	1,995	12,239	-	86,750
10	TOTAL EXEC & PLANNING EXPENSES	Ln7, 9	-	-	-	-	-	-	-	-	-	-	-
11	Gen'l and Admin Expenses		-	-	-	-	-	-	-	-	-	-	-
12	EAS	Direct	111,927	10,844	-	-	-	-	54,310	1,790	10,979	-	77,822
13	All Other	Ln13a*1	32,329	10,844	-	-	-	-	54,310	1,790	10,979	-	77,822
14	Direct Assignment	Direct	309,283	10,844	-	-	-	-	19,653	3,795	23,218	-	164,572
15	TOTAL GEN'L & ADMIN EXPENSES	Ln12, 14	-	-	-	-	-	-	-	-	-	-	-
16	TOTAL CORPORATE OPER EXPENSES	Ln10*15	269,022	22,931	-	-	-	-	18,583.2%	0,6124%	3,7567%	-	26,628.4%
17	Distribution of Line 16	Ln16/16a	43,529.0%	3,710.4%	-	-	-	-	-	-	-	-	-
18	OPERATING TAXES SEPARATIONS		-	-	-	-	-	-	-	-	-	-	-
19	Operating Taxes (Actual)	Ln19a*5	726	56	-	-	-	-	54	10	55	-	448
20	Federal Income Taxes	Ln20a*5	726	56	-	-	-	-	54	10	55	-	448
21	State & Local Income Taxes	Ln21a*2	-	-	-	-	-	-	-	-	-	-	-
22	OP FED, STATE, LOCAL TAXES - CWC	Ln22a*2	-	-	-	-	-	-	-	-	-	-	-
23	Allowance/Disallowances	Ln23a*2	14,303	1,418	-	-	-	-	1,287	280	1,425	-	10,009
24	Operating Taxes - Property	Ln24a*2	742	56	-	-	-	-	54	10	55	-	448
25	Operating Taxes - Other	Ln25a*2	15,045	1,418	-	-	-	-	1,287	280	1,425	-	10,009
26	TOTAL OPER TAXES (SPLIT)	Ln23, 25	-	-	-	-	-	-	-	-	-	-	-
27	OPERATING REVENUE SEPARATIONS		-	-	-	-	-	-	-	-	-	-	-
28	Basic Service Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-
29	State Access Fee Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-
30	State Access Fee User Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-
31	Long Distance Message Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-
32	Miscellaneous Operating Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-
33	Other Operating Income	Direct	-	-	-	-	-	-	-	-	-	-	-
34	TOTAL OPERATING REVENUE	Ln27, 32	-	-	-	-	-	-	-	-	-	-	-
35	EQUAL ACCESS EXPENSES SEPARATION		-	-	-	-	-	-	-	-	-	-	-
36	Equal Access Expenses	Ln34a*3	-	-	-	-	-	-	-	-	-	-	-
37	TOTAL EQUAL ACCESS EXPENSES	Ln34, 34	-	-	-	-	-	-	-	-	-	-	-
38	ALLOWANCES AND DISALLOWANCES		-	-	-	-	-	-	-	-	-	-	-
39	Expense Allowances/Disallowances	Ln37a*4	131	6	-	-	-	-	7	1	6	-	28
40	Interest on Customer Deposits	Ln37a*4	-	-	-	-	-	-	-	-	-	-	-
41	Other Interest Deduction	Ln37a*4	-	-	-	-	-	-	-	-	-	-	-
42	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
43	TOTAL EXPENSE ALLOW/DISALLOWANCES	Ln37, 38	-	-	-	-	-	-	-	-	-	-	-

Note 1: FT and SIT Calculated on the S-1

Cambridge Telephone Company, Inc.  
 Study Area: 472215  
 Study Year: 2008

RESERVES & DEFERRALS

S-15  
 Sheet 1 of 2

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL						
			TOTAL COMPANY (a)	InterLATA MSG (b)	InterLATA PL (c)	IntraLATA MSG (d)	InterLATA PL (e)	IntraLATA MSG (f)	InterLATA PL (g)	IntraLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)			
1	2110 Support Assets Distr	Lr9	100.0000%	40.3728%	4.0014%	-	-	-	-	3.6320%	-	-	18.9288%	0.7902%	4.0228%	-	28.2520%
2	S-5.Ln37+s-9.Lr28	Lr24	100.0000%	85.0000%	-	-	-	-	-	-	-	-	-	-	-	-	15.0000%
3	2230 COE-Operator Distr	Lr77	100.0000%	33.5490%	10.1487%	-	-	-	-	3.6342%	-	-	18.0968%	0.9138%	11.0297%	-	22.6852%
4	2230 COE-Transmission Distr	Lr72	100.0000%	37.0925%	2.1414%	-	-	-	-	4.1187%	-	-	21.8022%	0.8494%	1.8301%	-	32.2258%
5	2310 IOT Distr	Lr48	100.0000%	40.3728%	4.0014%	-	-	-	-	3.6320%	-	-	18.9288%	0.7902%	4.0228%	-	28.2520%
6	2301 C&WF Distr	Lr7	100.0000%	40.3728%	4.0014%	-	-	-	-	3.6320%	-	-	18.9288%	0.7902%	4.0228%	-	28.2520%
7	2302 Proprietary Tel Use Distr	Lr17	100.0000%	40.3728%	4.0014%	-	-	-	-	3.6320%	-	-	18.9288%	0.7902%	4.0228%	-	28.2520%
8	2301 C&WF Distr	Lr19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	2302 Proprietary Tel Use Distr	Lr30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	2680 Capital Leases Distr	Lr30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	2680 Leasehold Improvements	Lr30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	2690 Intangible Assets Distr	Lr36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	2690 Intangible Assets Distr	Lr36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	2005 Telecom Pft Adjustment	Lr15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	1500 Other Juris Assets - Nat	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	3100 Accum Dep-Tel Pft in Svc	Lr16a1	1,662,666	671,305	66,534	-	-	-	-	60,392	-	-	314,742	13,139	66,889	-	469,765
16	Support Assets - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Support Assets - Direct Assignment	Lr18a2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	COE-Switching - Direct Assignment	Direct	997,489	839,366	-	-	-	-	-	-	-	-	-	-	-	-	148,124
19	COE - Switching - Direct Assignment	Lr20a3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	COE - Operator	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	COE - Operator - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	COE-Transmission	Lr22a4	2,277,778	776,495	223,783	-	-	-	-	85,454	-	-	414,145	20,515	245,611	-	511,777
23	COE - Transmission - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Info Chg/Term Equip	Lr24a5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Info Chg/Term Equip - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	C&WF	Lr26a6	5,257,760	1,419,337	65,571	-	-	-	-	73,934	-	-	1,224,819	28,260	58,755	-	2,363,466
27	C&WF - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	TOTAL ACCUMULATED DEPRECIATION	Lr16.27	-10,185,793	3,706,502	359,888	-	-	-	-	219,379	-	-	1,953,705	61,994	371,255	-	3,513,130
29	3200 Accum Depr Property Held	Lr32a9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	For Future Telecom Use	Lr31a10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	3400 Accum Amort-Capital Leases	Lr34a11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	3400 Accum Amort-Leasehold Improvements	Lr32a12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	3500 Accum Amort-Intangible	Lr35a13	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	3600 Accum Amort-Other	Lr36a14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35	4040 Customer Deposits	Lr35a7	3,823	1,543	153	-	-	-	-	139	-	-	724	30	154	-	1,080
36	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37	TOTAL CUSTOMER DEPOSITS	Lr35.36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38	4100 Net Cur Def Op Inc Taxes	Lr39a1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Support Assets	Lr40a2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40	COE-Switching	Lr41a3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	COE-Operator	Lr42a4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42	COE-Transmission	Lr43a5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Info Chg/Term Equip	Lr44a6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	C&WF	Lr45a8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45	Not Classified by Acct	Lr45a8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46	TOTAL NET CUR DEF OP INC TAXES	Lr39.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Cambridge Telephone Company, Inc.  
 Study Area: 472215  
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 Sheet 2 of 2

RESERVES & DEFERRALS

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL						
			MSG (b)	InterLATA PL (c)	InterLATA MSG (d)	PL (e)	MSG (f)	InterLATA PL (g)	InterLATA MSG (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)				
<b>SEPARATIONS FACTORS</b>																	
47	Big Three Expenses Distr	Ln6															
48	2110 Support Assets Distr	Ln9	40.4119%	3.9152%										3.9641%		28.0982%	
49	2210 COE-Switching Distr	Ln2	40.3728%	4.0014%										4.0228%		28.2520%	
50	2220 COE-Operator Distr	Ln24	85.0000%													15.0000%	
51	2230 COE-Transmission Distr	Ln77															
52	2310 IOT Distr	Ln12	33.5460%	10.1487%										11.0297%		22.6352%	
53	2410 C&WF Distr	Ln42															
54	2001 TRS Alland	Ln8	37.0325%	2.1414%										1.8301%		32.2268%	
55	2001 TRS Alland	Ln18	40.3728%	4.0014%										4.0228%		28.2520%	
56	2001 TRS Distr	Ln15	40.3728%	4.0014%										4.0228%		28.2520%	
57	2001 TRS Distr	Ln148	40.3728%	4.0014%										4.0228%		28.2520%	
<b>RESERVES &amp; DEFERRALS SEPARATION</b>																	
57	4310 Other Long-Term Liabilities	Ln57 a*47															
58	4340 Net Noncurrent Def Taxes	Ln58 a*48															
59	Support Assets	Ln60 a*49															
60	COE-Switching	Ln61 a*50															
61	COE-Operator	Ln62 a*51															
62	COE-T Transmission	Ln63 a*52															
63	Info Chrg/Term Equip	Ln64 a*53															
64	C&WF	Ln65 a*54															
65	Not Classified by Acct	Ln59..65	18.409	1.825						1.656				1.834		12.862	
66	TOTAL NET NONCURRENT DEF TAXES		18.409	1.825						1.656				1.834		12.862	
67	4360 Other Deferred Credits-Net	Ln67 a*55															
68	Other Juris Liabilities	Direct															
69	Deferred Credits - Net	Direct															
<b>ACCUM DEPR &amp; AMORT ALLOW/DISALLOW</b>																	
70	Accum Depr & Amort Allow/Disallow	Ln70 a*54															
71	Direct Assignment	Direct															
72	TOTAL ACC DEPR/AMORT ALWD/DSALLOW	Ln70..71															



Cambridge Telephone Company, Inc.  
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CASH WORKING CAPITAL

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LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL							
			MSG (b)	InterLATA (c)	PL (c)	MSG (d)	IntraLATA (e)	PL (e)	MSG (f)	InterLATA (g)	PL (g)	MSG (h)	IntraLATA (i)	PL (i)	EAS (j)	User Defined (k)
1	Plant Specific Expenses	Ln31	302,043	-	34,420	-	-	-	128,993	-	5,590	-	35,550	-	-	192,864
2	Plant Non-specific exp and depreciation & amortization	S-12, Ln16a-23	42,343	-	825	-	-	-	3,905	-	163	-	830	-	-	5,628
3	Customer Operations Expense - Marketing	S-13, Ln13	8,335	-	733	-	-	-	1,589	-	443	-	-	-	-	5,408
4	Customer Operations Expense - Services	S-13, Ln16	162,425	-	56,275	-	-	-	44,246	-	3,785	-	23,216	-	-	59,340
5	Corporate Operations Expense	S-14, Ln16	616,030	-	22,931	-	-	-	114,650	-	-	-	-	-	-	164,572
6	Equal Access Expense	S-14, Ln14	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other Nonoperating Expense - Contributions	S-10, Ln16	4,286	-	365	-	-	-	1,830	-	60	-	370	-	-	2,622
8	Interest on Capital Leases	S-10, Ln17	109,320	-	10,587	-	-	-	45,505	-	2,434	-	10,776	-	-	51,584
9	Fixed Charges and Capital Leases	S-10, Ln17	131	-	6	-	-	-	24	-	1	-	6	-	-	28
10	Interest on Other Capital Leases	S-10, Ln17	35,427	-	1,418	-	-	-	6,706	-	280	-	1,425	-	-	10,009
11	Other Operating Tax - Property	S-10, Ln24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Other Operating Tax - Other	S-10, Ln25	742	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Other Operating Tax - Direct Assignment	S-10, Ln25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Federal Income Tax (Actual)	S-10, Ln19	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	State Income Tax (Actual)	S-10, Ln20	1,644	-	56	-	-	-	295	-	10	-	85	-	-	448
16	Total Cash Working Capital Expenses	Ln1, 15	1,948,330	-	71,742	-	-	-	347,542	-	12,728	-	72,230	-	-	486,692
17	Cash Working Capital Factor	Records	-	-	7,0575%	-	-	-	7,0575%	-	7,0575%	-	7,0575%	-	-	7,0575%
18	Cash Working Capital	Ln15 * Ln17	130,309	-	5,063	-	-	-	24,528	-	898	-	5,098	-	-	34,348
19	Minimum Bank Balance	Records	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Working Cash Advances	Records	200	-	8	-	-	-	38	-	1	-	8	-	-	53
21	Total Cash Working Capital	Ln21	130,509	-	5,071	-	-	-	24,566	-	900	-	5,105	-	-	34,401
22	Distribution of Line 20	Ln21/21a	100,0000%	-	3,8855%	-	-	-	18,8223%	-	0,6892%	-	3,9120%	-	-	26,3592%
			42,7854%	-	3,8855%	-	-	-	3,5457%	-	3,5457%	-	3,5457%	-	-	3,5457%

Cambridge Telephone Company, Inc.  
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TAX FORM

LN	DESCRIPTION	SOURCE	INCOME TAX	
			Taxable TOTAL	SurTax
1	AVERAGE NET INVESTMENT	Ln1	9,037,962	-
2	ASSUMED RATE OF RETURN FOR ESTIMATING TAX RATE	Ln4	9,487,950	-
3	RETURN ON INVESTMENT	Ln1a2	897,475	-
4	FIT INCOME ADJUSTMENT (FROM COST STUDY)		243,866	-
5	INVESTMENT TAX CREDIT AMORTIZATION		-	-
6	AFTER TAX INCOME BEFORE TAX CREDITS		613,619	-
7	FIT BEFORE TAX CREDITS (MUST EQUAL LN 17)		316,107	-
8	FAVORABLE INCOME		93,026	-
9	FIT ON \$0 TO \$50,000 @ 15%	15%	7,500	-
10	FIT ON \$50,000 TO \$100,000 @ 25%	25%	6,250	5,000
11	FIT ON \$100,000 TO \$150,000 @ 34%	34%	25,000	11,750
12	FIT ON \$150,000 TO \$200,000 @ 39%	39%	25,000	8,500
13	FIT ON \$200,000 TO \$300,000 @ 39%	39%	235,000	91,650
14	FIT ON \$300,000 TO \$1,000,000 @ 34%	34%	594,726	16,750
15	FIT ON \$1,000,000 TO \$15,000,000 @ 35%	35%	-	202,207
16	FIT ON \$15,000,000 TO \$18,333,333 @ 35%	35%	-	100,000
17	TOTAL TAXABLE INCOME/FIT BEFORE TAX CREDITS	Ln8	929,726	550,000
18	EFFECTIVE FIT TAX RATE	Ln8	316,107	-
			34.00000%	

DISTRIBUTION RATIOS FOR RATE BASE AND EXPENSES

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	A/C Category	Total	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL										
			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)						
<b>Capital Investment Summary</b>																			
Central Support Facilities	2110	100.0000%	40.3728%	4.0014%	-	-	-	-	-	3.6320%	-	18.9288%	0.7902%	4.0228%	-	-	-	-	28.2520%
COE Switching Equipment	2210	100.0000%	85.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15.0000%
Operator Systems Equipment	2220	100.0000%	33.5480%	10.1487%	-	-	-	-	-	3.6342%	-	18.0895%	0.9136%	11.0297%	-	-	-	-	22.6352%
COE Transmission Equipment	2310	100.0000%	37.0325%	2.1414%	-	-	-	-	-	4.1197%	-	21.8022%	0.8484%	1.8301%	-	-	-	-	32.2258%
Information Orig/Term Equipment	2410	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cable & Wire Facilities	2680	100.0000%	40.3728%	4.0014%	-	-	-	-	-	3.6320%	-	18.9288%	0.7902%	4.0228%	-	-	-	-	28.2520%
Tangible Assets	2890	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Plant in Service A/C 2001																			
Property Held for Future Use	2002	100.0000%	40.3728%	4.0014%	-	-	-	-	-	3.6320%	-	18.9288%	0.7902%	4.0228%	-	-	-	-	28.2520%
Plant Under Construction	2003	100.0000%	40.3728%	4.0014%	-	-	-	-	-	3.6320%	-	18.9288%	0.7902%	4.0228%	-	-	-	-	28.2520%
Telephone Plant Adjustment	2005	100.0000%	40.3728%	4.0014%	-	-	-	-	-	3.6320%	-	18.9288%	0.7902%	4.0228%	-	-	-	-	28.2520%
Total Property, Plant and Equipment																			
Accumulated Depreciation - Plant in Service	3100	100.0000%	36.3889%	3.5322%	-	-	-	-	-	2.1538%	-	19.1807%	0.6080%	3.6448%	-	-	-	-	34.4805%
Accumulated Depreciation - Property held for Future Use]	3200	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation - Tangible Property	3400	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Amortization - Intangible Property	3500	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated Amortization - Telephone Plant Adjustment	3600	100.0000%	40.3728%	4.0014%	-	-	-	-	-	3.6320%	-	18.9288%	0.7902%	4.0228%	-	-	-	-	28.2520%
Deferred Operating Taxes	4340	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Long Term Liabilities	4310	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Deferred Credits	4370	100.0000%	40.3728%	4.0014%	-	-	-	-	-	3.6320%	-	18.9288%	0.7902%	4.0228%	-	-	-	-	28.2520%
Customer Deposits	4400	100.0000%	44.8786%	4.5105%	-	-	-	-	-	5.3285%	-	18.6812%	0.9922%	4.4240%	-	-	-	-	21.1769%
Net Telephone Plant																			
Investment Allow/Disallow																			
Accum Depri/Amort Allow/Disallow																			
Materials and Supplies	1220	100.0000%	37.0325%	2.1414%	-	-	-	-	-	4.1197%	-	21.8022%	0.8484%	1.8301%	-	-	-	-	32.2258%
Investment in Nonaffiliated Companies	1402	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equal Access Equipment	1439	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Jurisdictional Assets	1500	100.0000%	42.7854%	3.8856%	-	-	-	-	-	3.5457%	-	18.8223%	0.6692%	3.9120%	-	-	-	-	26.5592%
Cash Working Capital	XXXX	100.0000%	44.8513%	4.5017%	-	-	-	-	-	5.3034%	-	18.6831%	0.9949%	4.4168%	-	-	-	-	21.2488%
Net Telephone Plant, M&S and CWC																			
<b>Operating Expenses and Taxes Summary</b>																			
Network Support	6110	100.0000%	40.3728%	4.0014%	-	-	-	-	-	3.6320%	-	18.9288%	0.7902%	4.0228%	-	-	-	-	28.2520%
General Support	6120	100.0000%	40.3728%	4.0014%	-	-	-	-	-	3.6320%	-	18.9288%	0.7902%	4.0228%	-	-	-	-	28.2520%
Central Office	6210	100.0000%	46.7386%	7.5468%	-	-	-	-	-	2.7025%	-	13.4519%	0.6793%	8.2020%	-	-	-	-	20.6176%
Information Orig/Term	6310	100.0000%	37.0325%	2.1414%	-	-	-	-	-	4.1197%	-	21.8022%	0.8484%	1.8301%	-	-	-	-	32.2258%
Cable and Wire Facilities	6410	100.0000%	40.3728%	4.0014%	-	-	-	-	-	3.6320%	-	18.9288%	0.7902%	4.0228%	-	-	-	-	28.2520%
Other Plant	6510	100.0000%	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Network Operators	6530	100.0000%	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Access Charge	6540	100.0000%	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Support	6540	100.0000%	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Marketing	6610	100.0000%	37.9347%	8.7946%	-	-	-	-	-	3.5977%	-	19.0817%	5.3173%	-	-	-	-	-	28.8822%
Customer Service	6620	100.0000%	34.8072%	4.4253%	-	-	-	-	-	3.5574%	-	19.6083%	0.6462%	3.9641%	-	-	-	-	34.4038%
Corporate Operations - Executive and Planning	6710	100.0000%	40.4119%	3.9152%	-	-	-	-	-	3.0047%	-	17.5593%	0.5786%	3.5487%	-	-	-	-	28.0982%
Corporate Operations - General and Administrative	6720	100.0000%	46.5404%	3.5050%	-	-	-	-	-	3.0759%	-	17.8700%	0.5693%	3.2507%	-	-	-	-	25.1613%
Subtotal Operations Expense																			
Depreciation and Amortization	6860	100.0000%	46.3862%	2.8521%	-	-	-	-	-	2.8100%	-	16.5565%	0.4526%	2.4734%	-	-	-	-	28.6602%
Other Operating	7240	100.0000%	41.5960%	3.9163%	-	-	-	-	-	3.5575%	-	18.5405%	0.7740%	3.9402%	-	-	-	-	27.6724%
Equal Access	7500	100.0000%	44.8786%	4.5105%	-	-	-	-	-	5.3285%	-	18.6812%	0.9922%	4.4240%	-	-	-	-	21.1769%
Fixed Charges	5240	100.0000%	44.1127%	3.3100%	-	-	-	-	-	3.0823%	-	17.8788%	0.5621%	3.2598%	-	-	-	-	27.7543%
Total Operating Expense and Tax																			
Nonoperating Expense	7370	100.0000%	43.5290%	3.7104%	-	-	-	-	-	3.1789%	-	18.5832%	0.6124%	3.7567%	-	-	-	-	26.6284%
Allocated Construction Contributions																			
Other Nonoperating																			
Allowance for Funds Used During Construction	7340	100.0000%	40.3728%	4.0014%	-	-	-	-	-	3.6320%	-	18.9288%	0.7902%	4.0228%	-	-	-	-	28.2520%
Other Income Adjustments	XXXX	100.0000%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-