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ANNUAL REPORT

IDAHO PUBLIC
UTILITIES COMMISSION

OF

COLUMBINE TELEPHONE COMPANY, INC. DBA TETON TELECOM
NAME

104101 Hwy 89
PO Box 226 Freedom, WY 83120

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED December 31, 2002

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

COMPANY INFORMATION

Exact name of utility: Columbine Telephone Company dba Teton Telecom

Address of principal office: P.O. Box 226, 104101 Hwy 89, Freedom, WY 83120

Telephone Number (Area Code 307) 883-2411

Cities or towns served: Idaho: Driggs, Victor, Teton; Wyoming: Alta, Leigh Canyon

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

Allen R. Hoopes, President

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

P.O. Box 226, 104101 Highway 89, Freedom, WY 83120 (307) 883-2411

Organized under the laws of the State of: Colorado

Date of organization: 12/4/1964

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

If a Subchapter S Corporation, please specify: _____

Name and address of controlling company, if any: _____

Names of affiliated companies. Give address and description of business: Silver Star Telephone Company, Inc.,

P.O. Box 226, 104101 Hwy 89, Freedom WY 83120 - Telecommunications Services

OFFICERS

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

Title	Name	Address
President	Allen R. Hoopes	P.O. Box 226, Freedom, WY 83120
VP Operations	Ron B. McCue	P.O. Box 226, Freedom, WY 83120
Sec/Treasurer	Bonnie E. Hoopes	P.O. Box 226, Freedom, WY 83120
VP Finance	Chad Turner	P.O. Box 226, Freedom, WY 83120

DIRECTORS

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

Name and Address	Term Expired or Current Term Will Expire	Meetings Attended This year	Fees Paid During Year
Melvin R. Hoopes	Indefinite	8	\$1,050
Allen R. Hoopes	Indefinite	8	\$1,050
Bonnie E. Hoopes	Indefinite	8	\$1,050
Stephen R. Hoopes	Indefinite	2	\$250
Bradford E Hoopes	Indefinite	8	\$1,050
Rod R. Jensen	Indefinite	8	\$1,050
Tom Davis	Indefinite	6	\$800
Vince Zimmer	Indefinite	6	\$800

Name of Chairman of the Board: Melvin R. Hoopes
 Name of Secretary (or Clerk) of Board: Bonnie E. Hoopes
 Number of Meetings of the Board during the year: 8

MANAGERS

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

Name	Title	Wages and Bonuses Paid
Allen R. Hoopes	General Manager	\$102,596
Ron B. McCue	VP Operations	\$108,709
Sharon Urbanik	Customer Service Manager	\$59,546
Chad H. Turner	VP Finance	\$87,576
Robert S. Tanguay	Network Manager	\$64,952
Karen Ricks	Engineering Manager	\$62,238
Drew Izatt	Marketing Manager	\$54,224
Aaron Jenkins	Plant Manager	\$59,758

These wages include all dollars paid to these managers for work associated with Teton Telecom as well as those relating to Silver Star Telephone Company, Inc.

BALANCE SHEET
Assets and Other Debits

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Assets			
1120 Cash and Equivalents	125,008	977,887	852,879
1130 Cash			
1140 Special Cash Deposits			
1150 Working Cash Advances	7,691	29,731	22,040
1160 Temporary Investments	97,056	88,541	(8,515)
1180 Telecommunications Accts. Receivable	102,252	78,614	(23,638)
1181 Accts. Rec. Allow. -Telecommunications			
1190 Other Accounts Receivable	599,487	1,577,705	978,218
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable			
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	106,719	172,414	65,695
1280 Prepayments			
1290 Prepaid Rents	3,350	3,350	
1300 Prepaid Taxes			
1310 Prepaid Insurance	42,645	55,658	13,013
1320 Prepaid Directory Expenses			
1330 Other Prepayments			
1350 Other Current Assets			
Noncurrent Assets			
1401 Investment in Affiliated Companies			
1402 Investment in Nonaffiliated Companies	865,770	1,144,660	278,890
1406 Nonregulated Investments			
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets	1,819,890	2,558,250	738,360
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges			
1500 Other Jurisdiction Assets - Net			
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	18,389,917	18,777,666	387,749
2002 Prop. Held for Future Telecom. Use			
2003 Telecom. Plant under Constr. - Short Term	437,540	714,397	276,857
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant			
2007 Goodwill	2,637,771	2,637,771	
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	8,380,509	9,693,130	1,312,621
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	813,297	989,145	175,848
TOTAL ASSETS	16,041,290	18,134,369	2,093,079

BALANCE SHEET
Liabilities & Stockholders' Equity

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Liabilities			
4010 Accounts Payable	936,569	543,775	(392,794)
4020 Notes Payable			
4030 Advance Billings and Payments			
4040 Customer Deposits	9,199	10,825	1,626
4050 Current Maturities - Long -Term Debt	650,000	700,000	50,000
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued	71,174	24,605	(46,569)
4080 Other Taxes - Accrued	36,465	40,555	4,090
4100 Net Current Defer. Oper. Income Taxes	(27,451)	(229,843)	(202,392)
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities	147,741	204,016	56,275
4130 Other Current Liabilities			
Long-Term Debt			
4210 Funded Debt	8,138,137	8,914,468	776,331
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	1,523,678	2,843,913	1,320,235
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities			
4320 Unamort. Oper. Invest. Tax Credits - Net	86,993	122,433	35,440
4330 Unamort. Nonoper. Invest. Tax Credits - Net			
4340 Net Noncurrent Defer. Oper. Income Taxes	441,673	617,357	175,684
4350 Net Noncur. Defer. Nonoper. Income Taxes			
4360 Other Deferred Credits	244,222	79,200	(165,022)
4370 Other Juris. Liab. & Def. Credits - Net			
Stockholders' Equity			
4510 Capital Stock	11,483	11,483	
4520 Additional Paid-In Capital	872,960	872,960	
4530 Treasury Stock			
4540 Other Capital	(2,955)	(12,624)	(9,669)
4550 Retained Earnings	2,901,402	3,391,246	489,844
TOTAL LIAB. & OTHER CREDITS	16,041,290	18,134,369	2,093,079

ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE

TOTAL Company Basis

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
Analysis of Telecommunications Plant in Service					
1410 Internet Equipment	45,549				45,549
2111 Land	408,020				408,020
2112 Motor Vehicles	365,823		(5,000)		360,823
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment	400,608	8,827			409,435
2116 Other Work Equipment	575,054	4,541			579,595
2121 Buildings	29,178				29,178
2122 Furniture	30,569	428			30,997
2123 Office Equipment	102,267	16,044			118,311
2124 General Purpose Computers					
2211 Analog Electronic Switching	1,025,793	(111,454)	(53,141)		861,198
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems	616,567	(11,024)	(11,128)		594,415
2231 Radio Systems	3,232,797	563,838	(165,989)		3,630,646
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	103,273				103,273
2421 Aerial Cable	117,354	3,499			120,853
2422 Underground Cable	154,117	22,492			176,609
2423 Buried Cable	10,876,384	123,172	(22,946)		10,976,610
2424 Submarine Cable					
2426 Intra-building Network Cable	11,044				11,044
2431 Aerial Wire	20,930				20,930
2441 Conduit Systems	252,950	25,590			278,540
2681 Capital Leases					
2682 Leasehold Improvements	21,640				21,640
2690 Intangibles					
TOTAL PLANT ACCOUNTS	18,389,917	645,953	(258,204)		18,777,666

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

Analysis of Telecommunications Plant in Service		Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
1410	Internet Equipment	45,549				45,549
2111	Land	408,020				408,020
2112	Motor Vehicles	365,823		(5,000)		360,823
2113	Aircraft					
2114	Special Purpose Vehicles					
2115	Garage Work Equipment					
2116	Other Work Equipment	400,608	8,827			409,435
2121	Buildings	399,284	5,950			405,234
2122	Furniture	29,178				29,178
2123	Office Equipment	30,569	428			30,997
2124	General Purpose Computers	102,267	16,044			118,311
2211	Analog Electronic Switching					
2212	Digital Electronic Switching	1,025,793	(111,453)	(53,142)		861,198
2215	Electro-Mechanical Switching					
2220	Operator Systems					
2231	Radio Systems	545,637	2,825	(11,128)		537,334
2232	Circuit Equipment	3,175,088	542,064	(165,989)		3,551,163
2311	Station Apparatus					
2321	Customer Premises Wiring					
2341	Large Private Branch Exchanges					
2351	Public Telephone Terminal Equipment					
2362	Other Terminal Equipment					
2411	Poles	103,273				103,273
2421	Aerial Cable	116,896	3,499			120,395
2422	Underground Cable	154,117	22,492			176,609
2423	Buried Cable	10,207,608	108,768	(22,946)		10,293,430
2424	Submarine Cable					
2426	Intrabuilding Network Cable	11,044				11,044
2431	Aerial Wire	20,930				20,930
2441	Conduit Systems	252,950	25,590			278,540
2681	Capital Leases					
2682	Leasehold Improvements	21,640				21,640
2690	Intangibles					
	TOTAL PLANT ACCOUNTS	17,416,274	625,034	(258,205)		17,783,103

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

	TOTAL Company Basis				
	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
Analysis of Entries in Accumulated Depreciation					
1410 Internet	11,946	33.33%	4,220		16,166
2112 Motor Vehicles	218,459	25.00%	46,561	(5,000)	260,020
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment	232,381	20.00%	80,908		313,289
2121 Buildings	178,537	5.00%	28,885		207,422
2122 Furniture	16,963	14.00%	4,085		21,048
2123 Office Equipment	24,100	20.00%	3,974		28,074
2124 General Purpose Computers	71,707	33.33%	35,791		107,498
2211 Analog Electronic Switching				(53,141)	97,902
2212 Digital Electronic Switching	45,149	12.00%	105,894		
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	565,843	20.00%	39,600	(11,128)	594,315
2232 Circuit Equipment	1,778,195	12.50%	424,048	(157,897)	2,044,346
2311 Station Apparatus	12,033	12.50%			12,033
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment		20.00%			
2362 Other Terminal Equipment		20.00%			
2411 Poles	86,964	7.50%	7,746		94,710
2421 Aerial Cable	77,262	8.60%	10,227		87,489
2422 Underground Cable	64,708	10.00%	17,473		82,181
2423 Buried Cable	4,914,894	6.50%	739,846	(22,946)	5,631,794
2424 Submarine Cable	21,640	Amort 18 mths			21,640
2426 Intrabuilding Network Cable	7,655	6.50%	717		8,372
2431 Aerial Wire	21,188				21,188
2441 Conduit Systems	30,885	5.00%	12,758		43,643
TOTAL	8,380,509		1,562,733	(250,112)	9,693,130

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

IDAHO Operations Only

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
Analysis of Entries in Accumulated Depreciation					
1410 Internet	11,946	33.33%	4,220		16,166
2112 Motor Vehicles	218,459	25.00%	46,561	(5,000)	260,020
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment	232,381	20.00%	80,908		313,289
2116 Other Work Equipment	170,013	5.00%	20,114		190,127
2121 Buildings	16,963	14.00%	4,085		21,048
2122 Furniture	24,100	20.00%	3,974		28,074
2123 Office Equipment	71,707	33.33%	35,791		107,498
2124 General Purpose Computers					
2211 Analog Electronic Switching	45,149	12.00%	105,894	(53,141)	97,902
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems	522,749	20.00%	25,613	(11,128)	537,234
2232 Circuit Equipment	1,760,086	12.50%	415,697	(157,897)	2,017,886
2311 Station Apparatus	9,805	12.50%			9,805
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment					
2362 Other Terminal Equipment					
2411 Poles	86,965	7.50%	7,745		94,710
2421 Aerial Cable	78,150	8.60%	10,187		88,337
2422 Underground Cable	64,708	10.00%	17,473		82,181
2423 Buried Cable	4,529,500	6.50%	691,366	(22,946)	5,197,920
2424 Submarine Cable	21,640	Amort 18 mths			21,640
2426 Intra Building Network Cable	7,655	6.50%	717		8,372
2431 Aerial Wire	21,188				21,188
2441 Conduit Systems	30,885	5.00%	12,758		43,643
TOTAL	7,839,194		1,483,103	(250,112)	9,157,040

*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>
RTFC Certificates (1402)	1997		540,115
Syringa Networks, LLC	2000		604,545
Totals			1,144,660

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>(1180)</u>	<u>Amount at End of Year</u>	
		<u>Notes Receivable</u>	<u>Accounts Receivable</u>
Due from customers	(1180)		78,614
NECA	(1190)		525,088
Sprint	(1190)		300
AT&T	(1190)		98,048
Other interexchange carriers	(1190)		397,610
Cedar Creek Investments	(1190)		521,000
Other	(1190)		35,659
Totals			1,656,319

NOTES PAYABLE

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

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

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
NECA	171,570
Retainage	29,100
US West	5,771
Affiliates	296,117
Various other vendors	41,217
Totals	543,775

LONG - TERM DEBT

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

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

Class & Series of Obligation	Date of Issue	Date of Maturity	Fact Amount Authorized	Outstanding Year-End	Premium/Discount		Interest for year	
					Total	Year Amortized	Rate	Amount
RTFC	5/7/1997	2012	10,000,000	8,165,503			5.50%	451,913
RTFC - LOC	2002	2007	2,000,000	1,448,965			5.75%	26,869
Curtis Note	12/6/1996	2006	240,000	117,159			8.00%	11,766
A.I. Credit Corp.	2001			2,711,533			5.42%	84,127
Courtesy Ford Sales	10/1/2001	2004	24,908	15,221			0.00%	
Less Current Maturity				(700,000)				
Total				11,758,381				574,675

CAPITAL STOCK

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

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

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

<u>Class & Series of Stock</u>	<u>Number of Shares Authorized</u>	<u>Par Value per Share</u>	<u>Outstanding per Balance Sheet</u>	
			<u>Shares</u>	<u>Amount</u>
Common Stock Voting	25,000	1	2,500	2,500
Common Stock Non-Voting	75,000	1	8,983	8,983

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	7,115,715	6,561,199
Total Operating Expenses (from page 17)	(4,541,696)	(4,267,512)
7100 Other Operating Income and Expense		
7210 Operating Investment Tax Credits-Net	(35,440)	(33,300)
7220 Operating Federal Income Taxes	(586,805)	(551,379)
7230 Operating State and Local Income Taxes	(40,671)	(38,216)
7240 Operating Other Taxes	(75,680)	(71,111)
7250 Provision for Deferred Operating Income Taxes-Net	(117,201)	(110,126)
7200 Operating Taxes (Total)	(855,797)	(804,132)
7310 Dividend Income	39,259	36,889
7320 Interest Income	7,868	7,393
7330 Income from Sinking and Other Funds		
7340 Allowance for Funds Used During Construction	3,346	3,144
7350 Gains/Losses from the Disposition of Certain Property		
7360 Other Nonoperating Income	(292,728)	(275,056)
7370 Special Charges	(5,077)	(4,770)
7300 Nonoperating Income and Expense	(247,332)	(232,400)
7410 Nonoperating Investment Tax Credits-Net		
7420 Nonoperating Federal Income Taxes	109,042	102,459
7430 Nonoperating State and Local Income Taxes	9,192	8,637
7440 Nonoperating Other Taxes		
7450 Provision for Deferred Nonoperating Income Taxes-Net	(46,448)	(43,644)
7400 Nonoperating Taxes	71,786	67,452
7510 Interest on Funded Debt	(478,782)	(449,878)
7520 Interest Expense-Capital Leases		
7530 Amortization of Debt Issuance Expense		
7540 Other Interest Deductions	(11,766)	(11,056)
7500 Interest and Related Items	(490,548)	(460,933)
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	0	0
7910 Income Effect of Jurisdictional Ratemaking Differences-Net		
7990 Nonregulated Net Income	(562,284)	(528,339)
AMOUNT TRANSFERRED TO RETAINED EARNINGS	489,844	335,334

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	1,464,675	1,370,131
5002 Optional Extended Area Revenue		
5003 Cellular Mobile Revenue		
5004 Other Mobile Services Revenue		
5010 Public Telephone Revenue	(1,078)	(1,519)
5040 Local Private Line Revenue	69,424	63,623
5050 Customer Premises Revenue		
5060 Other Local Exchange Revenue	235,119	222,455
5069 Other Local Exchange Settlements	1,982,522	1,744,612
Network Access Services Revenues		
5081 End User Revenue (SLC)	332,399	312,332
5082 Switched Access Revenue (Interstate)	2,508,659	2,357,210
5083 Special Access Revenue	176,478	165,824
5084 State Access Revenue (Intrastate)	200,201	188,115
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All	7	
Miscellaneous Revenues		
5230 Directory Revenue	38,743	36,404
5240 Rent Revenue		
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue		
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	33,605	31,576
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	93,961	88,289
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	(4,552)	(4,277)
5302 Uncollectible Revenue - Other	(14,448)	(13,576)
TOTAL OPERATING REVENUES	7,115,715	6,561,199

Please identify the following revenues:

NECA USF \$ 1,980,128. To what account were they booked? 5069.1

State USF \$ 0. To what account were they booked? 5069.22

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses		
6112 Motor Vehicle Expense	50	47
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	158,926	149,332
6122 Furniture and Artworks Expense	12,870	12,093
6123 Office Equipment Expense	22,227	20,885
6124 General Purpose Computers Expense	174,408	163,879
6210 Central Office Switching Expenses		
6211 Analog Electronic Expense		
6212 Digital Electronic Expense	254,044	238,707
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses		
6231 Radio Systems Expense	932	876
6232 Circuit Equipment Expense	95,255	89,504
6310 Information Origination/Termination Expense		
6311 Station Apparatus Expense		
6341 Large Private Branch Exchange Expense		
6351 Public Telephone Terminal Equipment Expense	4,015	3,773
6362 Other Terminal Equipment Expense		
6410 Cable and Wire Facilities Expenses		
6411 Pole Expense		
6421 Aerial Cable Expense	1,222	1,148
6422 Underground Cable Expense		
6423 Buried Cable Expense	928,158	872,125
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intra-building Network Cable Expense		
6431 Aerial Wire Expense		
6441 Conduit Systems Expense		
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	1,652,107	1,552,369

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Nonspecific Operations Expense		
6510 Other Property/Plant/Equipment Expenses		
6511 Property Held for Future Telecomm. Use Expenses		
6512 Provisioning Expense		
6530 Network Operations Expense		
6531 Power Expense	(99)	(93)
6532 Network Administration Expense	9,950	9,349
6533 Testing Expense	18,593	17,471
6534 Plant Operations Administration Expense	36,312	34,120
6535 Engineering Expense	36,182	33,998
6540 Access Expense	18,294	17,190
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	1,562,732	1,468,389
6562 Depreciation Expense-Property Held for Future Use		
6563 Amortization Expense - Tangible		
6564 Amortization Expense - Intangible		
6565 Amortization Expense - Other		
Total Plant Nonspecific Operations Expenses	1,681,964	1,580,423
Customer Operations Expense		
6610 Marketing		
6611 Product Management	342	321
6612 Sales	86,608	81,379
6613 Product Advertising	8,785	8,255
6620 Services		
6621 Call Completion Services		
6622 Number Services	48,271	45,357
6623 Customer Services	346,266	325,362
Total Customer Operations Expense	490,272	460,674
Corporate Operations Expense		
6710 Executive and Planning		
6711 Executive	203,273	191,001
6712 Planning	42,257	39,706
6720 General and Administrative		
6721 Accounting and Finance	201,271	189,120
6722 External Relations	63,527	59,692
6723 Human Resources	71,287	66,983
6724 Information Management		
6725 Legal	15,403	14,473
6726 Procurement	5,135	4,825
6727 Research and Development		
6728 Other General and Administrative	115,200	108,245
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	717,353	674,046
TOTAL OPERATING EXPENSES	4,541,696	4,267,512

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

Name of Central Office: Driggs Prefix (es): 354, 787*, 456* * Served via concentrators

Central Office Switch Type: DMS-10

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

Access Line Capacity
Design: _____ **Access Lines in Use**
Customer Lines: 4006
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: _____ Public Telephone Lines: 11

Company Official Lines: 43

Company Test Lines: _____

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi- Line	Single Line	Subtotal	Multi- Line	Single Line	Subtotal	
Beginning of Year	3078	3078	3078	883	883	883	3961
New Connects	286	286	286	75	75	75	361
Disconnects	258	258	258	58	58	58	316
End of Year	3106	3106	3106	900	900	900	4006

Foreign Exchange:
Dial Tone from this C.O.: _____ **Directory Listings:**
Dial Tone from another C.O.: _____ Number of Customers with Nonpublished or Nonlisted: 731

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

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING 2002.

Local Exchange	Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)		
		Number (1000s)	Avg./ Line	Intrastate	Interstate	Total
1 354 - Driggs		1,321,341		59,252	1,427,949	1,487,201
2 456 - Teton		363,907		19,119	324,450	343,569
3 787 - Victor		646,148		26,937	969,724	996,661
4 _____						
5 _____						
6 _____						
7 _____						
8 _____						
9 _____						
10 _____						
11 _____						
12 _____						
13 _____						
14 _____						
15 _____						
16 _____						
17 _____						
18 _____						

ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, 2002.

CUSTOMER RELATIONS RULES COMPLIANCE

Rule IDAPA 31.21.01.603
Rule IDAPA 31.41.01.105

Please provide copies of:

Summary of Customer Relations Rules for Telephone Corporations

Idaho Telephone Solicitation Act Notification

Method of Notification:

Mailed separately to customers Yes _____ No X

Included in directory Yes X No _____

Date of notification July 2002

Alternate method of notification _____

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 9

Category of complaints (if known):

Deposit Disputes _____

Charges on Bill _____

Denial/Termination 6

Quality or Availability
of Service _____

Carrier Selection/Assignment _____

Miscellaneous 3

Rev 3/02

CERTIFICATE

State of Wyoming)
County of Lincoln) ss

WE, the undersigned PRESIDENT
and VICE PRESIDENT OF FINANCE
of the COLUMBINE TELEPHONE COMPANY utility,

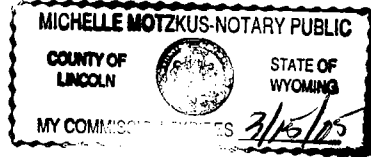
on our oath do severally say that the foregoing return has been prepared under our direction, from the original books, papers, and records of said utility; that we have carefully examined same, and declare the same to be a correct statement of the business affairs of said utility for the period covered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

Lee R. Hooper
(Chief Officer)

had Turner
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 25th day of April, (Year) 2003.

Michelle Motzkus
Notary Public



My Commission expires _____, (Year) _____.