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ANNUAL REPORT

IDAHO PUBLIC
UTILITIES COMMISSION

OF *DCM-T*

DIRECT COMMUNICATIONS ROCKLAND, INC.

NAME

P.O. BOX 269 ROCKLAND, ID 83271

ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2005

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

COMPANY INFORMATION

Exact name of utility: DIRECT COMMUNICATIONS ROCKLAND, INC
 Address of principal office: 150 South Main Rockland, Idaho 83271
 Telephone Number (Area Code 208) 548 - 2345
 Cities or towns served: Rockland, Arbon, Paris, Bloomington, St. Charles, & Fish Haven

Name and title of officer having custody of the general corporate books of account: _____
Leonard May, President

Address of office where corporate books are kept and phone number: _____
150 South Main Rockland, Idaho 83271 (208) 548 - 2345

Organized under the laws of the State of: Idaho

Date of organization:: 1973

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: _____

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 - Treasurer	Leonard May	P.O. Box 269 Rockland, Idaho 83271
Vice Pres. - Secretary	Marilyn May	P.O. Box 269 Rockland, Idaho 83271

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
Leonard May P.O. Box 269 Rockland, Idaho 83271	May-06	12	
Marilyn May P.O. Box 269 Rockland, Idaho 83271	May-06	12	

Name of Chairman of the Board: Leonard May
 Name of Secretary (or Clerk) of Board: Marilyn May
 Number of Meetings of the Board during the year: 12

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
Leonard May	President - Treasurer	Information is Confidential
Marilyn May	Vice Pres. - Secretary	

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			
1130 Cash	653,199	302,472	(350,727)
1140 Special Cash Deposits	492,201	10,684	(481,517)
1150 Working Cash Advances	300	300	0
1160 Temporary Investments	16,630	358,206	341,576
1180 Telecommunications Accts. Receivable	102,201	142,414	40,213
1181 Accts. Rec. Allow. - Telecommunications	(3,500)	(3,500)	0
1190 Other Accounts Receivable	692,753	840,719	147,965
1191 Accounts Receivable Allow. - Other	(42)	(42)	0
1200 Notes Receivable	29,391	221,470	192,079
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	166,338	124,133	(42,205)
1280 Prepayments			
1290 Prepaid Rents			
1300 Prepaid Taxes	40,000	60,000	20,000
1310 Prepaid Insurance	13,441	14,612	1,171
1320 Prepaid Directory Expenses			
1330 Other Prepayments			
1350 Other Current Assets			
Noncurrent Assets			
1401 Investment in Affiliated Companies	1,288,322	2,540,476	1,252,154
1402 Investment in Nonaffiliated Companies	192,565		
1406 Nonregulated Investments			
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets	9,787	9,787	0
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges		85,511	
1500 Other Jurisdiction Assets - Net			
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	23,276,458	23,355,234	78,776
2002 Prop. Held for Future Telecom. Use			
2003 Telecom. Plant under Constr. - Short Term	64,375	60,771	(3,604)
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant	1,176,943	1,176,943	0
2007 Goodwill			
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	9,909,021	11,354,734	1,445,713
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			
TOTAL ASSETS	18,302,341	17,945,455	(356,886)

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	117,115	30,672	(86,443)
4020 Notes Payable			
4030 Advance Billings and Payments	34,887	33,575	(1,312)
4040 Customer Deposits			
4050 Current Maturities - Long -Term Debt	900,474	1,037,969	137,495
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued	285	1,424	1,139
4080 Other Taxes - Accrued	62,992	64,386	1,394
4100 Net Current Defer. Oper. Income Taxes			
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities	112,161	61,290	(50,871)
4130 Other Current Liabilities			
Long-Term Debt			
4210 Funded Debt	13,246,793	12,830,280	(416,513)
4220 Premium on Long-Term Debt			
4230 Discount on Long-Term Debt			
4240 Reacquired Debt			
4250 Obligations Under Capital Leases			
4260 Advances from Affiliated Companies			
4270 Other Long-Term Debt			
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities			
4320 Unamort. Oper. Invest. Tax Credits - Net			
4330 Unamort. Nonoper. Invest. Tax Credits - Net			
4340 Net Noncurrent Defer. Oper. Income Taxes	1,065,188	1,255,413	190,225
4350 Net Noncur. Defer. Nonoper. Income Taxes			
4360 Other Deferred Credits			
4370 Other Juris. Liab. & Def. Credits - Net			
Stockholders' Equity			
4510 Capital Stock	50,000	50,000	0
4520 Additional Paid-In Capital			
4530 Treasury Stock			
4540 Other Capital			
4550 Retained Earnings	2,712,446	2,580,447	(131,999)
TOTAL LIAB. & OTHER CREDITS	18,302,341	17,945,455	(356,886)

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	109,564	4924			114,488
2112 Motor Vehicles	385,007		35,412		349,595
2113 Aircraft					
2114 Special Purpose Vehicles	36,084				36,084
2115 Garage Work Equipment	11,415				11,415
2116 Other Work Equipment	732,468	9,805			742,273
2121 Buildings	1,551,096	40,490			1,591,586
2122 Furniture	67,964	6,477			74,441
2123 Office Equipment	149,940		15,690		134,250
2124 General Purpose Computers	245,788	32,513	119,078		159,224
2211 Analog Electronic Switching					
2212 Digital Electronic Switching	2,207,905	333,370			2,541,275
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment	3,222,591	305,138	36,652		3,491,077
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	13,998,276	111,249			14,109,526
2424 Submarine Cable					
2426 Intra-building Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles	1,176,943				1,176,943
TOTAL PLANT ACCOUNTS	23,895,041	843,967	206,831	0	24,532,177

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS
IDAHO Operations Only

Analysis of Telecommunications Plant in Service

	Balance Beginning of Year	Additions During Year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
2111 Land					
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					
TOTAL PLANT ACCOUNTS					

SAME AS TOTAL
COMPANY

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

	TOTAL Company Basis			Credits During Year	Retirements and Adjustments	Balance End of Year
	Balance Beginning of Year	Depreciation Rate*				
Analysis of Entries in Accumulated Depreciation						
2112 Motor Vehicles	230,620	25.0%	69,815	(35,412)	265,023	
2113 Aircraft						
2114 Special Purpose Vehicles	23,443	10.0%	2,889		26,332	
2115 Garage Work Equipment	(2,163)	11.0%	421	10,096	8,354	
2116 Other Work Equipment	523,281	12.5%	53,503	(10,096)	566,688	
2121 Buildings	336,256	3.0%	47,236		383,492	
2122 Furniture	33,708	12.5%	9,305		43,013	
2123 Office Equipment	109,485	12.5%	23,555	(15,690)	117,350	
2124 General Purpose Computers	189,608	20.0%	40,314	(132,220)	97,701	
2211 Analog Electronic Switching		12.0%	253,911		1,203,143	
2212 Digital Electronic Switching	949,232					
2215 Electro-Mechanical Switching						
2220 Operator Systems						
2231 Radio Systems						
2232 Circuit Equipment	1,579,472	10.0%	332,641	(36,798)	1,875,315	
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	5,289,802	6.5%	754,236		6,044,038	
2424 Submarine Cable						
2426 Intrabuilding Network Cable						
2431 Aerial Wire						
2441 Conduit Systems						
TOTAL	9,262,744		1,587,826	(220,119)	10,630,451	

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

IDAHO Operations Only

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
Analysis of Entries in Accumulated Depreciation					
2112 Motor Vehicles	_____	_____	_____	_____	_____
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	_____	_____	_____	_____	_____
TOTAL	_____	_____	_____	_____	_____

**SAME AS TOTAL
COMPANY**

*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>
CTT COMMUNICATIONS	1991		160,861
RTFC CERTIFICATES	1993, 94, & 96		350,495
INDEPENDENT CABLE SYSTEM	2003		1,084,175
EAGLE MOUNTAIN	2004		257,172
SYRINGA NETWORK	2000		580,123
ANPI & SOLEX	2002		17,800
NEWSTREETS, INC. & NRTC'S	2002		24,908
RTB STOCK	2002		64,942
Totals			2,540,476

RECEIVABLES

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

<u>Name of Company</u>	<u>Amount at End of Year</u>	
	<u>Notes Receivable</u>	<u>Accounts Receivable</u>
CUSTOMERS		142,414
INTEREXCHANGE CARRIERS AND OTHERS		840,719
BEAVER CREEK TELEPHONE	221,470	
Totals	221,470	983,133

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>
American Falls Napa Auto Parts	146.52
Bear Lake Motors	277.72
Burgoyne Auto Body	283.00
Computer Technology, Inc.	2,620.08
Employee Flex Plan	1,475.78
Federal Excise Tax	1,855.84
Givens Pursley, LLP.	845.05
GVMW, Inc.	20,408.93
Idaho Power	432.25
Power County Clerk (E911)	402.79
PSI Environmental Services	103.56
Wiggins & Co.	1,541.85
All others under \$100	278.17
Totals	30,671.54

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 & 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>
RTFC	1994	2009	465,305	94,555		VARIES		7,379
RTFC	1995	2012	3,030,202	1,574,611		VARIES		142,996
RUS	1979	2011	1,608,421	695,725			2.00%	449,142
RUS	1990	2012	5,080,583	8,663,057			5.00%	
RTFC	2004	2011	1,775,699	1,666,689		VARIES		87,730
RTB	2002	2017	1,398,000	1,173,612			6.05%	68,601

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	50,000	\$1.00	50,000	\$50,000.00

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 16)	5,024,804	
Total Operating Expenses (from page 18)	4,423,894	
7100 Other Operating Income and Expense	0	SAME AS TOTAL
7210 Operating Investment Tax Credits-Net	0	
7220 Operating Federal Income Taxes	0	
7230 Operating State and Local Income Taxes	1,424	
7240 Operating Other Taxes	128,771	
7250 Provision for Deferred Operating Income Taxes-Net	42,730	
7200 Operating Taxes (Total)	172,925	
7310 Dividend Income	(22,824)	
7320 Interest Income	(41,022)	
7330 Income from Sinking and Other Funds		
7340 Allowance for Funds Used During Construction	(13,929)	
7350 Gains/Losses from the Disposition of Certain Property		
7360 Other Nonoperating Income	(4,225)	
7370 Special Charges	35,534	
7300 Nonoperating Income and Expense	(46,466)	
7410 Nonoperating Investment Tax Credits-Net		
7420 Nonoperating Federal Income Taxes		
7430 Nonoperating State and Local Income Taxes		
7440 Nonoperating Other Taxes		
7450 Provision for Deferred Nonoperating Income Taxes-Net		
7400 Nonoperating Taxes	0	
7510 Interest on Funded Debt	755,847	
7520 Interest Expense-Capital Leases		
7530 Amortization of Debt Issuance Expense		
7540 Other Interest Deductions	0	
7500 Interest and Related Items	755,848	
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	
7910 Income Effect of Jurisdictional Ratemaking Differences-Net		
7990 Nonregulated Net Income	(340,505)	
AMOUNT TRANSFERRED TO RETAINED EARNINGS	59,109	

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	414,464	SAME AS TOTAL
5002 Optional Extended Area Revenue		
5003 Cellular Mobile Revenue		
5004 Other Mobile Services Revenue		
5010 Public Telephone Revenue		
5040 Local Private Line Revenue		
5050 Customer Premises Revenue		
5060 Other Local Exchange Revenue	43,477	
5069 Other Local Exchange Settlements		
Network Access Services Revenues		
5081 End User Revenue (SLC)	118,283	
5082 Switched Access Revenue (Interstate)	4,163,957	
5083 Special Access Revenue		
5084 State Access Revenue (Intrastate)	270,024	
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All		
Miscellaneous Revenues		
5230 Directory Revenue		
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	1,503	
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	10,602	
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	2,493	
5302 Uncollectible Revenue - Other		
TOTAL OPERATING REVENUES	5,024,804	

Please identify the following revenues:

NECA USF \$ 686,184. To what account were they booked? 5082.22

State USF \$ 221,847. To what account were they booked? 5084.60

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses		
6112 Motor Vehicle Expense	786	SAME AS TOTAL
6113 Aircraft Expense		
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense		
6116 Other Work Equipment Expense	1,619	
6120 General Support Expenses		
6121 Land and Building Expenses	185,216	
6122 Furniture and Artworks Expense	9,295	
6123 Office Equipment Expense		
6124 General Purpose Computers Expense	140,760	
6210 Central Office Switching Expenses	163,437	
6211 Analog Electronic Expense		
6212 Digital Electronic Expense		
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses		
6231 Radio Systems Expense		
6232 Circuit Equipment Expense	194,542	
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	1,038,026	
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense		
6441 Conduit Systems Expense		
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	1,733,681	

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		SAME AS TOTAL
6512 Provisioning Expense	14,779	
6530 Network Operations Expense	3,454	
6531 Power Expense	23,972	
6532 Network Administration Expense	12,361	
6533 Testing Expense		
6534 Plant Operations Administration Expense		
6535 Engineering Expense	87,279	
6540 Access Expense	15,424	
6560 Depreciation and Amortization Expenses	78,006	
6561 Depreciation Expense-Telecom. Plant in Service	1,581,752	
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	1,817,026	
Customer Operations Expense		
6610 Marketing		
6611 Product Management	4,378	
6612 Sales		
6613 Product Advertising	4,783	
6620 Services		
6621 Call Completion Services		
6622 Number Services	3,649	
6623 Customer Services	264,537	
Total Customer Operations Expense	277,347	
Corporate Operations Expense		
6710 Executive and Planning		
6711 Executive	165,718	
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	331,255	
6722 External Relations	1,440	
6723 Human Resources	15,555	
6724 Information Management		
6725 Legal	50,292	
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	31,579	
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	595,839	
TOTAL OPERATING EXPENSES	4,423,894	

CENTRAL OFFICE DATA
as of December 31, 2005 (unless otherwise indicated)

Name of Central Office: ARBON
Prefix (es): 335

Central Office Switch Type: SIEMENS EWSD - RLS 1000

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

Access Line Capacity
Design: 180 **Access Lines in Use**
Customer Lines: 109
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 138
Public Telephone Lines 0
Company Official Lines 2
Company Test Lines 4

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi-Line 1-Party	Single Line Multi-Party	Subtotal Residence	Centrex N.A.R.	Multi-Line 1-Party	Single Line Multi-Party	
Beginning of Year		92	92			13	105
New Connects		4	4			1	5
Disconnects		0	0			1	1
End of Year		96	96			13	109

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: 7

Custom Calling:
Number of customers with at least one feature: 78
Total number of features subscribed to: 34

CENTRAL OFFICE DATA
as of December 31, 2005 (unless otherwise indicated)

Name of Central Office: PARIS
 Prefix (es): 945

Central Office Switch Type: SIEMENS EWSD ONE - UP

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

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

Access Line Capacity
 Design: 1520

Access Lines in Use
 Customer Lines: 933
 (Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 1442
 Public Telephone Lines 0
 Company Official Lines 3
 Company Test Lines 6

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	Centrex N.A.R.	Multi-Line 1-Party	Single Line Multi-Party	
Beginning of Year		807				110	110
New Connects		66			3		3
Disconnects		53			0		0
End of Year		820			113		113
		807					807
		66					66
		53					53
		820			113		820
							917
							69
							53
							933

Foreign Exchange:
 Dial Tone from this C.O.: 1
 Dial Tone from another C.O.: 0

Directory Listings:
 Number of Customers with Nonpublished or Nonlisted: 30

Custom Calling:
 Number of customers with at least one feature: 503
 Total number of features subscribed to: 34

CENTRAL OFFICE DATA
as of December 31, 2005 (unless otherwise indicated)

Name of Central Office: ROCKLAND
Prefix (es): 548

Central Office Switch Type: SIEMENS EWSD ONE - UP REMOTE

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

Access Line Capacity
Design: 735 **Access Lines in Use**
Customer Lines: 305
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 663
Public Telephone Lines 0
Company Official Lines 9
Company Test Lines 13

Classification of Customer Access

	Residence		Business			Total Residence & Business
	Multi-Line 1-Party	Single Line Multi-Party	Multi-Line 1-Party	Single Line Multi-Party	Subtotal Business	
Beginning	222	222	82	82	82	304
New Connects	25	25	2	2	2	27
Disconnects	24	24	2	2	2	26
End of Year	223	223	82	82	82	305

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: 9

Custom Calling:
Number of customers with at least one feature: 168
Total number of features subscribed to: 34

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (Year) 2005

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 ARBON	109			5,907	47,523	53,430	490
2 ROCKLAND	305			21,537	230,564	252,101	827
3 PARIS	933			28,675	639,256	667,931	716
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, 2005.

CUSTOMER RELATIONS RULES COMPLIANCE

Rule IDAPA 31.21.01.603

Rule IDAPA 31.41.01.105

Please provide copies of:

Summary of Customer Relations Rules for Telephone Corporations

Idaho Telephone Solicitation Act Notification

Method of Notification:

Mailed separately to customers Yes No

Included in directory Yes No

Date of notification Paris in January, Rockland & Arbon in June

Alternate method of notification Local newspaper annually

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 103

Category of complaints (if known):

Deposit Disputes

Charges on Bill 66

Denial/Termination

Quality or Availability
of Service 21

Carrier Selection/Assignment 7

Miscellaneous 9

CERTIFICATE

State of Idaho)
) ss
County of)

WE, the undersigned Leonard May

and Bruce Steed

of the Direct Communications Rockland, Inc. utility,

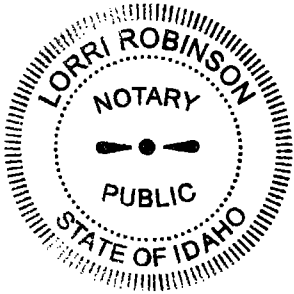
on our oath do severally say that the foregoing return has been prepared under our direction, from the original books, papers, and records of said utility; that we have carefully examined same, and declare the same to be a correct statement of the business affairs of said utility for the period covered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

Leonard May

(Chief Officer)

Bruce Steed

(Officer in Charge of Accounts)



Subscribed and Sworn to Before Me this 26 day of April, (Year) 2006.

Lorri Robinson
Notary Public

My Commission expires 7-23, (Year) 2010.