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IDAHO PUBLIC
UTILITIES COMMISSION

ANNUAL REPORT

OF

INL-T

INLAND TELEPHONE COMPANY
NAME

P.O. BOX 171, ROSLYN, WASHINGTON 98941
ADDRESS

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED December 31,

2007

INLAND TELEPHONE COMPANY
Corporate Offices

103 S. 2nd St.
P.O. Box 171
Roslyn, WA 98941

Telephone: (509) 649-2211
Fax: (509) 649-3300

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IDAHO PUBLIC
UTILITIES COMMISSION

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April 10, 2008

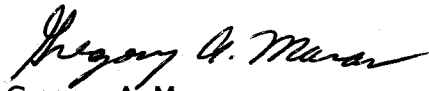
Randy Lobb, Administrator
Utilities Division
Idaho Public Utilities Commission
P. O. Box 83720
Boise, Idaho 83720-0074

Dear Mr. Lobb:

Enclosed please find a hard copy of the Annual Report of Inland Telephone Company ("Company") to the Idaho Public Utilities Commission for the year ended December 31, 2007. Also included are the Company's Idaho separation factors for 2007 and the Idaho Separated Results of Operations (Form I) per your request.

Questions regarding this report should be directed to the attention of either Greta L. Morgan or myself at (509) 649-2211.

Very truly yours,



Gregory A. Maras
Secretary

GAM:glm

Enclosures

cc Dean Koch-Johnson, Stone & Pagano

**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: Inland Telephone Company
 Address of principal office: 103 South Second Street, Roslyn, Washington 98941
 Telephone Number (509) 649-2211
 Cities or towns served: Colton, Dewatto, Prescott, Roslyn & Uniontown, Washington & Gifford & Lenore, Idaho

Name and title of officer having custody of the general corporate books of account:
James K. Brooks, Controller
 Address of office where corporate books are kept and phone number: same as principal office

Organized under the laws of the State of: Washington
 Date of organization: 07/02/63
 Form of organization (proprietorship, association, corporation): Corporation
 If a Subchapter S Corporation, please specify: N/A
 Name and address of controlling company, if any Western Elite Incorporated Services, P.O. Box 687,
 Roslyn, Washington 98941

Names of affiliated companies. Give address and description of business: (1) Inland Cellular Telephone Co.,
 P.O. Box 688, Roslyn, WA 98941-cellular telephone company, (2) R & R Cable Co., P.O. Box 610, Roslyn, WA
 98941-cable television company, (3) Inland Long Distance Telephone Company, P.O. Box 904, Roslyn, WA
 98941-long distance resale, (4) Newport Hills Land Co., Inc., P.O. Box 687, Roslyn, WA-land company,
 (5) Easton Ridge Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (6) R & R Heights Land Co., Inc.,
 P.O. Box 687, Roslyn, WA-land company, (7) Moses Lake Views Land Co., Inc., P.O. Box 687, Roslyn, WA-
 land company, (8) Central Cascade Land Co., Inc. P.O. Box 687, Roslyn, WA 98941-land company

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	Douglas W. Weis	P.O. Box 171, Roslyn, Washington 98941
Vice President	Nathan R. Weis	P.O. Box 171, Roslyn, Washington 98941
Secretary	Gregory A. Maras	P.O. Box 171, Roslyn, Washington 98941
Treasurer	John P. Coonan	P.O. Box 171, Roslyn, Washington 98941
Treasurer	James K. Brooks	* P.O. Box 171, Roslyn, Washington 98941

*Change effective on 05/01/2007

DIRECTORS

List the name of each person who was a member of the Board of Directors at any given time during the for the year ending December 31, 2007

Name and Address	Term Expired or Current Term Will Expire	Meetings Attended This year	Fees Paid During Year
Douglas W. Weis	Continuous	1	None
Nathan R. Weis	Continuous	1	None
Gregory A. Maras	Continuous	1	None
James K. Brooks	Continuous	1	None
John P. Coonan	5/1/2007		None

Name of Chairman of the Board: N/A

Name of Secretary (or Clerk) of Board: Gregory A. Maras

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.)

Name	Title	Wages and Bonuses Paid
Douglas W. Weis	President	
Nathan R. Weis	Vice President	
Gregory A. Maras	Secretary	
James K. Brooks	Treasurer	
John P. Coonan	Treasurer	

BALANCE SHEET
Assets and Other Debits
FOR THE YEAR ENDING DECEMBER 31, 2007

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Assets			
1120 Cash and Equivalents			
1130 Cash	520,936	414,463	(106,473)
1140 Special Cash Deposits			
1150 Working Cash Advances	1,800	1,800	0
1160 Temporary Investments	267,588	345,505	77,917
1180 Telecommunications Accts. Receivable	88,113	105,070	16,957
1181 Accts. Rec. Allow. - Telecommunications	(10,000)	(10,000)	0
1190 Other Accounts Receivable	8,273,978	9,211,886	937,908
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable			
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	442,508	280,724	(161,784)
1280 Prepayments	4,206	3,851	(355)
1290 Prepaid Rents			
1300 Prepaid Taxes	0	0	0
1310 Prepaid Insurance	0	0	0
1320 Prepaid Directory Expenses			
1330 Other Prepayments			
1350 Other Current Assets			
Noncurrent Assets			
1401 Investment in Affiliated Companies			0
1402 Investment in Nonaffiliated Companies	784,251	1,212,268	428,017
1406 Nonregulated Investments	123,094	108,873	(14,221)
1407 Unamortized Debt Issuance Expense	0	0	0
1408 Sinking Funds			
1410 Other Noncurrent Assets	103,117	108,808	5,691
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges			
1500 Other Jurisdiction Assets - Net			
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	20,091,264	19,256,301	(834,963)
2002 Prop. Held for Future Telecom. Use			
2003 Telecom. Plant under Constr. - Short Term	730,241	415,237	(315,004)
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant			
2007 Goodwill			
Depreciation and Amortization Accounts			
3100 Accumulated Depreciated	12,829,031	11,291,057	(1,537,974)
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	142	188	46
3600 Accumulated Amortization - Other			
TOTAL ASSETS	18,591,923	20,163,541	1,571,618

BALANCE SHEET
Liabilities & Stockholders' Equity
FOR THE YEAR ENDING DECEMBER 31, 2007

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Liabilities			
4010 Accounts Payable	263,730	194,281	(69,449)
4020 Notes Payable			
4030 Advance Billings and Payments			
4040 Customer Deposits	4,724	5,270	546
4050 Current Maturities - Long -Term Debt	384,440	413,500	29,060
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued	0	0	0
4080 Other Taxes - Accrued	111,421	125,791	14,370
4100 Net Current Defer. Oper. Income Taxes	98,890	55,373	(43,517)
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities	826,920	846,262	19,342
4130 Other Current Liabilities	34,520	40,884	6,364
Long-Term Debt			
4210 Funded Debt	3,166,042	2,784,187	(381,855)
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		147,816	
4270 Other Long-Term Debt			
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities			0
4320 Unamort. Oper. Invest. Tax Credits - Net	4,523	1,836	(2,687)
4330 Unamort. Nonoper. Invest. Tax Credits - Net			
4340 Net Noncurrent Defer. Oper. Income Taxes	667,105	919,093	251,988
4350 Net Noncur. Defer. Nonoper. Income Taxes	0	0	0
4360 Other Deferred Credits			
4370 Other Juris. Liab. & Def. Credits - Net			
Stockholders' Equity			
4510 Capital Stock	93,150	93,150	0
4520 Additional Paid-In Capital	7,175	7,175	0
4530 Treasury Stock			
4540 Other Capital			
4550 Retained Earnings	12,929,283	14,528,923	1,599,640
TOTAL LIAB. & OTHER CREDITS	18,591,923	20,163,541	1,423,802

ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE
TOTAL Company Basis

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
Analysis of Telecommunications Plant in Service					
2111 Land	99,994	26,850			126,844
2112 Motor Vehicles	1,411,714	170,757	37,914		1,544,557
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	25,295				25,295
2116 Other Work Equipment	614,674	16,473			631,147
2121 Buildings	1,880,040	134,286		21,373	2,035,699
2122 Furniture	154,805	16,403			171,208
2123 Office Equipment	233,087	11,897			244,984
2124 General Purpose Computers	766,331	32,684			799,015
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	4,012,342	333,169	1,873,158	(21,373)	2,450,980
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	36,842				36,842
2232 Circuit Equipment	2,181,236	546,629	777,444	81,171	2,031,592
2311 Station Apparatus	0				0
2321 Customer Premises Wiring	0				0
2341 Large Private Branch Exchanges	0				0
2351 Public Telephone Terminal Equipment	0				0
2362 Other Terminal Equipment	0				0
2411 Poles	24,807				24,807
2421 Aerial Cable	198,229				198,229
2422 Underground Cable	0				0
2423 Buried Cable	8,436,565	565,950		(82,717)	8,919,798
2424 Submarine Cable	0				0
2426 Intra-building Network Cable	0				0
2431 Aerial Wire	6,695				6,695
2441 Conduit Systems	0				0
2681 Capital Leases	0				0
2682 Leasehold Improvements	0				0
2690 Intangibles	8,608				8,608
TOTAL PLANT ACCOUNTS	20,091,264	1,855,098	2,688,516	(1,546)	19,256,300

ANALYSIS OF TELECOMMUNICATIONS PLANT ACCOUNTS
IDAHO Operations Only
FOR THE YEAR ENDING DECEMBER 31, 2007

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	20,169			3,303 *	23,472
2112	Motor Vehicles	0				0
2113	Aircraft	0				0
2114	Special Purpose Vehicles	0				0
2115	Garage Work Equipment	1,799			(2) *	1,797
2116	Other Work Equipment	13,119				13,119
2121	Buildings	438,365			6,663 *	445,028
2122	Furniture	22,431			2,002 *	24,433
2123	Office Equipment	48,089			1,420 *	49,509
2124	General Purpose Computers	102,465			4,304 *	106,769
2211	Analog Electronic Switching	0				0
2212	Digital Electronic Switching	672,019	4,776	242,478	(20,015) *	414,302
2215	Electro-Mechanical Switching	0				0
2220	Operator Systems	0				0
2231	Radio Systems	1,654			4 *	1,658
2232	Circuit Equipment	492,104	20,336	236,127	(4,592) *	271,721
2311	Station Apparatus	0				0
2321	Customer Premises Wiring	0				0
2341	Large Private Branch Exchanges	0				0
2351	Public Telephone Terminal Equipment	0				0
2362	Other Terminal Equipment	0				0
2411	Poles	1,577				1,577
2421	Aerial Cable	29,530				29,530
2422	Underground Cable	0				0
2423	Buried Cable	1,848,085	19,299		*	1,867,384
2424	Submarine Cable	0				0
2426	Intrabuilding Network Cable	0				0
2431	Aerial Wire	4,821				4,821
2441	Conduit Systems	0				0
2681	Capital Leases	0				0
2682	Leasehold Improvements	0				0
2690	Intangibles	4,764				4,764
TOTAL PLANT ACCOUNTS		3,700,991	44,411	478,605	(6,913) *	3,259,884

* Represents adjustments to the allocation of Washington plant to Idaho based upon jurisdictional procedures.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100
FOR THE YEAR ENDING DECEMBER 31, 2007
TOTAL Company Basis

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
Analysis of Entries in Accumulated Depreciation					
2112 Motor Vehicles	1,415,711	16.00/12.50	115,002	(25,981)	1,504,732
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	25,295	12.5			25,295
2116 Other Work Equipment	594,209	16.00/12.50	36,937		631,146
2121 Buildings	895,670	4.00/2.50	75,495	3,847	975,012
2122 Furniture	144,703	15.00/6.00	12,172		156,875
2123 Office Equipment	228,024	20.00/5.00 & 6.00	9,091		237,115
2124 General Purpose Computers	766,331	25.00/12.50	32,684		799,015
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	2,175,224	9.00/27.37	212,842	(1,875,705)	512,361
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	36,842				36,842
2232 Circuit Equipment	1,226,144	11.19/27.37	184,741	(750,907)	659,978
2311 Station Apparatus	0				0
2321 Customer Premises Wiring	0				0
2341 Large Private Branch Exchanges	0				0
2351 Public Telephone Terminal Equipment	0				0
2362 Other Terminal Equipment	0				0
2411 Poles	24,285	7.59/5.00	79		24,364
2421 Aerial Cable	176,620	20.40/4.00	1,181		177,801
2422 Underground Cable	0				0
2423 Buried Cable	5,113,277	5.00&6.00/4.00&6.00	457,431	(26,883)	5,543,825
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	6,696	42.06/8.00			6,696
2441 Conduit Systems	0				0
TOTAL	12,829,031		1,137,655	(2,675,629)	11,291,057

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION

Account 3100

FOR THE YEAR ENDING DECEMBER 31, 2007

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	0				0
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	1,799	12.50		(2)**	1,797
2116 Other Work Equipment	11,601	12.50		1,518**	13,119
2121 Buildings	192,875	2.50	3,147	16,227**	212,249
2122 Furniture	21,184	6.00		1,482**	22,666
2123 Office Equipment	46,256	5.00/6.00		1,445**	47,701
2124 General Purpose Computers	102,465	12.50		4,304**	106,769
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	318,425	27.37	56,790	(261,236)**	113,979
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	1,654			4**	1,658
2232 Circuit Equipment	287,374	27.37	51,616	(237,524)**	101,466
2311 Station Apparatus	0				0
2321 Customer Premises Wiring	0				0
2341 Large Private Branch Exchanges	0				0
2351 Public Telephone Terminal Equipment	0				0
2362 Other Terminal Equipment	0				0
2411 Poles	976	5.00	79	78**	1,133
2421 Aerial Cable	6,741	4.00	1,181	1,181**	9,103
2422 Underground Cable	0				0
2423 Buried Cable	961,080	4.00/6.00	73,718	67,052**	1,101,850
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	4,821	8.00			4,821
2441 Conduit Systems	0				0
TOTAL	1,957,251		186,531	(405,471)**	1,738,311

* Please list individual depreciation rate for each account.

**Represents adjustments to the allocation of Washington plant to Idaho based upon jurisdictional separation procedures.

INVESTMENTS
FOR THE YEAR ENDING DECEMBER 31, 2007

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>
1402-Illuminet	1981		1,171,852
1402-Verizon	2005		37,355
1402-RTB Class C Stock	1974		0
1406-Paging Equip./CPE/ Mobile CPE	Various		108,872
Rural Telephone Finance Cooperative Capital Certificates			3,061
Totals		0	1,321,140

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>
1180-Due From Customers		105,070
1190-Other A/R-Interexchange Carriers & Exchange Carrier Association		1,348,632
1190-Other A/R-Western Elite Inc. Services		7,863,254
Totals		9,316,956

NOTES PAYABLE
FOR THE YEAR ENDING DECEMBER 31, 2006

<u>Name of Creditor</u>	<u>Date of Note</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Face Amount</u>
None				
Totals				

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
Trade Payables	194,281
Totals	<u>194,281</u>

LONG - TERM DEBT
FOR THE YEAR ENDING DECEMBER 31, 2006
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>
RUS 2030	Oct. 1969	Oct. 2004	84,000	0			2%	0
RUS 2040	Jun. 1971	Jun. 2006	53,000	0			2%	0
RUS 2050	Jun. 1971	Jun. 2006	129,000	0			2%	0
RUS 12060	May 1976	May 2011	578,000	80,020			2%	1,837
RUS 12070	May 1983	May 2018	1,129,000	462,085			2%	9,641
RUS 12140	Oct. 1979	Oct. 2014	581,000	261,728			5%	13,654
RUS 12150	Apr. 1995	Apr. 2014	947,000	481,502			7%	35,787
RUS 12151	Apr. 1995	Apr. 2014	270,000	136,809			6.91%	10,039
RUS 12152	Apr. 1995	Apr. 2014	329,000	164,177			6.26%	10,931
RTB S010	Oct. 1979	Oct. 2014	345,450	159,705			8%	13,433
RTB S020	Dec. 1986	Apr. 2011	439,950	230,517			8%	19,369
RTB S023	Dec. 1986	Dec. 2011	324,952	170,624			5.54%	10,071
RUS 12153	Apr. 1995	Apr. 2014	451,478	226,583			4.86%	11,749
RUS 12154	Apr. 1995	Apr. 2014	289,522	152,858			5.71%	9,296
RTB S032	Dec. 1986	Dec. 2011	729,611	627,697			5.49%	37,838
			<u>6,680,963</u>	<u>3,154,305</u>				<u>183,645</u>

**CAPITAL STOCK
FOR THE YEAR ENDING DECEMBER 31, 2007**

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	10,000	10	9,315	93,150

INCOME & RETAINED EARNINGS STATEMENT

FOR T Item	Total Company	Idaho Only
Total Operating Income (from page 15)	7,188,200	876,655
Total Operating Expenses (from page 17)	4,786,668	828,968
<hr/>		
7100 Other Operating Income and Expense		
<hr/>		
7210 Operating Investment Tax Credits-Net	(2,687)	0
7220 Operating Federal Income Taxes	528,979	(19,442)
7230 Operating State and Local Income Taxes	8,163	8,163
7240 Operating Other Taxes *	152,904	11,501
7250 Provision for Deferred Operating Income Taxes-Net	115,255	34,495
7200 Operating Taxes (Total)	802,614	34,717
<hr/>		
7310 Dividend Income	1,982	244
7320 Interest Income	44,872	5,533
7330 Income from Sinking and Other Funds		
7340 Allowance for Funds Used During Construction	18,191	3,218
7350 Gains/Losses from the Disposition of Certain Property		
7360 Other Nonoperating Income	34,419	(1,304)
7370 Special Charges	(71,321)	(5,835)
7300 Nonoperating Income and Expense	28,143	1,856
<hr/>		
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	(8,793)	0
7400 Nonoperating Taxes	(8,793)	0
<hr/>		
7510 Interest on Funded Debt	183,645	32,489
7520 Interest Expense-Capital Leases		0
7530 Amortization of Debt Issuance Expense	0	0
7540 Other Interest Deductions	8,747	1,547
7500 Interest and Related Items	192,392	34,036
<hr/>		
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
<hr/>		
7910 Income Effect of Jurisdictional Ratemaking Differences-Net		
7990 Nonregulated Net Income	(126,314)	(1,739)
<hr/>		
AMOUNT TRANSFERRED TO RETAINED EARNINGS	1,317,148	(20,949)

OPERATING REVENUES

FOR TItem

Total Company

Idaho Only

	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	721,053	99,817
5002 Optional Extended Area Revenue		
5003 Cellular Mobile Revenue		
5004 Other Mobile Services Revenue		
5010 Public Telephone Revenue		
5040 Local Private Line Revenue	106	0
5050 Customer Premises Revenue		
5060 Other Local Exchange Revenue	103,098	11,010
5069 Other Local Exchange Settlements		
Network Access Services Revenues		
5081 End User Revenue (SLC)	241,426	28,692
5082 Switched Access Revenue (Interstate)	3,634,785	567,877
5083 Special Access Revenue	750,583	83,211
5084 State Access Revenue (Intrastate)	1,644,099	79,422
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All	3,437	74
Miscellaneous Revenues		
5230 Directory Revenue	9,477	764
5240 Rent Revenue	12,652	0
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue	24,758	3,600
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	190	20
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	55,857	3,793
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	13,321	1,625
5302 Uncollectible Revenue - Other		
TOTAL OPERATING REVENUES	7,188,200	876,655

Please identify the following revenues:

NECA USF \$470,798 To what account were they booked?
A/C 5082.13-Interstate Switched Access Revenue-USF (Idaho only)

State USF \$43,161 To what account were they booked?
A/C 5084.12-Intrastate Switched Access Revenue-USF (Idaho only)

OPERATING REVENUES

FOR T Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses		
6112 Motor Vehicle Expense	97,359	11,853
6113 Aircraft Expense		
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense	55,779	6,791
6116 Other Work Equipment Expense	0	0
6120 General Support Expenses		
6121 Land and Building Expenses	306,252	37,286
6122 Furniture and Artworks Expense	1,294	157
6123 Office Equipment Expense	16,631	2,025
6124 General Purpose Computers Expense	154,303	18,786
6210 Central Office Switching Expenses	426,740	77,616
6211 Analog Electronic Expense		
6212 Digital Electronic Expense		
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	171,146	31,128
6231 Radio Systems Expense		
6232 Circuit Equipment Expense		
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	(747)	(159)
6421 Aerial Cable Expense	35,685	7,586
6422 Underground Cable Expense		
6423 Buried Cable Expense	400,347	85,106
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense	247	53
6441 Conduit Systems Expense		
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	1,665,036	278,228

OPERATING REVENUES

FOR 1 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	732	147
6530 Network Operations Expense		
6531 Power Expense	27,832	5,608
6532 Network Administration Expense	8,819	1,777
6533 Testing Expense	32,982	6,646
6534 Plant Operations Administration Expense	106,896	21,540
6535 Engineering Expense	38,108	7,679
6540 Access Expense	28,197	5,682
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	1,137,655	212,206
6562 Depreciation Expense-Property Held for Future Use		
6563 Amortization Expense - Tangible	46	
6564 Amortization Expense - Intangible		
6565 Amortization Expense - Other		
Total Plant Nonspecific Operations Expenses	1,381,267	261,285
Customer Operations Expense		
6610 Marketing	10,052	1,239
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services		
6621 Call Completion Services		
6622 Number Services	17,103	2,109
6623 Customer Services	367,142	45,269
Total Customer Operations Expense	394,297	48,617
Corporate Operations Expense		
6710 Executive and Planning	311,459	55,726
6711 Executive		
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	502,414	89,892
6722 External Relations	57,048	10,207
6723 Human Resources	100,465	17,975
6724 Information Management		
6725 Legal	69,163	12,375
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	305,519	54,663
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	1,346,068	240,838
TOTAL OPERATING EXPENSES	4,786,668	828,968

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

Name of Central Office: Leon, Idaho (shares Uniontown, Washington switch)
Prefix (es): (208)224

Central Office Switch Type: Metaswitch

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

Access Line Capacity
Design: 10,000

Access Lines in Use
Customer Lines: _____ 31
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 764

Public Telephone Lines _____ 0

Company Official Lines _____ 1

Company Test Lines _____ 3

Classification of Customer Access

	Residence			Business			Total Residence & Business		
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Centrex N.A.R.	Multi- Line 1-Party	Single Line Multi- Party		Subtotal Business	
Beginning of Year	0	29	0	29	0	1	0	2	31
New Connects	0	2	0	2	0	0	0	0	2
Disconnects	0	3	0	3	0	0	0	0	3
End of Year	0	28	0	28	0	1	1	0	30

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: _____ 0

Custom Calling:

Number of customers with at least one feature: _____ 16

Total number of features subscribed to: _____ 6

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

Name of Central Office: Lenore, Idaho
Prefix (es): (208)836

Central Office Switch Type: Metaswitch

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

Access Line Capacity
Design: 10,000

Access Lines in Use
Customer Lines: 325
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 375

Public Telephone Lines 0

Company Official Lines 22

Company Test Lines 4

	Residence			Business			Total Residence & Business
	Multi-Line 1-Party	Single Line Multi-Party	Subtotal Residence	Multi-Line 1-Party	Single Line Multi-Party	Subtotal Business	
Beginning of Year	0	320	0	0	15	6	341
New Connects	0	7	7	0	0	3	10
Disconnects	0	17	17	0	0	2	19
End of Year	0	310	310	0	15	7	332

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: 17

Custom Calling:
Number of customers with at least one feature: 254
Total number of features subscribed to: 12

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING 2007

Local Exchange	Average # of Customer Lines in Use	Local Calls		Toll Calls Originated (Total of all Carriers)			Avg./ Line
		Number (1000s)	Avg./ Line	Intrastate	Interstate	Total	
1 Leon, Idaho	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2 Lenore, Idaho	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

ANNUAL REPORT FOR SMALL TELEPHONE COMPANIES
YEAR ENDED DECEMBER 31, 2007

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 <u> X </u>
Included in directory	Yes <u> X </u>	No _____
Date of notification	<u>December, 2006 through December, 2007</u>	
Alternate method of notification	<u>None</u>	

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company 37

Category of complaints (if known):

Deposit Disputes	<u> 0 </u>
Charges on Bill	<u> 1 </u>
Denial/Termination	<u> 1 </u>
Quality or Availability of Service	<u> 24 </u>
Carrier Selection/Assignment	<u> 0 </u>
Miscellaneous	<u> 7 </u>

Rev 3/02

CERTIFICATE

FOR THE YEAR ENDING DECEMBER 31, 2007)
County of Kittitas) ss
)

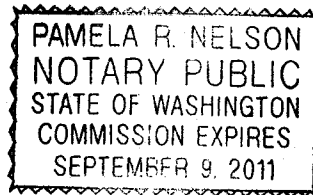
WE, the undersigned Gregory A. Maras, Secretary
and James K. Brooks, Treasurer/Controller
of the Inland Telephone Company utility,

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.

Gregory A. Maras
Secretary
Gregory A. Maras
James K. Brooks
Treasurer/Controller
James K. Brooks

Subscribed and Sworn to Before Me this 9 day of April, 2008

Pamela R. Nelson
Notary Public
Pamela Nelson



My Commission expires Sept. 9, 2011

FORM I INPUT MASTER		For The Year Ended: December 31, 2007				Separated Results of Idaho Operations				
COMPANY NAME: Inland Telephone Co.		Total Idaho Operations Subject To Separations		Interstate Operation		Intrastate Operation				
FCC Account and Description	Note No.	Line No.	MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)	Total
SUMMARY										
Operating Revenues										
50XX Local -Billed	(1)	1.	110,877		0				110,877	110,877
-EAS Billed	(1)	2.	0		0					0
-EAS Settlement	(1)	3.	0		0					0
508X Access-SLC (End User)	(2)	4.	28,692		28,692					28,692
-Switched (TS+NTS)	(2)	5.	647,299		567,877					79,422
-Special	(2)	6.	83,212	83,212	83,212					0
51XX Toll -Message	(3a)	7.	0		0					0
-Private Line	(3b)	8.	0		0					0
-Settlement	(3c)	9.	74		0					74
52XX Misc. -Billing & Collection	(4)	10.	3,793	1,314	1,314				764	2,479
-Directory Advertising		11.	764		0				764	764
-Operating Rents		12.	0		0					0
-Other Misc.		13.	3,620		0				3,620	3,620
530X Less: Uncollectible Rev. (-)		14.	-27		0				-27	-27
Total Revenues		15.	878,304	597,983	681,095	83,212	0	0	115,234	197,209
Operating Expenses										
61XX-64XX Plant Specific Oper.	(5a)	16.	280,354		133,581				99,889	146,773
65XX Plant Nonspecific Operations	(5a)	17.	43,758	108,399	17,761	25,182	736	0	17,547	25,997
656X Depreciation & Amortization	(5a)	18.	194,444	14,946	94,675	2,815	135	0	67,926	99,769
66XX Customer Operations	(5a)	19.	43,047	74,339	17,547	20,336	501	0	11,975	25,500
67XX Corporate Operations	(5a)	20.	240,644	17,547	115,221	0	20	0	81,146	125,423
---- Other Operating	(5a)	21.	5,682	96,440	18,781	0	541	0	0	0
Total Expenses	(5a)	22.	807,929	317,353	384,467	67,114	1,933	0	278,483	423,462
Operating Taxes:	(6)									
7240 General Taxes		23.	11,227	3,730	4,414	684	33	0	4,265	6,813
7230 State/Local Inc. Tax (Current)		24.	2,463	17,716	18,629	913	-138	0	-11,309	-16,165
7220 Federal Income Tax (Current)		25.	63,694	87,747	87,747	0	-684	0	0	-24,053
7250 Net Deferred Income Taxes		26.	0	0	0	0	0	0	0	0
7210 Net Investment Tax Credits		27.	0	0	0	0	0	0	0	0
Total Taxes		28.	77,385	109,193	110,790	1,597	-789	0	-7,044	-33,405
Net Operating Income		29.	-7,010	171,337	185,638	14,501	-1,144	0	-156,205	-192,848

FORM I INPUT MASTER

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2007

Seperated Results of Idaho Operations

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation			Intrastate Operation			Local (other)	Total
				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS		
SUMMARY (continued)											
Average Rate Base											
2001 Telecom. Plant in Service	(5b)	1.	3,349,894	1,142,823	215,302	1,358,125	635,819	10,340	0	1,345,610	1,991,769
2005 Plant Acquisition Adjustment		2.	0			0					0
3100 Less: Accumulated Depr. (-)	(5c)	3.	-1,809,309	-587,274	-112,122	-699,396	-356,695	-5,839	0	-747,379	-1,109,913
34xx-36xx Accumulated Amort. (-)	(5)	4.	0	0	0	0	0	0	0	0	0
4100-4340 Accum. Deferred Tax (-)		5.	124,533	42,289	6,410	48,699	23,248	378	0	52,208	75,834
1220 Materials and Supplies		6.	0			0					0
---- Equal Access Equipment		7.	0			0					0
---- Other Rate Base	(7)	8.	27,101	10,661	2,050	12,711				14,390	14,390
Total Average Rate Base		9.	1,692,219	608,499	111,640	720,139	302,372	4,879	0	664,829	972,080

FORM I INPUT MASTER		For The Year Ended: December 31, 2007				Separated Results of Idaho Operations					
COMPANY NAME: Inland Telephone Co.		Total Idaho Operations Subject To Separations		Interstate Operation		Intrastate Operation					
FCC Account and Description	Note No.	Line No.	MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)	Total	
PLANT IN SERVICE DETAIL											
21XX General Support Facilities		1.	533,363	182,175	34,321	216,496	101,355	1,648	0	213,864	316,867
22XX Central Office Equipment:		2.	0			0					0
CAT 1-Operator Systems		3.	0			0					0
CAT 2-Tandem Switching (Alloc.)		4.	0			0					0
CAT 2-Tandem Switching (Assign.)		5.	484,588	394,531		394,531	17,657		72,400		90,057
CAT 3-Local Switching		6.	0			0					0
CAT 4.12-Exch. Trunk (Joint Use)		7.	155,898		140,313	140,313			15,585		15,585
CAT 4.12-Exch. Trunk (Ded. Use)		8.	242,584	60,501		60,501	60,501	581	121,001		182,083
CAT 4.13-Subscr. Line (Joint Use)		9.	6,234		6,234	6,234					0
CAT 4.13-Subscr. Line (Ded. Use)		10.	20,660	13,111	898	14,009	6,052	599	0		6,651
CAT 4.23-IX Trunk (Joint Use)		11.	0			0					0
CAT 4.23-IX Trunk Ckt. (Ded. Use)		12.	0			0					0
CAT 4.3 -Host/Remote Trunk Ckt.		13.	0			0					0
Other COE		14.	909,964	468,143	147,445	615,588	84,210	1,180	0	208,986	294,376
Total COE											
23XX Information Orig./Term. Equipment:		15.	0			0					0
CAT 1-Regulated CPE		16.	0			0					0
Other IOT		17.	0	0	0	0	0	0	0	0	0
Total IOT											
24XX Cable & Wire Facilities:		18.	1,669,811	416,453		416,453	416,453	0	836,905	1,253,358	
CAT 1.3-Subscriber Line (Common)		19.	3,999			0	3,999			3,999	
CAT 1.1,2-Subscriber Line (Ded.)		20.	0			0					0
CAT 2-Exch. Trunk (Joint Use)		21.	111,927		27,982	27,982			83,945	83,945	
CAT 2-Exch. Trunk (Ded. Use)		22.	116,066	74,425	5,247	79,672	32,896	3,498	0	36,394	
CAT 3-IX Trunk (Joint Use)		23.	0			0					0
CAT 3-IX Trunk (Ded. Use)		24.	0			0					0
CAT 4-Host/Remote Trunk		25.	0			0					0
Other C&WF		26.	1,901,803	490,878	33,229	524,107	449,349	7,497	0	920,850	1,377,696
Total C&WF											
26XX Other Assets:		27.	0			0					0
Capital Leases		28.	0			0					0
Leasehold Improvements		29.	4,764	1,627	307	1,934	905	15	1,910	2,830	
Intangibles		30.	4,764	1,627	307	1,934	905	15	1,910	2,830	
Total Other Assets											
Total Telecom. Plant in Service	(5b)	31.	3,349,894	1,142,823	215,302	1,358,125	635,819	10,340	0	1,345,610	1,991,789

FORM I INPUT MASTER

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2007

Separated Results of Idaho Operations

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation			Intrastate Operation			Local (other)	Total
				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	Total		
Depreciation & Amortization											
Accumulated Depreciation Detail											
311X General Support Facilities		1.	-318,057	-108,636	-20,466	-129,102	-60,440	-983	-127,532	-188,955	
312X Central Office Switching		2.	-199,594	-162,501		-162,501	-7,273		-29,820	-37,093	
312X Operator Systems		3.	0			0				0	
312X Central Office Transmission		4.	-209,776	-36,302	-72,713	-109,015	-32,821	-582	-67,358	-100,761	
313X Information Orig./Term. Equip.		5.	0			0				0	
314X Cable & Wire Facilities		6.	-1,081,882	-279,835	-18,943	-298,778	-256,161	-4,274	-522,669	-783,104	
Total Accumulated Depreciation	(5c)	7.	-1,809,309	-587,274	-112,122	-699,396	-356,695	-5,839	-747,379	-1,109,913	
Accumulated Amortization Detail											
3410 Capital Leases		8.	0			0				0	
3420 Leasehold Improvements		9.	0			0				0	
3500 Intangibles		10.	0			0				0	
3600 Acquisition Adjustment		11.	0			0				0	
Total Accumulated Amortization	(5c)	12.	0	0	0	0	0	0	0	0	

FORM I INPUT MASTER		For The Year Ended: December 31, 2007				Separated Results of Idaho Operations				
COMPANY NAME: Inland Telephone Co.		Total Idaho Operations Subject To Separations		Interstate Operation		Intrastate Operation				
FCC Account and Description	Note No.	Line No.	MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other) Total	
OPERATING EXPENSE DETAIL										
61XX-64XX Plant Specific Operations										
6110-20 General Support Facilities		1.	68,844	4,430	27,944	13,082	213		27,605	40,900
621X Central Office Switching		2.	82,200	13,319	55,608	7,607	107		18,878	26,592
6220 Operator Systems		3.	0		0					0
623X Central Office Transmission		4.	35,765	5,795	24,195	3,310	46		8,214	11,570
63XX Information Orig./Term. Equip.		5.	0		0					0
64XX Cable & Wire Facilities		6.	93,545	1,638	25,834	22,149	370		45,192	67,711
Total Plant Specific	(5a)	7.	280,354	25,182	133,581	46,148	736	0	99,889	146,773
65XX Plant Nonspecific Operations										
6512 Provisioning	(8)	8.	147	9	59	28			60	88
653X Network Operations		9.	43,611	2,806	17,702	8,287	135		17,487	25,909
6540 Access Paid to LECs	(9)	10.	0		0					0
Total Plant Nonspecific	(5a)	11.	43,758	2,815	17,761	8,315	135	0	17,547	25,997
656X Depreciation & Amortization										
6561 General Support Facilities	(8)	12.	18,456	1,188	7,492	3,507	57		7,400	10,964
6561 Central Office Switching		13.	48,450		39,446	1,765			7,239	9,004
6561 Operator Systems		14.	0		0					0
6561 Central Office Transmission		15.	51,395	17,815	26,709	8,041	143		16,502	24,686
6561 Information Orig./Term. Equip.		16.	0		0					0
6561 Cable & Wire Facilities		17.	76,143	1,333	21,028	18,029	301		36,785	55,115
6563 Capital Leases		18.	0		0					0
6563 Leasehold Improvements		19.	0		0					0
6564 Intangibles		20.	0		0					0
6565 Acquisition Adjustment		21.	0		0					0
Total Depreciation & Amortization	(5a)	22.	194,444	20,336	94,675	31,342	501	0	67,926	99,769

FORM I INPUT MASTER		For The Year Ended: December 31, 2007				Separated Results of Idaho Operations				
COMPANY NAME: Inland Telephone Co.		Total Idaho Operations Subject To Separations		Interstate Operation		Intrastate Operation				
FCC Account and Description	Note No.	Line No.	MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)	Total
OPERATING EXPENSE (continued)										
66XX Customer Operations										
661X Marketing		1.	1,239		787	432	20			452
662X Operator Services		2.	0		0					0
662X Directory Publishing-Alpha.		3.	2,109		511	228			1,370	1,598
662X Directory Publishing-Classified		4.	0		0					0
662X Directory Publishing-Foreign		5.	0		0					0
6623 Service Order Proc.-End User		6.	6,949		1,998	1,388			3,563	4,951
6623 Payment & Collection-End User		7.	5,080		2,075	1,064			1,941	3,005
6623 Billing Inquiry-End User		8.	3,278		1,934	1,344			0	1,344
6623 Service Order Proc.-CXR		9.	0		0					0
6623 Payment & Collection-CXR		10.	0		0					0
6623 Billing Inquiry-CXR		11.	0		0					0
6623 Coin Administration		12.	0		0					0
6623 Rev. Acctg.-Toll Ticket Proc.		13.	760		410	350			0	350
6623 Rev. Acctg.-Local Mess. Proc.		14.	0		0					0
6623 Rev. Acctg.-Other Bill & Coll.		15.	5,439		1,618	1,825			1,996	3,821
6623 Rev. Acctg.-SLC Billing		16.	288		288	2,720				2,720
6623 Rev. Acctg.-CXR B & C	(9)	17.	5,440		2,720					2,720
6623 B & C Amts Paid to LECs	(9)	18.	0		0					0
6623 Other Customer Service		19.	12,465		5,206	4,154			3,105	7,259
Total Customer Operations	(5a)	20.	43,047	0	17,547	13,505	20	0	11,975	25,500
67XX Corporate Operations:										
671X Executive & Planning		21.	55,726		21,925	10,252	127		19,020	29,399
672X General & Administrative		22.	184,918		74,515	33,484	414		62,126	96,024
6728 EAS Settlement Expense		23.	0		0					0
Total Corporate Operations	(5a)	24.	240,644	0	96,440	43,736	541	0	81,146	125,423
Other Operating Expenses:										
Equal Access Provision	(10)	25.	0		0					0
Universal Service Fund	(11)	26.	5,682		5,682					5,682
Lifeline Connection Assistance	(12)	27.	0		0					0
Total Other	(5a)	28.	5,682	0	5,682	0	0	0	0	5,682
Total Operating Expenses	(5a)	29.	807,929	317,353	67,114	143,046	1,933	0	278,483	423,462

FORM I INPUT MASTER

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2007

Seperated Results of Idaho Operations

FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation			Intrastate Operation			Total
				MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Total	MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Total	
OPERATING TAXES DETAIL										
7240 General Taxes										
7240 Property		1.	0							0
7240 Gross Receipts		2.	0							0
7240 PUC Fee		3.	592	98					494	494
7240 Franchise Fees		4.	0							0
7240 Other		5.	10,635	684	4,316				4,265	6,319
Total General Taxes		6.	11,227	3,730	684	4,414	33	0	4,265	6,813
72XX Income Taxes (Calculated)										
Net Income Before SIT & FIT	(13)	7.	59,148	276,800	15,414	292,214	-63,586	-1,966	0	-167,514
Less Fixed Charges (-)		8.	21,823	8,378	1,580	9,958	7,900	127	3,838	11,865
Subtotal (lines 7-8)	(14)	9.	37,325	268,422	13,834	282,256	-71,486	-2,093	0	-244,931
Other SIT Base Add/Ded. (+/-)	(15)	10.	0			0				0
SIT Taxable Inc. (lines 9+-10)		11.	37,325	268,422	13,834	282,256	-71,486	-2,093	0	-244,931
7230 SIT-Current (at 6.6%)	(16)	12.	2,463	17,716	913	18,629	-4,718	-138	0	-11,309
Other FIT Base Add/Ded. (+/-)	(17)	13.	0	0	0	0	0	0	0	0
FIT Taxable Inc. (lines 9-12+-13)		14.	34,862	250,706	0	263,627	-66,768	-1,955	0	-68,723
Gross FIT		15.	63,694	87,747	0	87,747	-23,369	-684	0	-24,053
7210P Claimed ITC (-)		16.	0	0	0	0	0	0	0	0
Surtax Elimination (-)		17.	0	0	0	0	0	0	0	0
7220 FIT-Current (lines 15-16-17)	(18)	18.	63,694	87,747	0	87,747	-23,369	-684	0	-24,053

FORM I INPUT MASTER		For The Year Ended: December 31, 2007		Separated Results of Idaho Operations			
COMPANY NAME: Inland Telephone Co.							
FCC Account and Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation		Intrastate Operation	
				MTS & WATS Switched Access	TOLL PLS Special Access	MTS & WATS Switched Access	TOLL PLS Special Access
			Total			Total	

FORM I INPUT MASTER		For The Year Ended: December 31, 2007		Separated Results of Idaho Operations			
COMPANY NAME: Inland Telephone Co.							
Description	Note No.	Line No.	Total Idaho Operations Subject To Separations	Interstate Operation		Intrastate Operation	
				Interstate Toll	Intrastate Toll	EAS	Local (Other)
Separation Parameters							
Plant	(19)						
SLU Minutes of Use (MOU)		1.	8,733,591	2,114,479	943,313		5,675,799
SLU Factor		2.	1.000000	0.242109	0.108009		0.649882
Base SPF - January 1		3.	0.000000				
Base SPF - December 31		4.	0.000000				
Current Composite SPF	(20)	5.	1.000000	0.250000	0.250000		0.500000
1996 Weighted DEM		6.	1.000000	0.859807			0.141193
1996 Unweighted DEM	(21)	7.	1.000000	0.286269	0.125012		0.588719
Current CAT 3 Dial Equipment Minutes		8.	8,733,591	2,114,479	943,313		5,675,799
Current Composite DEM Factor	(22)	9.	1.000000	0.814647	0.035533		0.15
Exchange Trunk - Joint Use MOU	(23)	10.	0				
Host/Remote MOU Kilometers	(24)	11.	0				
Equal Access MOU	(25)	12.	0				
Operator Standard Work Seconds	(26)	13.	0				
Tandem Switching MOU		14.	0				
IX Conversation MOU		15.	1,625,789	1,112,344	513,445		
IX Conversation Minute Kilometers		16.	17,352,786	12,033,796	5,318,990		
Other Parameters							
Access Lines	(27)	17.	418				
Unseparated Loop Cost @ 11.1 ROR	(28a)	18.					
Gross Billed Revenues	(28b)	19.	0				
-Marketing Allocation Basis	(28c)	20.	184,281	75,272	38,609		70,400
-Payment & Collection-End User		21.	0				
-Payment & Collection-CXR		22.	677	195	135		347
Service Order Contacts		23.	0				
-Service Order Proc.-End User	(30a)	24.	380	224	156		
-Service Order Proc.-CXR	(30b)	25.	0				
Billing Inquiry Contacts	(31)	26.	100,680	54,286	46,394		
-Billing Inquiry-End User		27.	0				
-Billing Inquiry-CXR	(32)	28.	243,984	90,865	56,693		96,426
SP+RC Toll Messages		29.	1,623		1,623		
EAS/Local Messages (Msg. Proc.)		30.	0				
'BIG 3' Expense Factor-Message		31.	0				
-PLS & Special Access							
Operator Services Expense -- Factor							
Access Minutes of Use (End Office)							