

INL-T

# *ANNUAL REPORT*

OF

INLAND TELEPHONE COMPANY

**NAME**

PO BOX 171, ROSLYN, WA 98941

**ADDRESS**

TO THE

**IDAHO PUBLIC**

**UTILITIES COMMISSION**

FOR THE

YEAR ENDED 2016

IDAHO PUBLIC  
UTILITIES COMMISSION

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**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO  
THE IDAHO PUBLIC UTILITIES COMMISSION  
FOR THE YEAR ENDING DECEMBER 31, 2016**

**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, Ronald, & Uniontown, Washington & Gifford, Leon & Lenore, Idaho

Name and title of officer having custody of the general corporate books of account:  
James K. Brooks, Treasurer

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) R & R Cable Co., P.O. Box 610, Roslyn, WA 98941-cable television company,
- (2) Inland Long Distance Telephone Company, P.O. Box 904, Roslyn, WA 98941-long distance resale,
- (3) Newport Hills Land Co., Inc., P.O. Box 687, Roslyn, WA-land company,
- (4) Easton Ridge Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (5) R & R Heights Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (6) Moses Lake Views Land Co., Inc., P.O. Box 687, Roslyn, WA-land company, (7) 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.

<b>Title</b>	<b>Name</b>	<b>Address</b>
President	Douglas W. Weis	P.O. Box 171, Roslyn, Washington 98941
Vice President	Jerred R. Weis	P.O. Box 171, Roslyn, Washington 98941
Secretary	Gregory A. Maras	P.O. Box 171, Roslyn, Washington 98941
Treasurer	James K. Brooks	P.O. Box 171, Roslyn, Washington 98941
Assistant Secretary	Jessica A. Berry	P.O. Box 171, Roslyn, Washington 98941

**DIRECTORS**

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

<b>Name and Address</b>	<b>Term Expired or Current Term</b>	<b>Meetings Attended This year</b>	<b>Fees Paid</b>
Douglas W. Weis	Continuous	1	None
Gregory A. Maras	Continuous	1	None
James K. Brooks	Continuous	1	None
Justin D. Weis	Continuous	1	None
Jerred R. Weis	Continuous	1	None
Nolan W. Weis	Continuous	1	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.)

<b>Name</b>	<b>Title</b>	<b>Wages and Bonuses Paid</b>
Douglas W. Weis	President	
Gregory A. Maras	Secretary	
James K. Brooks	Treasurer/Controller	





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

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
<b>Current Assets</b>			
1120 Cash and Equivalents			
1130 Cash	620,545	1,096,725	476,180
1140 Special Cash Deposits			
1150 Working Cash Advances	1,650	1,700	50
1160 Temporary Investments	4,738	0	(4,738)
1180 Telecommunications Accts. Receivable	109,332	118,410	9,078
1181 Accts. Rec. Allow. - Telecommunications	(10,000)	(10,000)	0
1190 Other Accounts Receivable	1,006,225	1,076,553	70,328
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable			
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	242,749	270,709	27,960
1280 Prepayments	77,094	88,993	11,899
1290 Prepaid Rents			
1300 Prepaid Taxes			
1310 Prepaid Insurance			
1320 Prepaid Directory Expenses			
1330 Other Prepayments			
1350 Other Current Assets			
<b>Noncurrent Assets</b>			
1401 Investment in Affiliated Companies			
1402 Investment in Nonaffiliated Companies	60,553	70,269	9,716
1406 Nonregulated Investments	1,550,828	2,071,788	520,960
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets	157,682	166,222	8,540
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges			
1500 Other Jurisdiction Assets - Net			
<b>Property, Plant and Equipment</b>			
2001 Telecommunications Plants in Service	27,040,232	37,510,983	10,470,751
2002 Prop. Held for Future Telecom. Use	629,899	312,104	(317,795)
2003 Telecom. Plant under Constr. - Short Term	5,115,939	380,098	(4,735,841)
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment			
2006 Nonoperating Plant			
2007 Goodwill			
<b>Depreciation and Amortization Accounts</b>			
3100 Accumulated Depreciated	18,877,915	18,972,761	94,846
3200 Accum. Depr. - Held for Future Use	25,893	16,251	(9,642)
3300 Accumulated Depreciation - Nonoperating			
3400 Accumulated Amortization - Tangible			
3410 Accum. Amort. - Capitalized Leases			
3420 Accum. Amort. - Leasehold Improvements	950	1,085	135
3500 Accumulated Amortization - Intangible	556	602	46
3600 Accumulated Amortization - Other			
<b>TOTAL ASSETS</b>	<b>17,702,152</b>	<b>24,163,855</b>	<b>6,461,703</b>

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

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
<b>Current Liabilities</b>			
4010 Accounts Payable	250,669	260,605	9,936
4020 Notes Payable			
4030 Advance Billings and Payments			
4040 Customer Deposits	2,416	2,640	224
4050 Current Maturities - Long -Term Debt	663,400	1,132,800	469,400
4060 Current Maturities - Capital leases			
4070 Income Taxes - Accrued		20	20
4080 Other Taxes - Accrued	86,445	83,701	(2,744)
4100 Net Current Defer. Oper. Income Taxes	0	0	0
4110 Net Current Defer. Nonoper. Income Taxes			
4120 Other Accrued Liabilities	490,216	504,893	14,677
4130 Other Current Liabilities	13,825	14,425	600
<b>Long-Term Debt</b>			
4210 Funded Debt	9,078,551	14,428,319	5,349,768
4220 Premium on Long-Term Debt			
4230 Discount on Long-Term Debt			
4240 Recquired Debt			
4250 Obligations Under Capital Leases			
4260 Advances from Affiliated Companies	0	0	0
4270 Other Long-Term Debt			
<b>Other Liabilities &amp; Deferred Credits</b>			
4310 Other Long-Term Liabilities			
4320 Unamort. Oper. Invest. Tax Credits - Net			
4330 Unamort. Nonoper. Invest. Tax Credits - Net			
4340 Net Noncurrent Defer. Oper. Income Taxes	1,011,744	1,304,210	292,466
4350 Net Noncur. Defer. Nonoper. Income Taxes			
4360 Other Deferred Credits	0	0	0
4370 Other Juris. Liab. & Def. Credits - Net			
<b>Stockholders' Equity</b>			
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	6,004,561	6,331,917	327,356
<b>TOTAL LIAB. &amp; OTHER CREDITS</b>	<b>17,702,152</b>	<b>24,163,855</b>	<b>6,461,703</b>

**ANALYSIS OF TELECOMMUNICATIONS PLANT IN SERVICE**  
**TOTAL Company Basis**

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
<b>Analysis of Telecommunications Plant in Service</b>					
2111 Land	703,900	221,521		(44,503)	880,918
2112 Motor Vehicles	1,175,352	22,098	47,445	22,290	1,172,295
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	25,295				25,295
2116 Other Work Equipment	1,083,151	50,611		(22,290)	1,111,472
2121 Buildings	2,140,666	457,992			2,598,658
2122 Furniture	189,989				189,989
2123 Office Equipment	350,637	35,404			386,041
2124 General Purpose Computers	433,030	18,306	17,573		433,763
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	3,310,795	466,419	961,982	174,810	2,990,042
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	0				0
2232 Circuit Equipment	3,540,123	1,511,347		(212,296)	4,839,174
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	38,563				38,563
2421 Aerial Cable	455,058	404,513	166,313		693,258
2422 Underground Cable	0				0
2423 Buried Cable	13,574,978	8,557,842			22,132,820
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	6,695				6,695
2441 Conduit Systems	0				0
2681 Capital Leases	0				0
2682 Leasehold Improvements	8,609				8,609
2690 Intangibles	3,391				3,391
<b>TOTAL PLANT ACCOUNTS</b>	<b>27,040,232</b>	<b>11,746,053</b>	<b>1,193,313</b>	<b>(81,989)</b>	<b>37,510,983</b>

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

	Balance Beginning of Year	Additions During year	Plant Retired or Sold	Transfers and Adjustments	Balance End of Year
<b>Analysis of Telecommunications Plant in Service</b>					
2111 Land	144,557			23,013 *	167,570
2112 Motor Vehicles	132,092			1,355 *	133,447
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0			10 *	0
2115 Garage Work Equipment	1,739			525 *	1,749
2116 Other Work Equipment	103,837			40,780 *	104,362
2121 Buildings	422,444			(875) *	463,224
2122 Furniture	25,031			2,429 *	24,156
2123 Office Equipment	58,344			(2,031) *	60,773
2124 General Purpose Computers	53,336				51,305
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	513,343	19,143		8,920 *	541,406
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	0				0
2232 Circuit Equipment	330,636			(2,882) *	327,754
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	3,648			33,178
2422 Underground Cable	0				0
2423 Buried Cable	2,046,253				2,046,253
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
<b>TOTAL PLANT ACCOUNTS</b>	<b>3,872,304</b>	<b>22,791</b>	<b>0</b>	<b>71,244</b>	<b>3,966,339</b>

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

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

**TOTAL Company Basis**

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
<b>Analysis of Entries in Accumulated Depreciation</b>					
2112 Motor Vehicles	1,023,171	12.50	60,197	(39,917)	1,043,451
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	25,295	12.50			25,295
2116 Other Work Equipment	890,421	12.50	63,043	(6,599)	946,865
2121 Buildings	1,522,074	2.50	91,835		1,613,909
2122 Furniture	183,402	15.00	1,996		185,398
2123 Office Equipment	302,146	5.00	18,311		320,457
2124 General Purpose Computers	390,554	25.00	43,079	(17,572)	416,061
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	2,531,099	9.00	191,966	(949,804)	1,773,261
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	0				0
2232 Circuit Equipment	2,549,338	11.19	217,732	(13,217)	2,753,853
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	38,563	5.00			38,563
2421 Aerial Cable	256,799	4.00	24,117	(166,313)	114,603
2422 Underground Cable	0				0
2423 Buried Cable	9,158,358	4.00	575,992		9,734,350
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	6,695	8.00			6,695
2441 Conduit Systems	0				0
<b>TOTAL</b>	<b>18,877,915</b>		<b>1,288,268</b>	<b>(1,193,422)</b>	<b>18,972,761</b>

\*Please list individual depreciation rate for each account.

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

**IDAHO Operations Only**

**Analysis of Entries in Accumulated Depreciation**

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
2112 Motor Vehicles	128,642	12.50		(186) **	128,456
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	1,739	12.50		10 **	1,749
2116 Other Work Equipment	103,285	12.50		724 **	104,009
2121 Buildings	289,061	2.50	3,148	7,330 **	299,539
2122 Furniture	23,844	15.00		(551) **	23,293
2123 Office Equipment	53,058	5.00		912 **	53,970
2124 General Purpose Computers	48,610	25.00		859 **	49,469
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	431,580	9.00	9,390	5,930 **	446,900
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	0				0
2232 Circuit Equipment	299,380	11.19	3,060	1,263 **	303,703
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	5.00			1,577
2421 Aerial Cable	18,552	4.00	1,254		19,806
2422 Underground Cable	0				0
2423 Buried Cable	1,739,429	4.00	81,044		1,820,473
2424 Submarine Cable	0				0
2426 Intra Building Network Cable	0				0
2431 Aerial Wire	4,821	8.00			4,821
2441 Conduit Systems	0				0
<b>TOTAL</b>	<b>3,143,578</b>		<b>97,896</b>	<b>16,291 **</b>	<b>3,257,765</b>

\* Please list individual depreciation rate for each account.

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

## 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>
1402-MCI	2005		45,640
1406-CPE/Bldgs/Vehicles/ Internet Equipment	Various		2,071,788
Rural Telephone Finance Cooperative Capital Certificates			24,629
<b>Totals</b>		<u>0</u>	<u>2,142,057</u>

## 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		118,410
1190-Other A/R-Interexchange Carriers & Exchange Carrier Association		207,670
1190-Other A/R-Affiliated Companies		808,606
1190-Other A/R		60,277
<b>Totals</b>		<u>1,194,963</u>

**NOTES PAYABLE**

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

<u>Name of Creditor</u>	<u>Date of Note</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Face Amount</u>
<b>Totals</b>				<u>0</u>

**ACCOUNTS PAYABLE**

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

<u>Name of Creditor</u>	<u>Amount</u>
Trade Payables	260,605
<b>Totals</b>	<u>260,605</u>



**LONG - TERM DEBT**

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

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

<u>Class &amp; Series of Obligation</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Fact Amount Authorized</u>	<u>Outstanding Year-End</u>	<u>Premium/ Discount</u>		<u>Interest for year</u>	
					<u>Total</u>	<u>Year Amortized</u>	<u>Rate</u>	<u>Amount</u>
RUS 12070	May 1983	May 2018	1,129,000	64,694	1	1	2%	1,807
RUS 12140	Oct. 1979	Jan. 2021	224,000	47,358	1	1	5%	2,717
RTB S022	Dec. 1986	Jan. 2018	261,467	22,670	1	1	8%	2,793
FTB H0010	Oct. 2011	Dec. 2029	541,768	445,110	1	1	1.702%	8,545
FTB H0015	Jul. 2013	Dec. 2029	1,353,507	1,124,559	1	1	2.468%	30,572
FTB F0020	Nov. 2013	Dec. 2029	394,618	327,832	1	1	2.681%	9,639
FTB F0025	Dec. 2013	Dec. 2029	687,773	582,082	1	1	2.894%	18,402
FTB F0030	Feb. 2014	Dec. 2029	2,025,086	1,729,852	1	1	2.649%	50,285
FTB H0035	July, 2014	Dec. 2029	515,027	450,545	1	1	2.422%	12,033
FTB F0040	Dec. 2014	Dec. 2029	1,346,993	1,192,874	1	1	2.078%	27,583
FTB F0045	April 2015	Dec. 2029	534,597	485,822	1	1	1.856%	10,108
FTB F0050	June 2015	Dec. 2029	1,686,575	1,538,595	1	1	2.157%	36,845
FTB F0055	Sep 2015	Dec. 2029	1,157,780	1,069,997	1	1	2.069%	24,641
FTB F0060	Feb. 2016	Dec. 2029	1,258,210	1,196,889			1.655%	19,056
FTB F0065	May 2016	Dec. 2029	1,422,510	1,375,832			1.744%	15,650
FTB F0070	Jul. 2015	Dec. 2029	512,041	503,210			1.260%	3,507
FTB F0075	Oct. 2016	Dec. 2029	3,406,913	3,406,913			1.628%	14,361
CUSHION OF CREDIT				(3,715)				(179)
			<u>18,457,865</u>	<u>15,561,119</u>				<u>288,365</u>



**INCOME & RETAINED EARNINGS STATEMENT**

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	5,585,720	669,041
Total Operating Expenses (from page 17)	4,717,801	586,921
7100 Other Operating Income and Expense	_____	_____
7210 Operating Investment Tax Credits-Net	_____	_____
7220 Operating Federal Income Taxes	_____	_____
7230 Operating State and Local Income Taxes	20	20
7240 Operating Other Taxes	159,343	26,917
7250 Provision for Deferred Operating Income Taxes-Net	220,939	23,754
7200 <b>Operating Taxes (Total)</b>	380,302	50,691
7310 Dividend Income	2,507	260
7320 Interest Income	137	0
7330 Income from Sinking and Other Funds	_____	_____
7340 Allowance for Funds Used During Construction	109,525	13,300
7350 Gains/Losses from the Disposition of Certain Property	16,161	16,161
7360 Other Nonoperating Income	5,347	555
7370 Special Charges	(15,085)	(1,565)
7300 <b>Nonoperating Income and Expense</b>	118,592	28,711
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	(20,592)	0
7400 <b>Nonoperating Taxes</b>	(20,592)	0
7510 Interest on Funded Debt	288,365	35,616
7520 Interest Expense-Capital Leases	_____	_____
7530 Amortization of Debt Issuance Expense	_____	_____
7540 Other Interest Deductions	3,580	436
7500 <b>Interest and Related Items</b>	291,945	35,453
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 <b>Extraordinary Items</b>	0	0
7910 Income Effect of Jurisdictional Ratemaking Differences-Net	_____	_____
7990 Nonregulated Net Income	(11,540)	11,526
<b>AMOUNT TRANSFERRED TO RETAINED EARNINGS</b>	<b>323,316</b>	<b>36,213</b>

**OPERATING REVENUES**

Item	Total Company	Idaho Only
<b>Local Network Services Revenues</b>		
5001 Basic Area Revenue	620,980	87,043
5002 Optional Extended Area Revenue		
5003 Cellular Mobile Revenue		
5004 Other Mobile Services Revenue		
5010 Public Telephone Revenue		
5040 Local Private Line Revenue	105	0
5050 Customer Premises Revenue		
5060 Other Local Exchange Revenue	85,617	10,899
5069 Other Local Exchange Settlements		
<b>Network Access Services Revenues</b>		
5081 End User Revenue (SLC)	239,868	25,347
5082 Switched Access Revenue (Interstate)	2,265,063	364,924
5083 Special Access Revenue	1,802,405	138,750
5084 State Access Revenue (Intrastate)	484,642	36,972
<b>Long Distance Network Services Revenues</b>		
5100 Long Distance Message Revenue - All	510	3
<b>Miscellaneous Revenues</b>		
5230 Directory Revenue	8,783	1,073
5240 Rent Revenue	20,188	0
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue	11,711	(135)
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	1,320	30
5269 Other Revenue Settlements		
5270 Carrier Billing & Collection Revenue	46,965	4,601
<b>Uncollectible Revenues</b>		
5301 Uncollectible Revenue - Telecommunications	2,437	466
5302 Uncollectible Revenue - Other		
<b>TOTAL OPERATING REVENUES</b>	<b>5,585,720</b>	<b>669,041</b>

Please identify the following revenues:

NECA USF \$339,099 To what account were they booked?  
A/C 5082.13-Interstate Switched Access Revenue-USF (Idaho only)

State USF \$27,604 To what account were they booked?  
A/C 5084.12-Intrastate Switched Access Revenue-USF (Idaho only)

## OPERATING REVENUES

Item	Total Company	Idaho Only
<b>Plant Specific Operations Expense</b>		
6110 Network Support Expenses		
6112 Motor Vehicle Expense	1,089	113
6113 Aircraft Expense		
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense	23,682	2,461
6116 Other Work Equipment Expense	568	59
6120 General Support Expenses		
6121 Land and Building Expenses	219,545	38,054
6122 Furniture and Artworks Expense	410	71
6123 Office Equipment Expense	33,597	5,790
6124 General Purpose Computers Expense	94,218	16,238
6210 Central Office Switching Expenses	166,718	27,908
6211 Analog Electronic Expense		
6212 Digital Electronic Expense		
6215 Electro-Mechanical Expense		
6220 Operators System Expense		
6230 Central Office Transmission Expenses	427,176	41,473
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	7,846	321
6421 Aerial Cable Expense	22,627	4,622
6422 Underground Cable Expense	456,170	87,477
6423 Buried Cable Expense		
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense		
6441 Conduit Systems Expense		
<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	<b>1,453,646</b>	<b>224,587</b>

## OPERATING REVENUES

Item	Total Company	Idaho Only
<b>Plant Nonspecific Operations Expense</b>		
6510 Other Property/Plant/Equipment Expenses		
6511 Property Held for Future Telecomm. Use Expenses		
6512 Provisioning Expense	5,343	756
6530 Network Operations Expense		
6531 Power Expense	36,773	3,389
6532 Network Administration Expense	100,429	14,205
6533 Testing Expense	30,308	4,287
6534 Plant Operations Administration Expense	90,389	12,785
6535 Engineering Expense	103	15
6540 Access Expense	183,257	18,979
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	1,296,116	123,202
6562 Depreciation Expense-Property Held for Future Use	16,251	0
6563 Amortization Expense - Tangible		
6564 Amortization Expense - Intangible	182	0
6565 Amortization Expense - Other		
<b>Total Plant Nonspecific Operations Expenses</b>	<b>1,759,151</b>	<b>177,618</b>
<b>Customer Operations Expense</b>		
6610 Marketing	4,060	421
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services		
6621 Call Completion Services		
6622 Number Services	7,939	824
6623 Customer Services	549,807	57,028
<b>Total Customer Operations Expense</b>	<b>561,806</b>	<b>58,273</b>
<b>Corporate Operations Expense</b>		
6710 Executive and Planning	174,074	23,336
6711 Executive		
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	433,269	58,083
6722 External Relations	25,900	3,472
6723 Human Resources	43,630	5,849
6724 Information Management		
6725 Legal	23,077	3,094
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	243,248	32,609
6790 Provision for Uncollectible Notes Receivable		
<b>Total Corporate Operations Expense</b>	<b>943,198</b>	<b>126,443</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>4,717,801</b>	<b>586,921</b>

**CENTRAL OFFICE DATA**  
**as of December 31, 2016 (unless otherwise indicated)**

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

Central Office Switch Metaswitch

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

**Access Line Capacity**  
 Design: 10,000 **Access Lines in Use**  
 Customer Lines: 26  
 (Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 764  
 Public Telephone Lines 0  
 Company Official Lines 1  
 Company Test Lines 2

	Residence			Business			Total Residence & Business		
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Centrex N.A.R.	Multi- Line 1-Party	Multi- Party Business		Subtotal Business	
Beginning of Year	0	27	0	27	0	1	0	1	28
New Connects	0	0	0	0	0	0	0	0	0
Disconnects	0	2	0	2	0	0	0	0	2
End of Year	0	25	0	25	0	1	0	1	26

**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: 2

**Custom Calling:**  
 Number of customers with at least one feature: 15  
 Total number of features subscribed to: 4

**CENTRAL OFFICE DATA**  
as of December 31, 2016 (unless otherwise indicated)

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

Central Office Switch Type: Metaswitch

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

**Access Line Capacity**  
Design: 10,000 **Access Lines in Use**  
Customer Lines: 237  
(Include Centrex, PAL, Semi-Pub.)

Installed/Equipped: 375  
Public Telephone Lines 0  
Company Official Lines 8  
Company Test Lines 4

**Classification of Customer Access**

	Residence			Business			Total Residence & Business
	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	Multi-Line 1-Party	Single Line 1-Party	Multi-Party	
Beginning of Year	0	231	0	0	12	8	251
New Connects	0	14	0	0	0	0	14
Disconnects	0	25	0	0	2	1	28
End of Year	0	220	0	0	10	7	237

**Foreign Exchange:**

Dial Tone from this C.O.: 0  
Dial Tone from another C.O.: 0  
Number of Customers with Nonpublished or Nonlisted: 18

**Custom Calling:**

Number of customers with at least one feature: 231  
Total number of features subscribed to: 12



**NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING 2016**

FOR THE YEAR ENDING DECEMBER	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, 2016

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  December, 2015 through December, 2016

Alternate method of notification  None

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company  4

Category of complaints (if known):

Deposit Disputes  0

Charges on Bill  2

Denial/Termination  1

Quality or Availability  
of Service  1

Carrier Selection/Assignment  0

Miscellaneous  0

Rev 3/02

**CERTIFICATE**


FOR THE YEAR ENDING DECEMBER 31, 2016 )  
County of Kittitas ) ss  
)

WE, the undersigned Douglas W. Weis, President

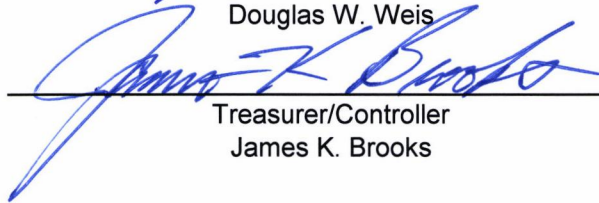
and James K. Brooks, Treasurer

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.



President  
Douglas W. Weis



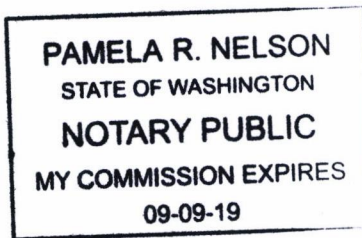
Treasurer/Controller  
James K. Brooks

Subscribed and Sworn to Before Me this 12 day of April, 2017



Notary Public  
Pamela R. Nelson

My Commission expires 09/09/19



ANNUAL REPORT  
OF  
IDAHO SEPARATED RESULTS OF OPERATIONS  
(Telecommunications Utilities Form I)

OF

INLAND TELEPHONE COMPANY

Name of Respondent

TO THE  
IDAHO PUBLIC UTILITIES COMMISSION  
PO BOX 38720  
BOISE, ID 83720-0074

FORM I INPUT MASTER

For The Year Ended: December 31, 2016

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			Total
				MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Total	MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Total	
<b>SUMMARY</b>										
<b>Operating Revenues</b>										
50XX Local -Billed	(1)	1.	97,942							97,942
-EAS Billed	(1)	2.	0							0
-EAS Settlement	(1)	3.	0							0
508X Access-SLC (End User)+ARC	(2)	4.	26,033	26,033						26,033
-Switched (TS+NTS)	(2)	5.	401,210	364,238						364,238
-Special	(2)	6.	138,750	138,750						138,750
51XX Toll -Message	(3a)	7.	0							0
-Private Line	(3b)	8.	0							0
-Settlement	(3c)	9.	-3							-3
52XX Misc. -Billing & Collection	(4)	10.	4,601	2,414						2,187
-Directory Advertising		11.	1,073							1,073
-Operating Rents		12.	0							0
-Other Misc.		13.	30							30
530X Less: Uncollectible Rev. (-)		14.	-466	0						-466
<b>Total Revenues</b>		15.	<b>669,170</b>	<b>392,685</b>	<b>138,750</b>	<b>531,435</b>	<b>39,156</b>	<b>0</b>	<b>98,579</b>	<b>137,735</b>
<b>Operating Expenses</b>										
61XX-64XX Plant Specific Oper.	(5a)	16.	205,398	70,023	25,476	95,499	35,170	535	0	74,194
65XX Plant Nonspecific Operations	(5a)	17.	33,169	10,218	3,164	13,382	6,413	99	0	13,275
656X Depreciation & Amortization	(5a)	18.	185,592	67,354	15,257	82,611	31,891	496	0	70,594
66XX Customer Operations	(5a)	19.	51,537	21,440	0	21,440	17,200	7	0	12,890
67XX Corporate Operations	(5a)	20.	117,392	47,028	10,965	57,993	22,572	222	0	36,605
----- Other Operating	(5a)	21.	18,979	18,979	0	18,979	0	0	0	0
<b>Total Expenses</b>	(5a)	22.	<b>612,067</b>	<b>235,042</b>	<b>54,862</b>	<b>289,904</b>	<b>113,246</b>	<b>1,359</b>	<b>0</b>	<b>207,558</b>
<b>Operating Taxes:</b>	(6)									
7240 General Taxes		23.	25,480	8,095	2,360	10,455	5,052	74	0	9,899
7230 State/Local Inc. Tax (Current)		24.	1,968	9,838	5,370	15,208	-5,246	-95	0	-7,899
7220 Federal Income Tax (Current)		25.	22,275	48,727	0	48,727	-25,982	-470	0	-26,452
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
<b>Total Taxes</b>		28.	<b>49,722</b>	<b>66,659</b>	<b>7,730</b>	<b>74,389</b>	<b>-26,175</b>	<b>-491</b>	<b>0</b>	<b>2,000</b>
<b>Net Operating Income</b>		29.	<b>7,381</b>	<b>90,984</b>	<b>76,158</b>	<b>167,142</b>	<b>-47,915</b>	<b>-868</b>	<b>0</b>	<b>-110,979</b>



FORM I INPUT MASTER

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2016

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 Local (other) Total		
<b>SUMMARY (continued)</b>											
Average Rate Base											
2001 Telecom Plant in Service	(5b)	1.	4,272,050	1,315,999	407,564	1,723,563	826,031	12,732	0	1,709,724	2,548,487
2005 Plant Acquisition Adjustment		2.	0			0					0
3100 Less: Accumulated Depr. (-)	(5c)	3.	-3,099,145	-1,000,383	-300,423	-1,300,806	-580,429	-8,898	0	-1,209,012	-1,798,339
34xx-36xx Accumulated Amort. (-)	(5)	4.	0	0	0	0	0	0	0	0	0
4100-4340 Accum. Deferred Tax (-)		5.	-65,343	-21,131	-6,265	-27,396	-9,850	-151		-27,946	-37,947
1220 Materials and Supplies		6.	0			0					0
Equal Access Equipment	(7)	7.	0			0					0
Other Rate Base		8.	167,495	53,102	15,931	69,033				98,462	98,462
<b>Total Average Rate Base</b>		9.	<b>1,275,057</b>	<b>347,587</b>	<b>116,807</b>	<b>464,394</b>	<b>235,752</b>	<b>3,683</b>	<b>0</b>	<b>571,228</b>	<b>810,663</b>

FORM I INPUT MASTER

For The Year Ended: December 31, 2016

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				Total	
				MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Special Access	MTS & WATS Switched Access	TOLL PLS Special Access	EAS	Local (other)		
<b>PLANT IN SERVICE DETAIL</b>												
21XX General Support Facilities			745,806	229,744	71,152	300,896	144,207	2,223	0	298,480	444,910	
22XX Central Office Equipment:												
CAT 1-Operator Systems			0								0	
CAT 2-Tandem Switching (Alloc.)			0								0	
CAT 2-Tandem Switching (Assign.)			0								0	
CAT 3-Local Switching			478,196	389,561		389,561	16,906			71,729	88,635	
CAT 4-12-Exch. Trunk (Joint Use)			7,998							7,998	7,998	
CAT 4-12-Exch. Trunk (Ded. Use)			0							0	0	
CAT 4-13-Subscr. Line (Joint Use)			165,738	41,286		41,286	41,286	593		82,573	124,452	
CAT 4-13-Subscr. Line (Ded. Use)			0								0	
CAT 4-23-IX Trunk (Joint Use)			12,765	8,101	740	8,841	3,739	185		0	3,924	
CAT 4-23-IX Trunk Ckt. (Ded. Use)			0								0	
CAT 4-3-Host/Remote Trunk Ckt.			0								0	
Other COE			227,376	227,376		227,376					0	
<b>Total COE</b>			<b>892,073</b>	<b>438,948</b>	<b>228,116</b>	<b>667,064</b>	<b>61,931</b>	<b>778</b>	<b>0</b>	<b>162,300</b>	<b>225,009</b>	
23XX Information Orig./Term. Equipment:												
CAT 1-Regulated CPE			0								0	
Other IOT			0								0	
<b>Total IOT</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
24XX Cable & Wire Facilities:												
CAT 1.3-Subscriber Line (Common)			2,390,759	597,690		597,690	597,690	8,585		1,195,379	1,793,069	
CAT 1.1,2-Subscriber Line (Ded.)			8,585								8,585	
CAT 2-Exch. Trunk (Joint Use)			0								0	
CAT 2-Exch. Trunk (Ded. Use)			154,974	103,316	103,316	103,316				51,658	51,658	
CAT 3-IX Trunk (Joint Use)			75,089	48,149	4,526	52,675	21,282	1,132			22,414	
CAT 3-IX Trunk (Ded. Use)			0								0	
CAT 4-Host/Remote Trunk			0								0	
Other C&WF			0								0	
<b>Total C&amp;WF</b>			<b>2,629,407</b>	<b>645,839</b>	<b>107,842</b>	<b>753,681</b>	<b>618,972</b>	<b>9,717</b>	<b>0</b>	<b>1,247,037</b>	<b>1,875,726</b>	
26XX Other Assets:												
Capital Leases			0								0	
Leasehold Improvements			0								0	
Intangibles			4,764	1,468	454	1,922	921	14		1,907	2,842	
<b>Total Other Assets</b>			<b>4,764</b>	<b>1,468</b>	<b>454</b>	<b>1,922</b>	<b>921</b>	<b>14</b>	<b>0</b>	<b>1,907</b>	<b>2,842</b>	
<b>Total Telecom. Plant in Service</b>	(5b)		<b>4,272,050</b>	<b>1,315,999</b>	<b>407,564</b>	<b>1,723,563</b>	<b>826,031</b>	<b>12,732</b>	<b>0</b>	<b>1,709,724</b>	<b>2,548,487</b>	



FORM I INPUT MASTER

COMPANY NAME: Inland Telephone Co.

For The Year Ended: December 31, 2016

Separated 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	Total	MTS & WATS Switched Access	TOLL PLS Special Access	Local (other)	
<b>Depreciation &amp; Amortization</b>										
<b>Accumulated Depreciation Detail</b>										
311X General Support Facilities		1.	-525,380	-161,843	-50,123	-211,966	-101,586	-1,566	-210,262	-313,414
312X Central Office Switching		2.	-433,373	-353,046		-353,046	-15,321		-65,006	-80,327
312X Operator Systems		3.	0			0				0
312X Central Office Transmission		4.	-318,559	-38,013	-175,580	-213,593	-34,656	-599	-69,711	-104,966
313X Information Orig./Term. Equip.		5.	0			0				0
314X Cable & Wire Facilities		6.	-1,821,833	-447,481	-74,720	-522,201	-428,866	-6,733	-864,033	-1,299,632
<b>Total Accumulated Depreciation</b>	(5c)	7.	<b>-3,098,145</b>	<b>-1,000,383</b>	<b>-300,423</b>	<b>-1,300,806</b>	<b>-580,429</b>	<b>-8,898</b>	<b>0</b>	<b>-1,209,012</b>
<b>Accumulated Amortization Detail</b>										
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
<b>Total Accumulated Amortization</b>	(5c)	12.	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



FORM I INPUT MASTER

For The Year Ended: December 31, 2016

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			Total
				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	Local (other)	
<b>OPERATING EXPENSE DETAIL</b>										
<b>61XX-64XX Plant Specific Operations</b>										
6110-20 General Support Facilities		1.	58,047	17,881	5,537	23,418	11,224	173	23,232	34,629
621X Central Office Switching		2.	24,970	12,287	6,385	18,672	1,734	22	4,542	6,298
6220 Operator Systems		3.	0			0				0
623X Central Office Transmission		4.	39,750	19,559	10,165	29,724	2,760	35	7,231	10,026
63XX Information Orig./Term. Equip.		5.	0			0				0
64XX Cable & Wire Facilities		6.	82,631	20,296	3,389	23,685	19,452	305	39,189	58,946
<b>Total Plant Specific</b>	(5a)	7.	<b>205,398</b>	<b>70,023</b>	<b>25,476</b>	<b>95,499</b>	<b>35,170</b>	<b>535</b>	<b>74,194</b>	<b>109,899</b>
<b>65XX Plant Nonspecific Operations</b>										
6512 Provisioning	(8)	8.	0			0				0
653X Network Operations		9.	33,169	10,218	3,164	13,382	6,413	99	13,275	19,787
6540 Access Paid to LECs	(9)	10.	0			0				0
<b>Total Plant Nonspecific</b>	(5a)	11.	<b>33,169</b>	<b>10,218</b>	<b>3,164</b>	<b>13,382</b>	<b>6,413</b>	<b>99</b>	<b>13,275</b>	<b>19,787</b>
<b>656X Depreciation &amp; Amortization</b>										
6561 General Support Facilities	(8)	12.	20,656	6,363	1,971	8,334	2,994	62	9,266	12,322
6561 Central Office Switching		13.	39,534	32,206		32,206	1,398		5,930	7,328
6561 Operator Systems		14.	0			0				0
6561 Central Office Transmission		15.	15,960	1,904	8,797	10,701	1,736	30	3,493	5,259
6561 Information Orig./Term. Equip.		16.	0			0				0
6561 Cable & Wire Facilities		17.	109,442	26,881	4,489	31,370	25,763	404	51,905	78,072
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
<b>Total Depreciation &amp; Amortization</b>	(5a)	22.	<b>185,592</b>	<b>67,354</b>	<b>15,257</b>	<b>82,611</b>	<b>31,891</b>	<b>496</b>	<b>70,594</b>	<b>102,981</b>



FORM I INPUT MASTER

For The Year Ended: December 31, 2016

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			Total
				MTS & WATS Switched Access	TOLL PLS Special Access	Total	MTS & WATS Switched Access	TOLL PLS Special Access	Total	
<b>OPERATING EXPENSE (continued)</b>										
<b>66XX Customer Operations</b>										
661X Marketing		1.	426	270		270	149	7		156
662X Operator Services		2.	0			0				0
662X Directory Publishing-Alpha.		3.	858	208		208	93		557	650
662X Directory Publishing-Classified		4.	0			0				0
662X Directory Publishing-Foreign		5.	0			0				0
6623 Service Order Proc.-End User		6.	8,417	2,420		2,420	1,681		4,316	5,997
6623 Payment & Collection-End User		7.	7,194	2,938		2,938	1,507		2,749	4,256
6623 Billing Inquiry-End User		8.	2,200	1,298		1,298	902			902
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.	1,332	718		718	614			614
6623 Rev. Acctg.-Local Mess. Proc.		14.	0			0				0
6623 Rev. Acctg.-Other Bill & Coll.		15.	7,108	2,101		2,101	2,369		2,638	5,007
6623 Rev. Acctg.-SLC Billing		16.	374	374		374				0
6623 Rev. Acctg.-CXR B & C	(9)	17.	7,062	3,531		3,531	3,531			3,531
6623 B & C Amts Paid to LECs	(9)	18.	0			0				0
6623 Other Customer Service	(5a)	19.	16,566	7,582		7,582	6,354		2,630	8,984
<b>Total Customer Operations</b>		20.	<b>51,537</b>	<b>21,440</b>	<b>0</b>	<b>21,440</b>	<b>17,200</b>	<b>7</b>	<b>12,890</b>	<b>30,097</b>
<b>67XX Corporate Operations:</b>										
671X Executive & Planning		21.	21,834	7,885	2,174	10,059	4,475	44	7,256	11,775
672X General & Administrative		22.	95,558	39,143	8,791	47,934	18,097	178	29,349	47,624
6728 EAS Settlement Expense		23.	0			0				0
<b>Total Corporate Operations</b>	(5a)	24.	<b>117,392</b>	<b>47,028</b>	<b>10,965</b>	<b>57,993</b>	<b>22,572</b>	<b>222</b>	<b>36,605</b>	<b>59,399</b>
<b>Other Operating Expenses:</b>										
Equal Access Provision	(10)	25.	0			0				0
Universal Service Fund	(11)	26.	18,979	18,979		18,979				0
Lifeline Connection Assistance	(12)	27.	0			0				0
<b>Total Other</b>	(5a)	28.	<b>18,979</b>	<b>18,979</b>	<b>0</b>	<b>18,979</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Operating Expenses</b>	(5a)	29.	<b>612,067</b>	<b>235,042</b>	<b>54,862</b>	<b>289,904</b>	<b>113,246</b>	<b>1,359</b>	<b>207,558</b>	<b>322,163</b>



**FORM I INPUT MASTER**

For The Year Ended: December 31, 2016

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			Total
				MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Total	MTS & WATS Switched Access	TOLL PLS Special Access	TOLL PLS Total	
<b>7240 General Taxes</b>										
7240 Property		1.	0							0
7240 Gross Receipts		2.	0							0
7240 PUC Fee		3.	744	475		475	269			269
7240 Franchise Fees		4.	0							0
7240 Other		5.	24,736	7,620	2,360	9,980	4,783	74	9,899	14,756
<b>Total General Taxes</b>		6.	<b>25,480</b>	<b>8,095</b>	<b>2,360</b>	<b>10,455</b>	<b>5,052</b>	<b>74</b>	<b>9,899</b>	<b>15,025</b>
<b>72XX Income Taxes (Calculated)</b>										
Net Income Before SIT & FIT	(13)	7.	31,623	149,548	81,528	231,076	-79,142	-1,433	0	-118,878
Less Fixed Charges (-)		8.	1,811	491	166	657	337	6	811	1,154
<b>Subtotal (lines 7-8)</b>	(14)	9.	<b>29,812</b>	<b>149,057</b>	<b>81,362</b>	<b>230,419</b>	<b>-79,479</b>	<b>-1,439</b>	<b>0</b>	<b>-119,689</b>
Other SIT Base Add/Ded. (+-)	(15)	10.	0			0				0
<b>SIT Taxable Inc. (lines 9+-10)</b>		11.	<b>29,812</b>	<b>149,057</b>	<b>81,362</b>	<b>230,419</b>	<b>-79,479</b>	<b>-1,439</b>	<b>0</b>	<b>-119,689</b>
7230 SIT-Current (at 6.6%)	(16)	12.	1,968	9,838	5,370	15,208	-5,246	-95	0	-7,899
Other FIT Base Add/Ded. (+-)	(17)	13.	0	0	0	0	0	0	0	0
<b>FIT Taxable Inc. (lines 9-12+-13)</b>		14.	<b>27,844</b>	<b>139,219</b>	<b>0</b>	<b>215,211</b>	<b>-74,233</b>	<b>-1,344</b>	<b>0</b>	<b>-75,577</b>
Gross FIT		15.	22,275	48,727	0	48,727	-25,982	-470	0	-26,452
7210P Claimed ITC (-)		16.	0	0	0	0	0	0	0	0
Surtax Elimination (-)		17.	0	0	0	0	0	0	0	0
<b>7220 FIT-Current (lines 15-16-17)</b>	(18)	18.	<b>22,275</b>	<b>48,727</b>	<b>0</b>	<b>48,727</b>	<b>-25,982</b>	<b>-470</b>	<b>0</b>	<b>-26,452</b>

FORM I INPUT MASTER		For The Year Ended: December 31, 2016				Separated Results of Idaho Operations			
COMPANY NAME: Inland Telephone Co.		Total Idaho Operations Subject To Separations		Interstate Operation		Intrastate Operation		Total	
FCC Account and Description	Note No.	Line No.	MTS & WATS Switched Access	TOLL PLS Special Access	MTS & WATS Switched Access	TOLL PLS Special Access	MTS & WATS Switched Access	TOLL PLS Special Access	Local (other) Total

FORM I INPUT MASTER		For The Year Ended: December 31, 2016				Separated Results of Idaho Operations			
COMPANY NAME: Inland Telephone Co.		Total Idaho Operations Subject To Separations		Interstate Operation		Intrastate Operation		Total	
Description	Note No.	Line No.	Interstate Toll	Intrastate Toll	Interstate Toll	Intrastate Toll	Interstate Toll	Intrastate Toll	Local (Other)
<b>Separation Parameters</b>	(19)								
Plant									
SLU Minutes of Use (MOU)		1.	2,114,479	943,313	5,675,799				
SLU Factor		2.	0.242109	0.108009	0.649882				
Base SPF - January 1		3.							
Base SPF - December 31		4.							
Current Composite SPF	(20)	5.	0.250000	0.250000	0.500000				
1996 Weighted DEM		6.	0.858807	0.125012	0.141193				
1996 Unweighted DEM		7.	0.286269	0.286269	0.588719				
Current CAT 3 Dial Equipment Minutes	(21)	8.	2,114,479	943,313	5,675,799				
Current Composite DEM Factor		9.	0.814647	0.035353	0.15				
Exchange Trunk - Joint Use MOU	(22)	10.							
Host/Remote MOU Kilometers	(23)	11.							
Equal Access MOU	(24)	12.							
Operator Standard Work Seconds	(25)	13.							
Tandem Switching MOU	(26)	14.							
IX Conversation MOU		15.	1,112,344	513,445					
IX Conversation Minute Kilometers		16.	12,033,796	5,318,990					
<b>Other Parameters</b>									
Access Lines		17.							
Unseparated Loop Cost @ 11.1 ROR	(27)	18.	295						
<b>Gross Billed Revenues</b>									
-Marketing Allocation Basis	(28a)	19.							
-Payment & Collection-End User	(28b)	20.	75,272	38,609					70,400
-Payment & Collection-CXR	(28c)	21.							
<b>Service Order Contacts</b>									
-Service Order Proc.-End User	(29a)	22.	195	135					347
-Service Order Proc.-CXR	(29b)	23.							
<b>Billing Inquiry Contacts</b>									
-Billing Inquiry-End User	(30a)	24.	224	156					
-Billing Inquiry-CXR	(30b)	25.							
SP+RC Toll Messages	(31)	26.	54,286	46,394					
EAS/Local Messages (Msg. Proc.)		27.							
'BIG 3' Expense Factor-Message	(32)	28.	90,865	56,693					96,426
-PLS & Special Access		29.		1,623					
Operator Services Expense -- Factor		30.							
Access Minutes of Use (End Office)		31.							