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IDAHO PUBLIC
UTILITIES COMMISSIO.

ANNUAL REPORT

OF

MID-T

MIDVALE TELEPHONE EXCHANGE, INC.

P.O. Box 7, Midvale, Idaho 83645

TO THE

IDAHO PUBLIC UTILITIES COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2006

**ANNUAL REPORT OF SMALL TELEPHONE COMPANIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING DECEMBER 31, 2006**

COMPANY INFORMATION

Exact name of utility: MIDVALE TELEPHONE EXCHANGE, INC.

Address of principal office: P.O. BOX 7, MIDVALE, IDAHO 83645

Telephone Number (Area Code 208) 355-2211 E-Mail address: laner@ruralnetwork.net

Cities or towns served: MIDVALE, LAKEVIEW, WARREN, YELLOW PINE, WARM LAKE AND STANLEY,
IDAHO; HARPER AND JUNTURA, OREGON; CASCABEL, YOUNG, ELOY,
PRESCOTT AND EAST OF SCOTTSDALE, ARIZONA

Name and title of officer having custody of the general corporate books of account: _____
LANE R. WILLIAMS, President

Address of office where corporate books are kept and phone number: _____
P.O. BOX 7, MIDVALE, IDAHO 83645 208-355-2211

Organized under the laws of the State of: IDAHO

Date of organization: 1/9/1908

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

If a Subchapter S Corporation, please specify: N/A

Name and address of controlling company, if any: N/A

Names of affiliated companies. Give address and description of business: M&L ENTERPRISES, INC., dba
SKYLINE TELEPHONE COMPANY, P.O. BOX 7, MIDVALE, IDAHO 83645.
CLEC IN STATE OF WASHINGTON

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	LANE R. WILLIAMS	P.O. BOX 7, MIDVALE, IDAHO 83645
SEC/TREAS	SHIRLEY ARCHER	P.O. BOX 7, MIDVALE, IDAHO 83645
VICE PRESIDENT	JULIANNE J. WILLIAM!	P.O. BOX 7, MIDVALE, IDAHO 83645
DIRECTOR	CONLEY WARD	P.O. BOX 7, MIDVALE, IDAHO 83645

DIRECTORS

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

Name and Address	Term Expired or Current Term Will Expire	Meetings Attended This year	Fees Paid During Year
<u>LANE R. WILLIAMS</u>	<u></u>	<u>4</u>	<u>NONE</u>
<u>SHIRLEY ARCHER</u>	<u></u>	<u>4</u>	<u>NONE</u>
<u>JULIANNE JOHNSON</u> <u>P.O. BOX 7, MIDVALE, IDAHO 83645</u>	<u></u>	<u>4</u>	<u>NONE</u>
<u>CONLEY WARD</u> <u>P.O. BOX 7 MIDVALE, IDAHO 83645</u>	<u></u>	<u>2</u>	<u>7,408</u>

Name of Chairman of the Board: LANE R. WILLIAMS
Name of Secretary (or Clerk) of Board: SHIRLEY ARCHER
Number of Meetings of the Board during the year: FOUR

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
<u>Lane R. Williams</u>	<u>President</u>	<u>42,984</u>
<u>Shirley C. Archer</u>	<u>Sec./Treas.</u>	<u>36,231</u>
<u>John A. Stuart</u>	<u>Operations Manager</u>	<u>81,491</u>
<u>Rob Vowell</u>	<u>NW Operations Mangager</u>	<u>48,000</u>
<u>Dennis Farrington</u>	<u>SW Operations Manager</u>	<u>60,000</u>
<u>Julianne Johnson</u>	<u>Vice President</u>	<u>35,325</u>

BALANCE SHEET
Assets and Other Debits

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Assets			
1120 Cash and Equivalents	56,724	196,585	\$139,861
1130 Cash			
1140 Special Cash Deposits			
1150 Working Cash Advances			
1160 Temporary Investments			
1180 Telecommunications Accts. Receivable	95,150	68,843	(26,307)
1181 Accts. Rec. Allow. -Telecommunications			
1190 Other Accounts Receivable	908,406	762,015	(146,391)
1191 Accounts Receivable Allow. - Other			
1200 Notes Receivable	59,176	73,837	14,661
1201 Notes Receivable Allowance			
1210 Interest & Dividends Receivable			
1220 Material and Supplies	72,830	123,579	50,749
1280 Prepayments	34,017	16,059	(17,958)
1290 Prepaid Rents			
1300 Prepaid Taxes			
1310 Prepaid Insurance			
1320 Prepaid Directory Expenses			
1330 Other Prepayments			
1350 Other Current Assets			
Noncurrent Assets			
1401 Investment in Affiliated Companies	651,524	602,405	(49,119)
1402 Investment in Nonaffiliated Companies	1,289,609	1,339,958	50,349
1406 Nonregulated Investments	357,351	343,929	(13,422)
1407 Unamortized Debt Issuance Expense			
1408 Sinking Funds			
1410 Other Noncurrent Assets	167,237	175,223	7,986
1438 Deferred Maintenance & Retirements			
1439 Deferred Charges			
1500 Other Jurisdiction Assets - Net			
Property, Plant and Equipment			
2001 Telecommunications Plants in Service	23,682,756	24,559,349	876,593
2002 Prop. Held for Future Telecom. Use			
2003 Telecom. Plant under Constr. - Short Term	245,860	707,306	461,446
2004 Telecom. Plant under Constr. - Long Term			
2005 Telecom. Plant Adjustment	200		(200)
2006 Nonoperating Plant			
2007 Goodwill	1,017,240	1,017,240	0
Depreciation and Amortization Accounts			
3100 Accumulated Depreciation	(12,651,769)	(13,633,786)	(982,017)
3200 Accum. Depre. - Held for Future Use			
3300 Accumulated Depreciation - Nonoperating			
3400 Accumulated Amortization - Tangible			
3410 Accum. Amort. - Capitalized Leases			
3420 Accum. Amort. - Leasehold Improvements			
3500 Accumulated Amortization - Intangible			
3600 Accumulated Amortization - Other			
TOTAL ASSETS	\$ 15,986,311	\$ 16,352,542	\$ 366,231

BALANCE SHEET
Liabilities & Stockholders' Equity

Title of Account	Balance Beginning of Year	Balance at End of Year	Increase or (Decrease)
Current Liabilities			
4010 Accounts Payable	\$ 382,842	\$ 621,532	\$ 238,690
4020 Notes Payable		324,108	324,108
4030 Advance Billings and Payments			-
4040 Customer Deposits	3,400	1,528	(1,872)
4050 Current Maturities - Long -Term Debt	975,086	613,077	(362,009)
4060 Current Maturities - Capital leases			-
4070 Income Taxes - Accrued			-
4080 Other Taxes - Accrued	125,407	124,587	(820)
4100 Net Current Defer. Oper. Income Taxes		36,500	36,500
4110 Net Current Defer. Nonoper. Income Taxes			-
4120 Other Accrued Liabilities			-
4130 Other Current Liabilities	35,862	17,975	(17,887)
Long-Term Debt			
4210 Funded Debt			-
4220 Premium on Long-Term Debt			-
4230 Discount on Long-Term Debt			-
4240 Reacquired Debt			-
4250 Obligations Under Capital Leases			-
4260 Advances from Affiliated Companies			-
4270 Other Long-Term Debt	9,242,602	8,639,884	(602,718)
Other Liabilities & Deferred Credits			
4310 Other Long-Term Liabilities			-
4320 Unamort. Oper. Invest. Tax Credits - Net			-
4330 Unamort. Nonoper. Invest. Tax Credits - Net			-
4340 Net Noncurrent Defer. Oper. Income Taxes	1,423,705	1,597,205	173,500
4350 Net Noncur. Defer. Nonoper. Income Taxes			-
4360 Other Deferred Credits			-
4370 Other Juris. Liab. & Def. Credits - Net			-
Stockholders' Equity			
4510 Capital Stock	25,000	25,000	-
4520 Additional Paid-In Capital	7,910	7,910	-
4530 Treasury Stock	(64,000)	(64,000)	-
4540 Other Capital			-
4550 Retained Earnings	3,828,497	4,407,234	578,737
TOTAL LIAB. & OTHER CREDITS	15,986,311	16,352,540	\$ 366,229

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	133,815				133,815
2112 Motor Vehicles	383,301		(19,928)		363,373
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment					
2116 Other Work Equipment	726,603	19,422	(162,202)		583,823
2121 Buildings	904,687	9,330			914,017
2122 Furniture					
2123 Office Equipment	60,227	5,500			65,727
2124 General Purpose Computers	223,902	12,933	(66,714)		170,121
2211 Analog Electronic Switching					
2212 Digital Electronic Switching	3,647,697	296,997	(331,042)		3,613,652
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment	4,751,050	275,510			5,026,560
2311 Station Apparatus	27,232				27,232
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment		932			932
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable	12,824,242	835,857			13,660,099
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
2681 Capital Leases					
2682 Leasehold Improvements					
2690 Intangibles					
TOTAL PLANT ACCOUNTS	23,682,756	1,456,481	(579,886)	0	24,559,351

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
Analysis of Telecommunications Plant in Service					
2111 Land	77,361				77,361
2112 Motor Vehicles	343,375		(19,928)		323,447
2113 Aircraft	0				0
2114 Special Purpose Vehicles	0				0
2115 Garage Work Equipment	0				0
2116 Other Work Equipment	590,057	13,022	(162,202)		440,877
2121 Buildings	822,290	4,930			827,220
2122 Furniture	52,627	5,500			58,127
2123 Office Equipment	0				0
2124 General Purpose Computers	205,235	12,933	(66,714)		151,454
2211 Analog Electronic Switching	0				0
2212 Digital Electronic Switching	1,484,760	238,762	(292,237)		1,431,285
2215 Electro-Mechanical Switching	0				0
2220 Operator Systems	0				0
2231 Radio Systems	0				0
2232 Circuit Equipment	2,258,007	74,438			2,332,445
2311 Station Apparatus	27,232				27,232
2321 Customer Premises Wiring	0				0
2341 Large Private Branch Exchanges	0				0
2351 Public Telephone Terminal Equipment	0	928			928
2362 Other Terminal Equipment	0				0
2411 Poles	0				0
2421 Aerial Cable	0				0
2422 Underground Cable	0				0
2423 Buried Cable	6,422,179	38,374			6,460,553
2424 Submarine Cable	0				0
2426 Intrabuilding Network Cable	0				0
2431 Aerial Wire	0				0
2441 Conduit Systems	0				0
2681 Capital Leases	0				0
2682 Leasehold Improvements	0				0
2690 Intangibles	0				0
TOTAL PLANT ACCOUNTS	12,283,123	388,887	(541,081)	0	12,130,929

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

	TOTAL Company Basis			Credits During Year	Retirements and Adjustments	Balance End of Year
	Balance Beginning of Year	Depreciation Rate*	VAR			
Analysis of Entries in Accumulated Depreciation						
2112 Motor Vehicles	383,302				19,926	363,376
2113 Aircraft						
2114 Special Purpose Vehicles						
2115 Garage Work Equipment	607,880			73,845	137,389	544,336
2116 Other Work Equipment	325,732			27,985		353,717
2121 Buildings	19,099			8,972		28,071
2122 Furniture						
2123 Office Equipment						
2124 General Purpose Computers	168,052			48,034	66,714	149,372
2211 Analog Electronic Switching						
2212 Digital Electronic Switching	2,307,369			229,742	293,430	2,243,681
2215 Electro-Mechanical Switching						
2220 Operator Systems						
2231 Radio Systems						
2232 Circuit Equipment	2,976,259			399,774	2,195	3,373,838
2311 Station Apparatus	16,797					16,797
2321 Customer Premises Wiring						
2341 Large Private Branch Exchanges						
2351 Public Telephone Terminal Equipment				97		97
2362 Other Terminal Equipment						
2411 Poles						
2421 Aerial Cable						
2422 Underground Cable						
2423 Buried Cable	5,847,279			713,222		6,560,501
2424 Submarine Cable						
2426 Intra-building Network Cable						
2431 Aerial Wire						
2441 Conduit Systems						
TOTAL	12,651,769			1,501,671	519,654	13,633,786

*Please list individual depreciation rate for each account.

ANALYSIS OF ENTRIES IN ACCUMULATED DEPRECIATION
Account 3100

IDAHO Operations Only

	Balance Beginning of Year	Depreciation Rate*	Credits During Year	Retirements and Adjustments	Balance End of Year
Analysis of Entries in Accumulated Depreciation					
2112 Motor Vehicles	343,375	25%		19,928	323,447
2113 Aircraft					
2114 Special Purpose Vehicles					
2115 Garage Work Equipment	513,177	20%	53,222	137,389	429,010
2116 Other Work Equipment	306,747	3%	25,058		331,805
2121 Buildings	18,182	14%	7,886		26,068
2122 Furniture	0	14%			0
2123 Office Equipment	158,092	20%	44,300	66,714	135,678
2124 General Purpose Computers					
2211 Analog Electronic Switching	1,488,049	13%	16,404	291,156	1,213,297
2212 Digital Electronic Switching					
2215 Electro-Mechanical Switching					
2220 Operator Systems					
2231 Radio Systems					
2232 Circuit Equipment	2,074,434	10%	182,007		2,256,441
2311 Station Apparatus	16,797				16,797
2321 Customer Premises Wiring					
2341 Large Private Branch Exchanges					
2351 Public Telephone Terminal Equipment	0	10%	97		97
2362 Other Terminal Equipment					
2411 Poles					
2421 Aerial Cable					
2422 Underground Cable					
2423 Buried Cable	3,955,664	7%	425,280		4,380,944
2424 Submarine Cable					
2426 Intrabuilding Network Cable					
2431 Aerial Wire					
2441 Conduit Systems					
TOTAL	8,874,517		754,254	515,187	9,113,584

*Please list individual depreciation rate for each account.

INVESTMENTS

Report below the investments in Accounts 1401, 1402 and 1406. Identify each investment as to the account in which included. Minor amounts in Account 1406 may be grouped by classes.

<u>Description</u>	<u>Date Acquired</u>	<u>Book Cost of Investments Disposed of This year</u>	<u>Book Cost of Investments Held at End of Year</u>
RTFC			171,466
NECA Services, Inc.			3,000
Syringa Networks, LLC			708,156
Note Receivable Rural Network Services			457,336
Investment in M & L Enterprises, Inc.			602,405
Net Non-regulated Cable TV and Internet plant			343,929
Totals		0	2,286,292

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</u>
NECA		273,093
Idaho Universal Fund		31,368
Rural Network Services, Inc.		334,068
Various carriers for access charges		117,757
Other Miscellaneous		5,729
Totals		762,015

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>
FARMERS & MERCHANTS BANK		VAR	15-May-07	324,108
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Totals	_____	_____	_____	324,108

ACCOUNTS PAYABLE

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

<u>Name of Creditor</u>	<u>Amount</u>
SEE SUPPLEMENTAL SHEET	619,289
Misc less than \$100	2,243
_____	_____
_____	_____
_____	_____
_____	_____
Totals	621,532

Midvale Telephone Inc.
IPUC REPORT - ACCOUNTS PAYABLE
DECEMBER 31, 2006

VENDOR	Total
Arizona Public Service Co	950
ASAP INC	479
Bankcard Center	156
Bankcard Center - Zions	19,164
Buckaroo's Potties and Septic	140
CALIX	6,716
Cascabel Community	100
Chevron	419
Clear Creek Disposal	128
Comfort Zone	1,278
Commercial Tire, Inc	3,939
Computer Technology, Inc	1,961
Core Telecom Systems	3,653
Coyote Leasing, LLC	61,037
Credit card clearing	-3,674
Cultural and Environmental	3,445
Dig Line Inc	110
Embarq Logistics, Inc	1,424
Emerson Network Power	766
Exper Plan	6,453
Falcon Communications	980
Farmer & Merchants State	20,000
Farmer's Supply Coop	3,200
FEDEX	129
Fox Sports Net, AZ	144
Givens Pursley LLP	150
Graybar Electric Co	30,926
Idahbo TRS	108
Idaho Power	998
Idaho Tractor INC	906
J.D. Beam & Associates	125
J.D.'s Outdoor Power	275
Jerry's Auto Parts	584
Jerry's Country Store	283
John Stuart	500
Lawerence Denney	112
Les Schwab Tire Center	1,212
Malheur Bell	120
Marie M Nyborg	675
Metlife Small Buisness CE	2,583
Midvale Market	145
Milford Engineering Corp	354,730
Moss Adams LLP	1,318
Mountain Village Resort	321
Myriad Benefits & Alterna	487
National Cable TV	678

**Midvale Telephone Inc.
 IPUC REPORT - ACCOUNTS PAYABLE
 DECEMBER 31, 2006**

VENDOR	Total
Neustar, INC	109
North Central Petroleum	211
ODOT/MCTD	133
Oregon Telecommunications	2,500
OUS Fund	1,374
Pacific Star Communication	7,547
Panike Auto Body Repair	4,672
Personnel concepts	663
Pleasant Valley Auto Parts	126
Pris Knuckey-Ralls	11,115
Qwest	4,756
Qwest	1,066
Qwest	8,839
Qwest Communication	4,763
Reamax Oil Co	1,955
RNS	15,547
Salmon River Electric Co	422
SATT	129
Shannon's Auto Parts	413
SRP	312
Steve or Kathryn Gilbert	600
Sulphur Springs Valley	288
SYME Electric	152
Syringa Locates	168
Tellabs North America	318
Universal Service Admins	2,585
US Bank	16,298
USF Charge ID	150
Verisign	359
Verizon Wireless	1,156
Weiser Auto Parts	226
Total Accounts Payable over \$100	<u>619,289</u>

INCOME & RETAINED EARNINGS STATEMENT

Item	Total Company	Idaho Only
Total Operating Income (from page 15)	<u>6,834,591</u>	<u>3,242,821</u>
Total Operating Expenses (from page 17)	<u>5,714,239</u>	<u>2,854,589</u>
7100 Other Operating Income and Expense	<u>1,120,352</u>	<u>388,232</u>
7210 Operating Investment Tax Credits-Net	_____	_____
7220 Operating Federal Income Taxes	_____	_____
7230 Operating State and Local Income Taxes	_____	_____
7240 Operating Other Taxes	<u>184,589</u>	<u>31,683</u>
7250 Provision for Deferred Operating Income Taxes-Net	<u>104,965</u>	<u>17,510</u>
7200 Operating Taxes (Total)	<u>289,554</u>	<u>49,193</u>
7310 Dividend Income	_____	_____
7320 Interest Income	_____	_____
7330 Income from Sinking and Other Funds	_____	_____
7340 Allowance for Funds Used During Construction	_____	_____
7350 Gains/Losses from the Disposition of Certain Property	_____	_____
7360 Other Nonoperating Income	_____	_____
7370 Special Charges	_____	_____
7300 Nonoperating Income and Expense	_____	_____
7410 Nonoperating Investment Tax Credits-Net	_____	_____
7420 Nonoperating Federal Income Taxes	_____	_____
7430 Nonoperating State and Local Income Taxes	_____	_____
7440 Nonoperating Other Taxes	_____	_____
7450 Provision for Deferred Nonoperating Income Taxes-Net	_____	_____
7400 Nonoperating Taxes	_____	_____
7510 Interest on Funded Debt	_____	_____
7520 Interest Expense-Capital Leases	_____	_____
7530 Amortization of Debt Issuance Expense	_____	_____
7540 Other Interest Deductions	<u>563,599</u>	<u>267,422</u>
7500 Interest and Related Items	_____	_____
7610 Extraordinary Income Credits	_____	_____
7620 Extraordinary Income Charges	_____	_____
7630 Current Income Tax Effect of Extraordinary Items-Net	_____	_____
7640 Provision for Deferred Income Tax Effect of Extraordinary Items-Net	_____	_____
7600 Extraordinary Items	_____	_____
7910 Income Effect of Jurisdictional Ratemaking Differences-Net	_____	_____
7990 Nonregulated Net Income	<u>272,531</u>	<u>320,522</u>
AMOUNT TRANSFERRED TO RETAINED EARNINGS	<u>578,737</u>	<u>392,139</u>

OPERATING REVENUES

Item	Total Company	Idaho Only
Local Network Services Revenues		
5001 Basic Area Revenue	831,591	352,493
5002 Optional Extended Area Revenue		
5003 Cellular Mobile Revenue		
5004 Other Mobile Services Revenue		
5010 Public Telephone Revenue		
5040 Local Private Line Revenue	21,403	17,924
5050 Customer Premises Revenue		
5060 Other Local Exchange Revenue	78,280	32,189
5069 Other Local Exchange Settlements		
Network Access Services Revenues		
5081 End User Revenue (SLC)	219,974	94,228
5082 Switched Access Revenue (Interstate)	4,673,062	2,169,585
5083 Special Access Revenue		
5084 State Access Revenue (Intrastate)	906,333	516,088
Long Distance Network Services Revenues		
5100 Long Distance Message Revenue - All		
Miscellaneous Revenues		
5230 Directory Revenue	8,210	2,718
5240 Rent Revenue		
5250 Corporate Operations Revenue		
5261 Special Billing Arrangements Revenue		
5262 Customer Operations Revenue		
5263 Plant Operations Revenue		
5264 Other Incidental Regulated Revenue	93,808	54,939
5269 Other Revenue Settlements	2,225	196
5270 Carrier Billing & Collection Revenue		89
Uncollectible Revenues		
5301 Uncollectible Revenue - Telecommunications	(295)	2,372
5302 Uncollectible Revenue - Other		
TOTAL OPERATING REVENUES	6,834,591	3,242,821

Please identify the following revenues:

NECA USF \$ 1,743,188. To what account were they booked? # 5082

State USF \$ 379,660. To what account were they booked? # 5084

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Specific Operations Expense		
6110 Network Support Expenses		
6112 Motor Vehicle Expense	20,318	19,094
6113 Aircraft Expense	7,026	3,016
6114 Special Purpose Vehicles Expense		
6115 Garage Work Equipment Expense		
6116 Other Work Equipment Expense		
6120 General Support Expenses	75,894	36,151
6121 Land and Building Expenses		
6122 Furniture and Artworks Expense		
6123 Office Equipment Expense		
6124 General Purpose Computers Expense	20,377	10,736
6210 Central Office Switching Expenses	777,598	403,634
6211 Analog Electronic Expense	3,417	479
6212 Digital Electronic Expense	1,204	1,092
6215 Electro-Mechanical Expense		
6220 Operators System Expense	79,703	12,797
6230 Central Office Transmission Expenses	415,433	210,068
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		
6421 Aerial Cable Expense		
6422 Underground Cable Expense		
6423 Buried Cable Expense	1,232,604	721,784
6424 Submarine Cable Expense		
6425 Deep Sea Cable Expense		
6426 Intrabuilding Network Cable Expense		
6431 Aerial Wire Expense		
6441 Conduit Systems Expense		
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	2,633,574	1,418,851

OPERATING REVENUES

Item	Total Company	Idaho Only
Plant Nonspecific Operations Expense		
6510 Other Property/Plant/Equipment Expenses		
6511 Property Held for Future Telecomm. Use Expenses		
6512 Provisioning Expense		
6530 Network Operations Expense	42,508	13,296
6531 Power Expense		
6532 Network Administration Expense		
6533 Testing Expense		
6534 Plant Operations Administration Expense		
6535 Engineering Expense	56,689	18,061
6540 Access Expense	46,170	17,744
6560 Depreciation and Amortization Expenses		
6561 Depreciation Expense-Telecom. Plant in Service	1,506,308	762,871
6562 Depreciation Expense-Property Held for Future Use		
6563 Amortization Expense - Tangible	200	200
6564 Amortization Expense - Intangible		
6565 Amortization Expense - Other		
Total Plant Nonspecific Operations Expenses	1,651,875	812,172
Customer Operations Expense		
6610 Marketing		
6611 Product Management		
6612 Sales		
6613 Product Advertising		
6620 Services		
6621 Call Completion Services	550	550
6622 Number Services	4,151	2,910
6623 Customer Services	335,695	160,610
Total Customer Operations Expense	340,396	164,070
Corporate Operations Expense		
6710 Executive and Planning	471,607	203,526
6711 Executive		
6712 Planning		
6720 General and Administrative		
6721 Accounting and Finance	441,054	188,525
6722 External Relations		
6723 Human Resources		
6724 Information Management		
6725 Legal		
6726 Procurement		
6727 Research and Development		
6728 Other General and Administrative	175,733	67,445
6790 Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense	1,088,394	459,496
TOTAL OPERATING EXPENSES	5,714,239	2,854,589

CENTRAL OFFICE DATA
As of December 31, 2006

Name of Central Office: MIDVALE

Prefix (es): 222 - 355 - 632 - 633 - 636 - 774

Central Office Switch Type: Redcom MDX, TEKELEC T7000

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

Access Line Capacity
 NXX: 222 - 355 - 632 - 633 - 636 - 774 1042
 Design: 384 - 2048 - 384 - 384 - 800
 Installed/Equipped: 100 - 2048 - 100 - 150 - 160 - 750

Public Telephone Lines _____ 22
 Company Official Lines _____ 53
 Company Test Lines _____ 37

Classification of Customer Access

	Residence			Business			Total Residence & Business
	Multi- Line 1-Party	Single Line Multi- Party	Subtotal Residence	Centrex N.A.R.	Multi- Line 1-Party	Single Line Multi- Party	
Beginning of Year	823	823	823		235	235	1058
New Connects	8	8	8				8
Disconnects	17	17	17		7	7	24
End of Year	814	814	814		228	228	1042

Foreign Exchange:

Dial Tone from this C.O. 0
 Dial Tone from another 0

Directory Listings:

Number of Customers with Nonpublished or Nonlisted: 93

Custom Calling:

Number of customers with at least one feature: N/A
 Total number of features subscribed to: N/A

NUMBER OF CALLS COMPLETED BY CUSTOMERS DURING (YEAR) 2006

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	
1 222	32	N/A		1629	197	1826	57.06
2 355	280	N/A		19,527	1,627	21,154	75.55
3 632	20	N/A		1,614	69	1,683	84.15
4 633	56	N/A		3,848	248	4,096	73.14
5 636	48	N/A		5,619	555	6,174	128.63
6 774	362	N/A		33,494	904	34,398	95.02
7 _____							
8 _____							
9 _____							
TOTALS	798			65,731	3,600	69,331	86.88
11 _____							
13 _____							
14 _____							
15 _____							
16 _____							
17 _____							
18 _____							

LOCAL CALLS ARE NOT MEASURED

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

CUSTOMER RELATIONS RULES COMPLIANCE

Rule IDAPA 31.21.01.603
Rule IDAPA 31.41.01.105

Please provide copies of:

Summary of Customer Relations Rules for Telephone Corporations

Idaho Telephone Solicitation Act Notification

Method of Notification:

Mailed separately to customers Yes No

Included in directory Yes No

Date of notification 2/10/2006

Alternate method of notification ON WEB SITE AND MAIL STUFFER

APPLICATION PROCEDURES.

Rule IDAPA 31.41.01.403.02

Record of Complaints:

Number received by Company None

Category of complaints (if known):

Deposit Disputes

Charges on Bill

Denial/Termination

Quality or Availability
of Service

Carrier Selection/Assignment

Miscellaneous

Rev 3/02

CERTIFICATE

State of Idaho)
) ss
County of)

WE, the undersigned Lane R Williams

and _____

of the Midvale Telephone Exchange, Inc. utility,

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



(Chief Officer)

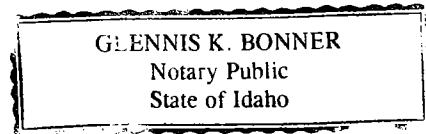


(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me this 25th day of April, (Year) 2007.



Notary Public



My Commission expires 4/6/, (Year) 2012.

Rev 3/02

gdk/excel/jnelson/anulrpts/telannualrpt

Middleville Telephone Exchange - Idaho
 Study Area: 472226
 Study Year: 2005

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REVENUE REQUIREMENT SUMMARY

LINE	DESCRIPTION	SOURCE	TOTAL COMPANY			INTERSTATE			INTRASTATE			LOCAL		
			(a)	MSG (b)	InterLATA (c)	PL (d)	MSG (e)	InterLATA (f)	PL (g)	MSG (h)	InterLATA (i)	PL (j)	MSG (k)	User Defined (l)
1	Net Telecom Plant	S-2,Ln46	5,973,073	2,143,743	191,877	100,394	-	181,460	-	1,706,414	67,150	73,673	-	1,508,361
2	Rate Base Adjustment #1	Records	-	-	-	-	-	-	-	-	-	-	-	-
3	Rate Base Adjustment #2	Records	-	-	-	-	-	-	-	-	-	-	-	-
4	Rate Base Adjustment #3	Records	-	-	-	-	-	-	-	-	-	-	-	-
5	RATE BASE	Ln1-2,4	5,973,073	2,143,743	191,877	100,394	-	181,460	-	1,706,414	67,150	73,673	-	1,508,361
6	Rate of Return	Records	6,0819%	11,2500%	11,2500%	11,2500%	-	5,9000%	5,9000%	5,9000%	5,9000%	5,9000%	5,9000%	5,9000%
7	RETURN ON RATE BASE	Ln5'6	482,738	241,171	21,586	11,294	-	10,706	-	100,678	3,962	4,347	-	88,993
8	Return Adjustment #1	Records	-	-	-	-	-	-	-	-	-	-	-	-
9	Return Adjustment #2	Records	-	-	-	-	-	-	-	-	-	-	-	-
10	NET RETURN	Ln7-8,9	482,738	241,171	21,586	11,294	-	10,706	-	100,678	3,962	4,347	-	88,993
11	Fixed Charges	S-10,Ln24	176,682	62,937	5,675	2,978	-	5,359	-	50,724	2,009	2,202	-	44,808
12	Amortization of Excess Debt Taxes	S-10,Ln47	-	-	-	-	-	-	-	-	-	-	-	-
13	Capitalized Payroll Taxes	S-10,Ln48	-	-	-	-	-	-	-	-	-	-	-	-
14	Depreciation Adjustment	S-10,Ln53	-	-	-	-	-	-	-	-	-	-	-	-
15	Fixed Allowances/Disallowances	S-14,Ln22	-	-	-	-	-	-	-	-	-	-	-	-
16	Inc Adj Alloc on 2001	S-10,Ln59+60	-	-	-	-	-	-	-	-	-	-	-	-
17	Inc Adj Alloc on Big 3 Exp	S-10,Ln61+62	-	-	-	-	-	-	-	-	-	-	-	-
18	Total Misc Inc Adjustment	S-10,Ln63	-	-	-	-	-	-	-	-	-	-	-	-
19	AFTER TAX INCOME	Note 1	306,046	178,234	15,911	8,317	-	5,347	-	49,954	1,953	2,145	-	44,185
20	State Income Tax	Ln50	44,131	25,701	2,294	1,199	-	771	-	7,203	282	309	-	6,371
21	State ITC Amortization	S-10,Ln45	-	-	-	-	-	-	-	-	-	-	-	-
22	Net Federal Income Tax	Ln41	157,660	91,818	8,196	4,284	-	2,754	-	25,734	1,006	1,105	-	22,762
23	Federal ITC Amortization	S-10,Ln44	-	-	-	-	-	-	-	-	-	-	-	-
24	Operating Expenses & Taxes	S-3,Ln17	2,487,907	1,075,619	91,372	37,683	-	79,124	-	620,669	19,071	22,144	-	542,026
25	Nonoperating Expenses	S-10,Ln17+18	-	-	-	-	-	-	-	-	-	-	-	-
26	Uncollectibles	S-10,Ln57	-	-	-	-	-	-	-	-	-	-	-	-
27	Other Adjustments (Net RTR)	Records	-	-	-	-	-	-	-	-	-	-	-	-
28	NET REVENUE REQUIREMENT	Ln10+20,25-26	3,172,436	1,434,308	123,449	54,461	-	93,356	-	754,485	24,321	27,905	-	660,152
29	Gross Receipts Tax	Note 2	-	-	-	-	-	-	-	-	-	-	-	-
30	REVENUE REQUIREMENT	Ln27-28-29	3,172,436	1,434,308	123,449	54,461	-	93,356	-	754,485	24,321	27,905	-	660,152
31	Distribution of Line 30	Ln30,308	100,0000%	45,2119%	3,6913%	1,7167%	-	2,9427%	-	23,7823%	0,7666%	0,8796%	-	20,6090%
32	Net Return	Ln10	482,738	241,171	21,586	11,294	-	10,706	-	100,678	3,962	4,347	-	88,993
33	Fixed Charges	Ln11	176,682	62,937	5,675	2,978	-	5,359	-	50,724	2,009	2,202	-	44,808
34	Amortization of Excess Deferred Taxes	Ln12	-	-	-	-	-	-	-	-	-	-	-	-
35	Capitalized Payroll Taxes	Ln13	-	-	-	-	-	-	-	-	-	-	-	-
36	Depreciation Adjustment	Ln14	-	-	-	-	-	-	-	-	-	-	-	-
37	FIT Allowances/Disallowances	Ln15	-	-	-	-	-	-	-	-	-	-	-	-
38	Inc Adj Alloc on 2001	Ln16	-	-	-	-	-	-	-	-	-	-	-	-
39	Inc Adj Alloc on Big 3 Exp	Ln17	-	-	-	-	-	-	-	-	-	-	-	-
40	Federal ITC Amortization	S-10,Ln44	-	-	-	-	-	-	-	-	-	-	-	-
41	Total Income Adjustments	Ln33+37,39	176,682	62,937	5,675	2,978	-	5,359	-	50,724	2,009	2,202	-	44,808
42	Federal Taxable Income	Ln32-41 Gross Up	463,706	270,052	24,107	12,601	-	8,101	-	75,688	2,960	3,250	-	66,947
43	Federal Income Tax	34,0000%	157,660	91,818	8,196	4,284	-	2,754	-	25,734	1,006	1,105	-	22,762
44	Federal Sur-Tax Allocation	Records	-	-	-	-	-	-	-	-	-	-	-	-
45	Net Federal Income Tax	Ln43-44-40	157,660	91,818	8,196	4,284	-	2,754	-	25,734	1,006	1,105	-	22,762
46	Net Return	Ln32	482,738	241,171	21,586	11,294	-	10,706	-	100,678	3,962	4,347	-	88,993
47	Fixed Charges	Ln33	176,682	62,937	5,675	2,978	-	5,359	-	50,724	2,009	2,202	-	44,808
48	Other SIT Adjustments	Records	-	-	-	-	-	-	-	-	-	-	-	-
49	Federal Income Tax	Ln43	157,660	91,818	8,196	4,284	-	2,754	-	25,734	1,006	1,105	-	22,762
50	State Taxable Income	Ln42-45 Gross Up	507,897	295,753	26,402	13,800	-	8,872	-	82,681	3,241	3,560	-	73,318
51	State Income Tax	8,6800%	44,131	25,701	2,294	1,199	-	771	-	7,203	282	309	-	6,371
52	State ITC Amortization	S-10,Ln45	-	-	-	-	-	-	-	-	-	-	-	-
53	Net State Income Tax	Ln47-48-49	44,131	25,701	2,294	1,199	-	771	-	7,203	282	309	-	6,371

Middle Telephone Exchange - Idaho
 Study Area: 472226
 Study Year: 2005

SEPARATED TELECOMMUNICATIONS PLANT SUMMARY

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LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL		
			MSG (b)	IntraLATA PL (c)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)
1	2110 Land & Support Assets	S-4.Ln13	810,403	69,831	34,922	53,678	508,517	19,424	21,785	462,388	
2	2210 COE-Switching	S-5.Ln36	1,291,008	-	46,743	-	-	-	-	236,074	
3	2220 COE-Operator	S-5.Ln23	838,342	172,513	27,328	64,340	620,719	18,542	24,298	397,697	
4	2230 COE-Transmission	S-5.Ln76	2,968,652	286,773	145,616	273,332	2,584,503	103,651	112,746	2,274,972	
5	2310 Info Orig/Term Equip	S-6.Ln11	5,098,002	439,286	219,687	337,672	3,205,222	122,183	137,044	2,908,742	
6	2410 CAWF	S-7.Ln42	40,889,200	3,523,340	1,762,000	2,708,300	25,707,900	0,980,000	1,099,200	23,329,900	
7	Total COE, IOT, CAWF Ln2..6	Ln7/7a	-	-	-	-	-	-	-	-	
8	Distribution of Line 7	Ln7/7a	-	-	-	-	-	-	-	-	
9	Equal Access - Investment	S-9.Ln22	-	-	-	-	-	-	-	-	
10	2680 Tangible Assets	S-8.Ln31	5,908,404	509,117	254,609	391,350	3,714,739	141,617	158,829	3,371,130	
11	TELECOM PLT IN SVC-EXCL 2680	Ln17/19+10	40,889,200	3,523,340	1,762,000	2,708,300	25,707,900	0,980,000	1,099,200	23,329,900	
12	Distribution of Line 11	Ln17/1a	-	-	-	-	-	-	-	-	
13	2690 Intangible Assets	S-8.Ln35	5,908,404	509,117	254,609	391,350	3,714,739	141,617	158,829	3,371,130	
14	2001 TELECOM PLANT IN SVC	Ln17/13	40,889,200	3,523,340	1,762,000	2,708,300	25,707,900	0,980,000	1,099,200	23,329,900	
15	Distribution of Line 14	Ln17/14a	-	-	-	-	-	-	-	-	
16	2110 Land Assets	S-4.Ln12	5,908,404	509,117	254,609	391,350	3,714,739	141,617	158,829	3,371,130	
17	2001 TPIs xLand	Ln14..16	40,889,200	3,523,340	1,762,000	2,708,300	25,707,900	0,980,000	1,099,200	23,329,900	
18	Distribution of Line 17	Ln17/17a	-	-	-	-	-	-	-	-	
19	2002 Prop Hld Fur Telecom Use	S-9.Ln16	19,985	1,722	861	1,324	12,565	479	537	11,403	
20	Plant Unit Construction	S-9.Ln10	5,928,390	510,839	255,470	392,673	3,727,304	142,096	158,366	3,382,533	
21	2005 Treatment	S-9.Ln14	-	-	-	-	-	-	-	-	
22	TOTAL TELECOM PLANT	Ln14+19..21	-	-	-	-	-	-	-	-	
23	1220 Materials and Supplies	S-9.Ln20	6,495	584	319	598	5,655	227	247	4,977	
24	1500 Other Juis Asses/Net	S-15.Ln14	3,777,980	317,280	154,102	211,236	2,009,861	74,173	84,862	1,864,054	
25	3100 Accumulated Depreciation	S-15.Ln28	-	-	-	-	-	-	-	-	
26	Equal Access - Accum Depreciation	S-9.Ln24	-	-	-	-	-	-	-	-	
27	3200 Acc Dep-Hld for Fur Use	S-15.Ln30	-	-	-	-	-	-	-	-	
28	3400 Accum Amort-Tangible	S-15.Ln31..32	-	-	-	-	-	-	-	-	
29	3500 Accum Amort-Intangible	S-15.Ln33	-	-	-	-	-	-	-	-	
30	3600 Accum Amort-Other	S-15.Ln34	-	-	-	-	-	-	-	-	
31	4100 Net Cur Def Op Inc Taxes	S-15.Ln46	-	-	-	-	-	-	-	-	
32	4340 Noncur Def Oper Inc Tax	S-15.Ln66	-	-	-	-	-	-	-	-	
33	Equal Access - Deferred Oper Inc Taxes	S-9.Ln25	88,527	7,628	3,815	5,864	55,659	2,122	2,380	50,511	
34	4360 Other Deferred Credits-Net	S-15.Ln67	-	-	-	-	-	-	-	-	
35	4370 Other Jur Liab & Dir Credits-Net	S-15.Ln69	-	-	-	-	-	-	-	-	
36	NET TELECOM PLANT	Ln22+23-24..35	2,068,377	186,515	67,872	175,171	1,687,439	66,029	72,371	1,472,946	
37	Distribution of Line 36	Ln36/36a	35,814,300	3,211,500	1,662,000	3,034,000	28,710,700	1,136,900	1,246,100	25,361,900	
38	1402 Rptd Tol Bank Stock	S-8.Ln16	75,365	5,363	2,522	5,289	38,975	1,122	1,302	35,416	
39	Cash Working Capital	S-9.Ln21	-	-	-	-	-	-	-	-	
40	Equal Access - Unamortized Expenses	S-9.Ln26	-	-	-	-	-	-	-	-	
41	Investment Allow/Disallow	S-8.Ln31	-	-	-	-	-	-	-	-	
42	Accum Dep/(Amort Allow)/Disallow	S-15.Ln72	-	-	-	-	-	-	-	-	
43	4040 Customer Deposits	S-15.Ln37	-	-	-	-	-	-	-	-	
44	4310 Other Long-Term Liab.	S-15.Ln57	-	-	-	-	-	-	-	-	
45	Other Telecom PL Adjust.	Records	-	-	-	-	-	-	-	-	
46	NET TELECOM PLT & OTH RATE BASE ITEMS	A+B..F+H+(G+H)	2,143,743	191,877	100,394	181,460	1,706,414	67,150	73,673	1,508,361	
47	Distribution of Line 46	Ln46/46a	35,890,000	3,212,400	1,660,000	3,030,000	28,568,400	1,124,200	1,233,400	25,292,700	

Midvale Telephone Exchange - Idaho
 Study Area: 472226
 Study Year: 2005

S-3

SEPARATED EXPENSE SUMMARY

LINE	DESCRIPTION	SOURCE	TOTAL COMPANY			INTERSTATE TOLL			INTRASTATE TOLL			LOCAL		
			MSG	PL	PL	MSG	PL	PL	MSG	PL	PL	MSG	PL	User Defined
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	Plt Spec Exp Accts 6210.6220													
2	6230.6310.6410	S-11.Ln30	923,515	449,435	37,416	17,254	-	20,605	-	196,776	6,890	8,146	-	186,984
3	PI Nonspec Account 6530	S-12.Ln19	42,311	17,301	1,491	746	-	1,146	-	10,877	415	485	-	9,871
4	Clust Oper Accts 6610.6620	S-13.Ln57	216,135	75,577	17,999	17,999	-	17,997	-	88,158	-	-	-	54,854
5	TOTAL BIG THREE EXPENSES	Ln2..4	1,161,961	542,313	38,907	37,999	-	39,297	-	275,810	7,304	8,611	-	251,719
6	Distribution of Line 5	Ln5/5a	100.0000%	45.6285%	3.2918%	1.5228%	-	3.3247%	-	23.350%	0.6180%	0.7285%	-	21.2967%
7	Plant Specific Expenses	S-11.Ln31	1,005,125	483,214	40,327	18,710	-	22,842	-	218,013	7,659	9,054	-	206,267
8	Plant Nonspecific Expenses	S-12.Ln44	797,748	282,450	36,261	12,062	-	24,132	-	229,969	8,473	9,894	-	185,046
9	Customer Operations Expenses	S-13.Ln57	216,135	73,377	17,999	17,999	-	17,997	-	88,158	-	-	-	54,854
10	Corporate Operations Expenses	S-14.Ln16	428,792	208,133	13,422	6,209	-	13,556	-	95,146	2,820	2,970	-	86,835
11	7300 Contributions	Ln7..11	2,448,800	1,059,375	90,010	37,001	-	78,077	-	610,926	18,692	21,718	-	533,002
12	TOTAL OPERATING EXPENSES		39,107	16,244	1,363	682	-	1,048	-	9,943	379	425	-	9,024
13	Operating Taxes	S-14.Ln26												
14	Equal Access Expenses	S-14.Ln35												
15	Expense Allowances/Disallowances	S-14.Ln40												
16	5240 Rent Revenues	S-10.Ln43												
17	TOTAL OPERATING EXP & TAXES	Ln12+13..15-16	2,487,907	1,075,619	91,372	37,683	-	79,124	-	620,869	19,071	22,144	-	542,026
18	Distribution of Line 17	Ln17/17a	100.0000%	43.2335%	3.6727%	1.5146%	-	3.1803%	-	24.9555%	0.7665%	0.8900%	-	21.7864%
19	Total Depr & Amort	S-12.Ln43	742,104	261,817	34,770	11,337	-	22,986	-	218,732	8,058	9,229	-	175,175
20	Fixed Charges	S-10.Ln24	176,692	62,937	5,675	2,978	-	5,359	-	50,724	2,009	2,202	-	44,808
21	Total Operating Revenue	S-14.Ln33												
22	Total Operating Expense & Taxes	Ln17	2,487,907	1,075,619	91,372	37,683	-	79,124	-	620,869	19,071	22,144	-	542,026
23	Uncollectibles	S-10.Ln57												
24	Fixed Charges	Ln20	176,692	62,937	5,675	2,978	-	5,359	-	50,724	2,009	2,202	-	44,808
25	Income Adjustments	S-10.Ln63												
26	Net Income	Ln21..25	(2,664,599)	(1,138,556)	(97,048)	(40,660)	-	(84,483)	-	(671,593)	(21,080)	(24,345)	-	(586,834)
27	Distribution of Line 26	Ln26/26a	100.0000%	42.7290%	3.6421%	1.5259%	-	3.1706%	-	25.2043%	0.7911%	0.9136%	-	22.0234%
28	TOTAL CASH OPER EXPENSES	Ln17+16-19+20	1,822,965	876,739	62,278	29,324	-	61,497	-	452,861	13,021	15,116	-	411,659
29	Distribution of Line 28	Ln28/28a	100.0000%	45.6042%	3.2394%	1.5233%	-	3.1968%	-	23.3559%	0.6773%	0.7863%	-	21.4127%
INCOME TAX CALCULATION														
31	Other Operating Income	S-14.Ln32												
32	AUDC	S-10.Ln15												
33	Operating Revenue	S-14.Ln33+Ln31												
34	Uncollectible Revenue	S-10.Ln57												
35	Income Effect Jurisdictional Difference	S-10.Ln60												
36	IRS Income Adjustment	S-10.Ln62												
37	TOTAL REVENUE & OTHER INCOME	Ln31..34												
38	Contributions	S-10.Ln16												
39	Operating Expenses	Ln12+Ln11	2,448,800	1,059,375	90,010	37,001	-	78,077	-	610,926	18,692	21,718	-	533,002
40	Fixed Charges	S-14.Ln26	39,107	16,244	1,363	682	-	1,048	-	9,943	379	425	-	9,024
41	State Taxable Income	Ln35-Ln40	176,692	62,937	5,675	2,978	-	5,359	-	50,724	2,009	2,202	-	44,808
42	State Income Tax	Ln35-Ln40	2,664,599	1,138,556	97,048	40,660	-	84,483	-	671,593	21,080	24,345	-	586,834
43	Federal Taxable Income	Ln35-Ln40	(2,664,599)	(1,138,556)	(97,048)	(40,660)	-	(84,483)	-	(671,593)	(21,080)	(24,345)	-	(586,834)
44	State Income Tax	Ln42	(231,554)	(96,940)	(6,433)	(3,533)	-	(7,342)	-	(58,361)	(1,832)	(2,116)	-	(50,996)
45	Net Federal Taxable Income	Ln43-Ln44	(2,433,045)	(1,039,615)	(86,614)	(37,127)	-	(77,142)	-	(613,232)	(19,248)	(22,228)	-	(535,636)
46	Federal Income Tax	34.0000%	(827,235)	(353,469)	(30,129)	(12,623)	-	(26,228)	-	(208,499)	(6,844)	(7,558)	-	(182,165)
47	Amortization of Investment Tax Credit	S-10.Ln44												
48	Federal Income Tax	Ln46-Ln47	(827,235)	(353,469)	(30,129)	(12,623)	-	(26,228)	-	(208,499)	(6,844)	(7,558)	-	(182,165)

GENERAL SUPPORT FACILITIES

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL				
			MSG (b)	intraLATA (c)	PL (e)	MSG (f)	intraLATA (g)	PL (i)	EAS (j)	User Defined (k)	Other (l)		
SEPARATIONS FACTORS													
1	Carrier Classification	Records											
2	Big Three Expenses Distr	S-3,Ln6											
3	Total COE, IOT, C&WF Distr	S-2,Ln8	45.8625%	3.2918%	1.5228%	3.3247%	3.3247%	0.6180%	23.3350%	0.7285%	-	21.2067%	-
			100.0000%	3.5234%	1.7620%	2.7083%	2.7083%	0.8801%	25.7079%	1.0982%	-	23.3299%	-
LAND & SUPPORT ASSETS SEPARATION													
4	2110 Land & Support Assets	Note 1	810,403	69,831	34,922	53,678	53,678	19,424	509,517	21,785	-	462,388	-
5	Support Assets-Joint x/GSF - B&C	Note 1	-	-	-	-	-	-	-	-	-	-	-
6	General Support Facilities - B&C	Note 1	-	-	-	-	-	-	-	-	-	-	-
7	Direct Assignment	Direct	810,403	69,831	34,922	53,678	53,678	19,424	509,517	21,785	-	462,388	-
8	Total Support Assets	Ln5-.7	40.8892%	3.5234%	1.7620%	2.7083%	2.7083%	0.8801%	25.7079%	1.0982%	-	23.3299%	-
9	Distribution of Line 8	Ln8/6a											
10	Land	Note 1	-	-	-	-	-	-	-	-	-	-	-
11	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
12	Total Land	Ln10-.11	810,403	69,831	34,922	53,678	53,678	19,424	509,517	21,785	-	462,388	-
13	TOTAL LAND & SUPPORT ASSETS	Ln8-12	40.8892%	3.5234%	1.7620%	2.7083%	2.7083%	0.8801%	25.7079%	1.0982%	-	23.3299%	-
14	Distribution of Line 13	Ln13/13a											

Note 1: If Carrier Classification = A, then
Ln8a2, Ln8a2, Ln10a2
Ln8a3, Ln8a3, Ln10a3

Midvale Telephone Exchange - Idaho
 Study Area: 472226
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CENTRAL OFFICE EQUIPMENT

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 Sheet 1 of 3

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL			
			MSG (b)	IntraLATA PL (c)	MSG (d)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	MSG (h)	IntraLATA PL (i)	User Defined (k)	Other (l)
TOTAL COMPANY (a)												
SEPARATIONS FACTORS												
1	WSWS Pct-Switchboards	Records	-	-	-	-	-	-	-	-	-	-
2	WSWS Pct-Directory Assistance	Records	-	-	-	-	-	-	-	-	-	-
3	Sub Line MOU Pct	Records	30.6230%	0.9900%	0.9900%	2.1600%	100.0000%	20.8170%	45.4040%	-	-	
4	SOB Toll MOU Pct	Records	-	-	-	-	-	-	-	-	-	
5	WSWS Pct-TSPS Oper Position	Records	-	-	-	-	-	-	-	-	-	
6	Real Processor Time Pct-RTA	Records	-	-	-	-	-	-	-	-	-	
7	Real Processor Time Pct-TSPS	Records	-	-	-	-	-	-	-	-	-	
8	REL MOU's - Tandem Switching	Records	-	-	-	-	-	-	-	-	-	
9	Trans Measured DEM Pct	Records	82.0300%	2.9700%	2.9700%	-	-	-	-	-	15.0000%	
COE CATEGORIES 1-3 SEPARATION												
10	2220 Operator Systems		-	-	-	-	-	-	-	-	-	
11	Cat 1-Operator Systems		-	-	-	-	-	-	-	-	-	
12	Loc Toll DSA, DSB and		-	-	-	-	-	-	-	-	-	
13	Traffic Switchboards	Ln13a*1	-	-	-	-	-	-	-	-	-	
14	Aux-Direct Assist	Ln14a*2	-	-	-	-	-	-	-	-	-	
15	Aux-Intercept	Ln15a*3	-	-	-	-	-	-	-	-	-	
16	JT Exch & Toll SOB	Ln16a*4	-	-	-	-	-	-	-	-	-	
17	TSPS-Oper Position	Ln17a*5	-	-	-	-	-	-	-	-	-	
18	TSPS-OTA	Ln18a*6	-	-	-	-	-	-	-	-	-	
19	TSPS-Other	Ln19a*7	-	-	-	-	-	-	-	-	-	
20	Direct Assignment	Ln20a*8	-	-	-	-	-	-	-	-	-	
21	Total Cat 1	Ln21	-	-	-	-	-	-	-	-	-	
22	Distribution of Line 21	Ln21	-	-	-	-	-	-	-	-	-	
23	TOTAL COE-OPERATOR	Ln23/23a	-	-	-	-	-	-	-	-	-	
24	Distribution of Line 23	Ln23/23a	-	-	-	-	-	-	-	-	-	
25	2210 Central Office Switching		-	-	-	-	-	-	-	-	-	
26	Cat 2-Tandem Switching	Ln26a*8	-	-	-	-	-	-	-	-	-	
27	Direct Assignment	Ln27	-	-	-	-	-	-	-	-	-	
28	Total Cat 2	Ln28	-	-	-	-	-	-	-	-	-	
29	Distribution of Line 28	Ln29/28a	-	-	-	-	-	-	-	-	-	
30			-	-	-	-	-	-	-	-	-	
31	Cat 3-Local Switching - TS	Ln31a*9	1,291,008	46,743	46,743	2,970,007	1,573,825	46,743	236,074	-	-	
32	Cat 3-Local Switching - NTS	Ln32a*9	-	-	-	-	-	-	-	-	-	
33	Direct Assignment	Ln33	1,291,008	46,743	46,743	2,970,007	1,573,825	46,743	236,074	-	-	
34	Total Cat 3	Ln34/34a	1,291,008	46,743	46,743	2,970,007	1,573,825	46,743	236,074	-	-	
35	Distribution of Line 34	Ln35/34a	-	-	-	-	-	-	-	-	-	
36	TOTAL COE-SWITCHING	Ln36/34a	1,291,008	46,743	46,743	2,970,007	1,573,825	46,743	236,074	-	-	
37	Distribution of Line 36	Ln37/36a	1,291,008	46,743	46,743	2,970,007	1,573,825	46,743	236,074	-	-	

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CENTRAL OFFICE EQUIPMENT

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 Sheet 2 of 3

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL						INTRASTATE TOLL						LOCAL		
			TOTAL COMPANY (a)	Joint MSG (b)	InterLATA PL (c)	InterLATA PL (d)	MSG IntraLATA (e)	MSG IntraLATA (f)	InterLATA PL (g)	MSG IntraLATA (h)	InterLATA PL (i)	EAS (j)	User Defined (k)	Other (l)			
38	WB Line	Records															
39	Ex Trk WB	Records															
40	REL MOULds - Exchange Trunk	Records															
41	Gross Allocator (Trans SPF)	Records															
42	COE Cat 4.21-Furn to Others Pct	Records	100.0000%	24,217.0%			0.7830%				2.3500%		22.6500%				50.0000%
43	Interexchange Trk WB	Records															
COE CATEGORY 4 SEPARATION																	
44	2230 Central Office - Transmission																
45	Cat 4.1-Exchange Circuit																
46	4.11 Wideband-Line	Ln46a-38															
47	Direct Assignment	Direct	158,987		156,662									2,125			
48	4.12 Exch Trunk - EAS	Direct	24,298												24,298		
49	Ex Trk x/WB - Basic	Ln49a-40															
50	Ex Trk x/WB - Basic DA	Direct															
51	Ex Trk WB	Ln51a-39															
52	Exch Trk WB - Direct Assignment	Direct															
53	4.13 Ex Line x/WB	Ln64b-41	795,394	192,621	2,723		6,228				18,692		180,157				397,697
54	Joint MSG	Ln64c-1	4,954														
55	PL & Local	Direct															
56	Direct Assignment - Basic/Special	Direct															
57	Cat 4.2-Interexchange																
58	4.21 Furn to Others																
59	4.22 Wideband																
60	Joint MSG																
61	PL																
62	Direct Assignment	Direct	10,058		6,705												3,353

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL						INTRASTATE TOLL						LOCAL		
			TOTAL COMPANY (a)	Joint MSG (b)	InterLATA PL (c)	InterLATA PL (d)	MSG IntraLATA (e)	MSG IntraLATA (f)	InterLATA PL (g)	MSG IntraLATA (h)	InterLATA PL (i)	EAS (j)	User Defined (k)	Other (l)			
63	COE Cat 4.13 Working Loops	Records	1,131	1,124	3						4						
64	COE Cat 4.13 Assigned Invest	Note 1	800,348	795,394	2,123						2,831						

Note 1: Cost per loop = 707.65

Michaels Telephones Exchange - Idaho
 Study & Est. 477226
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CENTRAL OFFICE EQUIPMENT

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 Sheet 3 of 3

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL			
			MSG (b)	IntraLATA PL (c)	MSG (d)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	MSG (h)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)	
TOTAL COMPANY (a)														
SEPARATIONS FACTORS														
65	Conversation Minutes Pct	Records												
66	HosiRemote MOJ Miles Pct	Records												
COE CATEGORY 4 SEPARATION (Cont)														
67	4.23 All Other													
68	Joint MSG													
69	PL, TWX & Local													
70	Direct Assignment - Nonaccess													
71	Cat 4.3-HosiRemote MSG													
72	Joint (w/WATS)													
73	WATS													
74	Direct Assignment													
75	Total Cat 4													
76	TOTAL COE-TRANSMISSION													
77	Distribution of Line 76													
78	TOTAL CENTRAL OFFICE EQUIP													
79	Distribution of Line 76													

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL			
			MSG (b)	IntraLATA PL (c)	MSG (d)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	MSG (h)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)	
TOTAL COMPANY (a)														
99	COE Cat 4.23 Terms -	Records												
	-Joint Message Total Terminations	Note 1												
101	COE Cat 4.23 - Terms	Note 1												
102	-Joint Message Total Allocated Investment	Note 1												
Note 1: Cost per termination =			3,411.34											

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INFORMATION ORIGIN/TERM EQUIPMENT

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LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL		
			MSG (b)	IntraLATA PL (c)	PL (e)	MSG (f)	IntraLATA PL (g)	PL (i)	EAS (j)	User Defined (k)	Other (l)
1	Gross Allocator (Trans SPPF)	Records	24.2170%	0.7830%	2.3500%	22.6500%	-	-	-	50.0000%	-
2	REL MOU's - Coinless Pub. Tel	Records	-	-	-	-	-	-	-	-	-
3	2310 Info Orig/Term Equip	Records	-	-	-	-	-	-	-	-	-
4	Cat 1-Other IOT	Ln4a*1	-	-	-	-	-	-	-	-	-
5	Coinless Pub Tel Eq	Ln5a*2	-	-	-	-	-	-	-	-	-
6	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-
7	Total Category 1	Ln4..6	-	-	-	-	-	-	-	-	-
8	Distribution of Line 7	Ln777a	-	-	-	-	-	-	-	-	-
9	Cat 2-Cust Prem Equip	Direct	-	-	-	-	-	-	-	-	-
10	Distribution of Line 9	Ln99a	-	-	-	-	-	-	-	-	-
11	TOTAL INFO ORIGIN/TERM EQUIP	Ln7*9	-	-	-	-	-	-	-	-	-
12	Distribution of Line 11	Ln1171a	-	-	-	-	-	-	-	-	-
TOTAL COMPANY	(a)		100.0000%								

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CABLE AND WIRE FACILITIES

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 Sheet 1 of 2

SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL			
	MSG (b)	InterLATA PL (c)	InterLATA PL (e)	MSG (d)	InterLATA PL (f)	InterLATA PL (g)	MSG (h)	InterLATA PL (i)	User Defined (k)	Other (l)
SEPARATIONS FACTORS										
1 Gross Allocator Pct (Trans SPF)										
2 REL MOU's - Exchange Trunk										
3 WB Line										
4 MOU Pct-Ex Trk WB										
C&WF CAT. 1-2 SEPARATION										
5 241D Cable & Wire Facilities										
6 Cat 1-Exch Line xWB										
7 1.1 Intra PL & WATS										
8 1.2 Inter PL & WATS										
9 1.3 Jointly Used										
10 Direct Assignment										
11 Total Category 1										
12 Cat 2-WB & Exch Trunk										
13 Ex Trk - joint message										
14 Ex Trk - EAS										
15 Intra WB										
16 WB Line										
17 WB Trunk										
18 WB Trunk DA										
19 Total Category 2										
TOTAL COMPANY	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(k)	(l)
100.0000%	24,217.0%	0.7830%	2.3500%	22.6500%						50.0000%
16,192	12,144	35,628	106,924	1,030,562	16,192					2,274,972
12,144	1,101,960	35,628	106,924	1,030,562	16,192					2,274,972
4,578,280	1,101,960	12,144	35,628	106,924	16,192					2,274,972
112,746										
36,535		24,357								
149,281		24,357								

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			User Defined (h)	Other (l)
			Joint MSG (b)	InterLATA PL (c)	InterLATA PL (e)	InterLATA PL (d)	InterLATA PL (f)	EAS (g)		
20	C&WF Cat 1 Working Loops	Records	1,124	3			4			
21	Distribution of Line 21	Ln20/20a	99,381.1%	0.2653%			0.3537%			
22	Cat 1-Ex Line xWB	Ln22a/21	4,549,944	12,144			16,192			
TOTAL COMPANY			(a)	(b)	(c)	(d)	(e)	(f)	(g)	
4,047,9925			1,131	3			4			
100.0000%			99.3811%	0.2653%			0.3537%			
4,578,280			4,549,944	12,144			16,192			

Note 1: Cost per loop = 4,047,9925

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AMORTIZABLE ASSETS

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL					
			MSG (b)	IntraLATA (c)	PL (a)	MSG (d)	IntraLATA (e)	PL (f)	MSG (g)	IntraLATA (h)	PL (i)	EAS (j)	User Defined (k)	Other (l)
SEPARATIONS FACTORS														
1	Land & Support Assets Distr	S-4, Ln14	40.8892%	3.5234%	100.0000%	1.7620%	-	2.7083%	-	25.7079%	0.9801%	1.0982%	-	23.3299%
2	2210 COE-Switching	S-5, Ln37	82.0300%	-	100.0000%	2.9700%	-	-	-	-	-	-	-	15.0000%
3	2220 COE-Operator Systems Distr	S-5, Ln24	-	-	-	-	-	-	-	-	-	-	-	-
4	2230 COE-Transmission Distr	S-6, Ln77	38.7443%	7.9728%	100.0000%	1.2650%	-	2.9735%	-	28.6868%	0.8569%	1.1229%	-	18.3797%
5	2310 IOT Distr	S-6, Ln12	-	-	-	-	-	-	-	-	-	-	-	-
6	2410 C&WF Distr	S-7, Ln43	34.0042%	3.0557%	100.0000%	1.6679%	-	3.1309%	-	29.6040%	1.1873%	1.2914%	-	26.0585%
7	2001 TPIS	S-2, Ln8	40.8892%	3.5234%	100.0000%	1.7620%	-	2.7083%	-	25.7079%	0.9801%	1.0982%	-	23.3299%
8	2001 TPIS, incl 2680	S-2, Ln11	40.8892%	3.5234%	100.0000%	1.7620%	-	2.7083%	-	25.7079%	0.9801%	1.0982%	-	23.3299%
TANGIBLE ASSETS-CAPITAL LEASES-SEP														
9	2680 Tangible Assets - Capital Leases		-	-	-	-	-	-	-	-	-	-	-	-
10	2110 Land & Supt Assets	Ln10a*1	-	-	-	-	-	-	-	-	-	-	-	-
11	2210 COE-Switching	Ln11a*2	-	-	-	-	-	-	-	-	-	-	-	-
12	2220 COE-Operator	Ln12a*3	-	-	-	-	-	-	-	-	-	-	-	-
13	2230 COE-Transmission	Ln13a*4	-	-	-	-	-	-	-	-	-	-	-	-
14	2310 IOT	Ln14a*5	-	-	-	-	-	-	-	-	-	-	-	-
15	2410 C&WF	Ln15a*6	-	-	-	-	-	-	-	-	-	-	-	-
16	Not classified by account	Ln16a*7	-	-	-	-	-	-	-	-	-	-	-	-
17	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
18	TOTAL CAPITAL LEASES	Ln18*17	-	-	-	-	-	-	-	-	-	-	-	-
19	DISTRIBUTION OF LINE	Ln18*18a	-	-	-	-	-	-	-	-	-	-	-	-
TANGIBLE ASSETS-LEASEHLD IMPROVE SEP														
20	2680 Tangible Assets - Leasehold Improve		-	-	-	-	-	-	-	-	-	-	-	-
21	2110 Land & Supt Assets	Ln21a*1	-	-	-	-	-	-	-	-	-	-	-	-
22	2210 COE-Switching	Ln22a*2	-	-	-	-	-	-	-	-	-	-	-	-
23	2220 COE-Operator	Ln23a*3	-	-	-	-	-	-	-	-	-	-	-	-
24	2230 COE-Transmission	Ln24a*4	-	-	-	-	-	-	-	-	-	-	-	-
25	2310 IOT	Ln25a*5	-	-	-	-	-	-	-	-	-	-	-	-
26	2410 C&WF	Ln26a*6	-	-	-	-	-	-	-	-	-	-	-	-
27	Not classified by account	Ln27a*7	-	-	-	-	-	-	-	-	-	-	-	-
28	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
29	TOTAL LEASEHOLD IMPROVEMENTS	Ln21..28	-	-	-	-	-	-	-	-	-	-	-	-
30	Distribution of Line 29	Ln29/29a	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL TANGIBLE ASSETS														
31	TOTAL TANGIBLE ASSETS	Ln18+29	-	-	-	-	-	-	-	-	-	-	-	-
32	Distribution of Line 31	Ln31/31a	-	-	-	-	-	-	-	-	-	-	-	-
INTANGIBLE ASSETS SEPARATION														
33	2690 Intangible Assets	Ln33a*8	-	-	-	-	-	-	-	-	-	-	-	-
34	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
35	TOTAL INTANGIBLE ASSETS	Ln33..34	-	-	-	-	-	-	-	-	-	-	-	-
36	Distribution of Line 35	Ln35/35a	-	-	-	-	-	-	-	-	-	-	-	-

TELECOMMUNICATIONS PLANT - OTHER ACCOUNTS

MicroVie Telephone Exchange - Idaho
 Study Area: 472226
 Study Year: 2005

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL			
			MSG (b)	IntraLATA (c)	PL (e)	MSG (f)	IntraLATA (g)	PL (i)	EAS (j)	User Defined (k)	Other (l)	
SEPARATION FACTORS												
1	2001 TPIS Dir	S-2 Ln15	40.8692%	3.5234%	1.7620%	2.7083%	25.7079%	0.9801%	1.0962%	-	23.3289%	
2	2410 C&WF Dir	S-7 Ln43	34.0042%	3.0557%	1.6679%	3.1309%	29.6040%	1.1873%	1.2914%	-	26.0585%	
3	Equal Access MOU Ptd Records		-	-	-	-	-	-	-	-	-	
OTHER ACCOUNTS SEPARATION												
4	2002 Prop Hld Fut Telecom Use	Ln4a*1	-	-	-	-	-	-	-	-	-	
5	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	
6	TOTAL PROP HLD FUT TELECOM USE	Ln4..5	-	-	-	-	-	-	-	-	-	
7	Distribution of Line 6	Ln6/a	-	-	-	-	-	-	-	-	-	
8	2003 Ptl Under Constr	Ln8a*1	19.865	1.722	861	1.324	12.565	479	537	-	11.403	
9	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	
10	TOTAL PTL UNDER CONSTR	Ln8..9	19.865	1.722	861	1.324	12.565	479	537	-	11.403	
11	Distribution of Line 10	Ln10/r10a	40.8692%	3.5234%	1.7620%	2.7083%	25.7079%	0.9801%	1.0962%	-	23.3289%	
12	2005 Telecom Plant Adjust	Ln12a*1	-	-	-	-	-	-	-	-	-	
13	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	
14	TOTAL TELECOM PLANT ADJUST	Ln12..13	-	-	-	-	-	-	-	-	-	
15	Distribution of Line 14	Ln14/r14a	-	-	-	-	-	-	-	-	-	
MISC ACCOUNTS SEPARATION												
16	1402 Class B RTB Stock	Ln16a*1	-	-	-	-	-	-	-	-	-	
17	1438 Deferred Charges	Ln17a*1	-	-	-	-	-	-	-	-	-	
18	1220 Material & Supl v/CPE	Ln18a*2	6.495	584	319	598	5,655	227	247	-	4.977	
19	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	
20	TOTAL MATERIALS AND SUPPLIES	Ln18..19	6.495	584	319	598	5,655	227	247	-	4.977	
21	Cash Working Capital	CWC	75,365	5,363	2,522	5,289	38,975	1,122	1,302	-	35,416	
EQUAL ACCESS INVESTMENT SEPARATION												
22	Equal Access Gross Investment	Ln22a*3	-	-	-	-	-	-	-	-	-	
23	Equal Access Gross Investment - DA	Direct	-	-	-	-	-	-	-	-	-	
24	Accum Depreciation	Ln24a*3	-	-	-	-	-	-	-	-	-	
25	Deferred Oper Inc Taxes	Ln25a*3	-	-	-	-	-	-	-	-	-	
26	Unamortized Expenses	Ln26a*3	-	-	-	-	-	-	-	-	-	
27	TOTAL NET EQUAL ACCESS INVESTMENT	Ln22-24-25+26	-	-	-	-	-	-	-	-	-	
28	Distribution of Line 27	Ln27/27a	-	-	-	-	-	-	-	-	-	
INVEST ALLOW/DISALLOW SEPARATION												
29	Investment Allow/Disallowances	Ln29a*1	-	-	-	-	-	-	-	-	-	
30	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	
31	TOTAL INVEST ALLOW/DISALLOWANCES	Ln29..30	-	-	-	-	-	-	-	-	-	

CERTAIN INCOME ACCOUNTS AND ADJUSTMENTS

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL				
			TOTAL COMPANY (a)	MSG (b)	Intrastate PL (c)	MSG (d)	Intrastate PL (e)	MSG (f)	Intrastate PL (g)	MSG (h)	Intrastate PL (i)	EAS (j)	User Defined (k)
1	2001 TRS Dir	S-2 Ln15	100,000%	40,892%	3,523%	1,762%	2,703%	25,707%	0,980%	1,092%	23,329%		
2	2003 PLU-Pct	S-9 Ln11	100,000%	40,892%	3,523%	1,762%	2,703%	25,707%	0,980%	1,092%	23,329%		
3	Corp Oper Expenses Dir	S-14 Ln17	100,000%	48,535%	3,130%	1,448%	3,161%	22,189%	0,587%	0,692%	20,251%		
4	2600 Capital Leases Dir	S-6 Ln19	100,000%	35,619%	3,212%	1,665%	3,031%	28,707%	1,137%	1,246%	25,359%		
5	Net Telecom Plant Depr 4040, 4310	S-2 Ln37	100,000%	40,892%	3,523%	1,762%	2,703%	25,707%	0,980%	1,092%	23,329%		
6	2110 Support Asses Dir	S-4 Ln9	100,000%	82,030%	2,970%	2,970%	2,970%	2,970%	-	-	15,000%		
7	2210 COE Switching Dir	S-5 Ln37	100,000%	38,744%	7,972%	1,263%	2,973%	26,686%	0,856%	1,122%	18,379%		
8	2220 COE-Transmission Dir	S-5 Ln24	100,000%	34,004%	3,057%	1,687%	3,109%	29,604%	1,187%	1,291%	26,056%		
9	2310 IOT Dir	S-6 Ln12	100,000%	40,892%	3,523%	1,762%	2,703%	25,707%	0,980%	1,092%	23,329%		
10	2410 C&W Dir	S-7 Ln43	100,000%	45,862%	3,291%	1,522%	3,324%	23,350%	0,678%	0,726%	21,297%		
11	2410 C&W Dir	S-7 Ln43	100,000%	45,862%	3,291%	1,522%	3,324%	23,350%	0,678%	0,726%	21,297%		
12	COE, IOT, C&W	S-2 Ln8	100,000%										
13	Big Three Expenses Dir	S-3 Ln6	100,000%										
14	OTHER INCOME SEPARATION												
15	1500 Nonoper Inc & Expenses	Ln15a-2											
16	1600 Fds Used Dur Constr	Ln16a-3											
17	1700 Contributions	Ln17a-1											
18	1800 Abandoned Construction	Direct											
19	1900 Other Nonoperating Expense	Direct											
20	Fixed Charges	Ln20a-4											
21	Interest on Capital Leases	Ln21a-12											
22	Fixed Charges Excl Capital Leases	Ln22a-9	176,692	62,937	5,675	2,978	5,359	50,724	2,009	2,202	44,808		
23	Amortization of Debt Discount	Ln23a-5											
24	Other Interest	Ln24a-9											
25	TOTAL FIXED CHARGES	Ln25-21	176,692	62,937	5,675	2,978	5,359	50,724	2,009	2,202	44,808		
26	5240 Rent Revenues	Ln26a-6											
27	Support Assets	Ln27a-7											
28	COE Switching	Ln28a-8											
29	COE Operator	Ln29a-9											
30	COE Transmission	Ln30a-10											
31	Into Orig/Term Equip	Ln31a-11											
32	C&W	Ln32a-11											
33	Not Classified by Act	Ln33a-11											
34	UNBUNDLED NETWORK ELEMENTS	Ln34a-11											
35	C&W - Unbundled Loop	S-5 Ln41 Ln34											
36	Operator Systems	S-5 Ln42 Ln35											
37	Tandem Switching	S-5 Ln29 Ln36											
38	Local Switching	S-5 Ln34 Ln37											
39	Transport Termination	S-5 Ln65 Ln38											
40	Transport Facility	S-5 Ln65 Ln39											
41	SS7	S-5 Ln75 Ln40											
42	Direct Assignment	Ln42a-1											
43	TOTAL RENT REVENUES	Ln43-42											
44	INCOME TAX ADJUSTMENTS SEPARATIONS												
45	ITC Amortization - Federal	Ln45a-1											
46	ITC Amortization - State	Ln46a-1											
47	TOTAL ITC AMORTIZATION	Ln47-45											
48	Amortization of Excess Def Taxes	Ln48a-1											
49	Capitalized Payroll Taxes	Ln49a-1											
50	Direct Assignment	Direct											
51	TOTAL CAPITALIZED PAYROLL TAXES	Ln51-49											
52	Depreciation Adjustments	Ln52a-1											
53	Direct Assignment	Direct											
54	TOTAL DEPRECIATION ADJUSTMENTS	Ln54-52											
55	Uncollectibles - Joint Message	Direct											
56	Uncollectibles - End User CCL	Direct											
57	Uncollectibles - Interexchange Carrier	Direct											
58	TOTAL UNCOLLECTIBLES	Ln58-56											
59	Misc Inc Adjustments	Ln59a-1											
60	Inc Adj Alloc on 2001	Direct											
61	Inc Adj Alloc on 2001 - Direct Assignment	Direct											
62	Inc Adj Alloc on Big 3 Exp	Ln62a-13											
63	Inc Adj Alloc on Big 3 Exp - Direct Assignment	Direct											
64	TOTAL MISC INC ADJUSTMENTS	Ln64-61											

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PLANT SPECIFIC EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL				
			TOTAL COMPANY (a)	MSG (b)	IntraLATA PL (c)	MSG (d)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	MSG (h)	IntraLATA PL (i)	EAS (j)	User Defined (k)
SEPARATIONS FACTORS													
1	2110 Land & Supt Ass'ts Dirsr	S-4, Ln14	100,000%	40,889%	3,523%	1,762%	-	-	-	-	-	-	-
2	Total COE Dirsr + EA Dirsr	S-5, Ln179	100,000%	56,971%	4,615%	1,981%	-	-	-	-	-	-	-
3	2310 IOT Cal 1-Other Dirsr	S-6, Ln8	-	-	-	-	-	-	-	-	-	-	-
4	2310 IOT Cal 2-CPE Dirsr	S-6, Ln10	-	-	-	-	-	-	-	-	-	-	-
5	2410 CAWF Dirsr	S-7, Ln43	100,000%	34,004%	3,055%	1,667%	-	-	-	-	-	-	-
PLANT SPECIFIC EXPENSES SEPARATION													
6	6110 Network Support Expenses	Ln6a*1	-	-	-	-	-	-	-	-	-	-	-
7	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
8	TOTAL NETWORK SUPPORT EXPENSES	Ln6.7	-	-	-	-	-	-	-	-	-	-	-
9	6120 General Support Expenses	Ln9a*1	82,610	33,779	2,911	1,456	-	-	-	-	-	-	-
10	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
11	TOTAL GENERAL SUPPORT EXPENSES	Ln9.10	82,610	33,779	2,911	1,456	-	-	-	-	-	-	-
12	6210 COE Switching Expenses	Ln12a*2	360,986	205,657	16,662	7,154	-	-	-	-	-	-	-
13	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
14	TOTAL COE SWITCHING EXPENSES	Ln12.13	360,986	205,657	16,662	7,154	-	-	-	-	-	-	-
15	6220 COE Operator Systems Expenses	Ln15a*2	-	-	-	-	-	-	-	-	-	-	-
16	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
17	TOTAL COE OPERATOR SYS EXPENSES	Ln15.16	-	-	-	-	-	-	-	-	-	-	-
18	6230 COE Transmission Expenses	Ln18a*2	228,567	130,217	10,550	4,530	-	-	-	-	-	-	-
19	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
20	TOTAL COE TRANSMISSION EXPENSES	Ln18.19	228,567	130,217	10,550	4,530	-	-	-	-	-	-	-
21	TOTAL COE EXPENSES	Ln14+17+20	689,553	335,874	27,211	11,684	-	-	-	-	-	-	-
22	6310 IOT Equip Expenses	Ln22a*3	-	-	-	-	-	-	-	-	-	-	-
23	Cal 1-Other IOT Eq Expenses	Ln22a*4	-	-	-	-	-	-	-	-	-	-	-
24	Cal 2-Cust Prem Equip Exp	Direct	-	-	-	-	-	-	-	-	-	-	-
25	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
26	TOTAL IOT EXPENSES	Ln23..25	-	-	-	-	-	-	-	-	-	-	-
27	6410 CAWF Expenses	Ln27a*5	333,962	113,561	10,205	5,570	-	-	-	-	-	-	-
28	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
29	TOTAL CAWF EXPENSES	Ln27.28	333,962	113,561	10,205	5,570	-	-	-	-	-	-	-
30	PII Spec Exp w/6110,6120	Ln21+26+29	923,515	449,435	37,416	17,254	-	-	-	-	-	-	-
31	TOTAL PLANT SPEC OPER EXP	Ln8+11+30	1,005,125	483,214	40,327	18,710	-	-	-	-	-	-	-
32	Distribution of Line 31	Ln31/31a	100,000%	48,027%	4,082%	1,896%	-	-	-	-	-	-	-

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PLANT NONSPECIFIC EXPENSES

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL				
			TOTAL COMPANY (a)	MSG IntraLATA (b)	PL IntraLATA (c)	MSG (d)	PL IntraLATA (e)	PL (f)	MSG IntraLATA (g)	PL (h)	EAS (i)	User Defined (k)	Other (l)
1	2001 TPIS Distr	S-2Ln15	100.0000%	40.8892%	3.5234%	1.7620%	-	-	-	0.9801%	1.0992%	-	23.3299%
2	Total COE INT. C&WF Distr	S-2Ln7-9	100.0000%	40.8892%	3.5234%	1.7620%	-	-	-	0.9801%	1.0992%	-	23.3299%
3	2110 Support Assets Distr	S-4Ln9	100.0000%	40.8892%	3.5234%	1.7620%	-	-	-	0.9801%	1.0992%	-	23.3299%
4	2210 COE-Switching Distr	S-15Ln49	100.0000%	82.0300%	-	2.9700%	-	-	-	-	-	-	15.0000%
5	2220 COE-Operator Distr	S-5Ln24	100.0000%	-	-	-	-	-	-	-	-	-	-
6	2230 COE-Transmission Distr	S-5Ln77	100.0000%	38.7443%	7.9728%	1.2630%	-	-	-	0.8569%	1.1229%	-	18.3797%
7	2310 INT Distr	S-6Ln12	100.0000%	34.0042%	3.0557%	1.6679%	-	-	-	1.1873%	1.2914%	-	26.0565%
8	2410 C&WF Distr	S-7Ln43	100.0000%	-	-	-	-	-	-	-	-	-	-
9	2002 Prop Hld Ft Tel Use Distr	S-9Ln7	-	-	-	-	-	-	-	-	-	-	-
10	2680 Capital Leases Distr	S-8Ln19	-	-	-	-	-	-	-	-	-	-	-
11	2680 Leasehold Improvements Distr	S-8Ln30	-	-	-	-	-	-	-	-	-	-	-
12	2690 Intangible Assets Distr	S-4Ln36	-	-	-	-	-	-	-	-	-	-	-
13	2005 Telecom P/L Adjustment	S-9Ln15	-	-	-	-	-	-	-	-	-	-	-
PLANT NONSPECIFIC EXP SEPARATION													
14	6510 Oth Prop Plant & Eq Exp	Ln14s1	-	-	-	-	-	-	-	-	-	-	-
15	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
16	TOTAL OTH PROP PLANT & EQ EXP	Ln14.15	-	-	-	-	-	-	-	-	-	-	-
17	6530 Network Operations Exp	Ln17s2	42,311	17,301	1,491	746	-	-	-	1,146	465	-	9,871
18	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
19	TOTAL NETWORK OPERATIONS EXP	Ln17.18	42,311	17,301	1,491	746	-	-	-	1,146	465	-	9,871
20	6540 Access Expenses	Direct	-	-	-	-	-	-	-	-	-	-	-
21	Access Expense - Federal Support	Direct	13,333	13,333	-	-	-	-	-	-	-	-	-
22	Federal Support	Direct	13,333	13,333	-	-	-	-	-	-	-	-	-
23	TOTAL ACCESS EXPENSES	Ln21.22	-	-	-	-	-	-	-	-	-	-	-
24	6560 Depr and Amort Expenses	Ln25s3	99,742	40,784	3,514	1,757	-	-	-	2,701	1,096	-	23,270
25	Depr - Support Assets	Direct	-	-	-	-	-	-	-	-	-	-	-
26	Depr - Support Assets - Direct Assignment	Ln27s4	(16,883)	(13,849)	(501)	(501)	-	-	-	-	-	-	(2,532)
27	Depr - COE-Switching	Direct	-	-	-	-	-	-	-	-	-	-	-
28	Depr - COE-Switching - Direct Assignment	Ln29s5	-	-	-	-	-	-	-	-	-	-	-
29	Depr - COE-Operator	Direct	-	-	-	-	-	-	-	-	-	-	-
30	Depr - COE-Operator - Direct Assignment	Ln31s6	225,967	87,549	16,016	2,854	-	-	-	6,719	2,537	-	41,532
31	Depr - COE-Transmission	Direct	-	-	-	-	-	-	-	-	-	-	-
32	Depr - COE-Transmission - Direct Assignment	Ln33s7	-	-	-	-	-	-	-	-	-	-	-
33	Depr - Info Orig/Term Equip	Direct	-	-	-	-	-	-	-	-	-	-	-
34	Depr - Info Orig/Term Equip - Direct Assignment	Ln35s8	433,278	147,333	13,240	7,227	-	-	-	13,865	5,596	-	112,906
35	Depr - Cable & Wire Facilities	Direct	-	-	-	-	-	-	-	-	-	-	-
36	Depr - Cable & Wire Facilities - Direct Assignment	Ln37s9	-	-	-	-	-	-	-	-	-	-	-
37	Depr-Prop Hld Ft Tel Use	Ln38s10	-	-	-	-	-	-	-	-	-	-	-
38	Amort-Capital Leases	Ln39s11	-	-	-	-	-	-	-	-	-	-	-
39	Amort-Leasehold Improvements	Ln40s12	-	-	-	-	-	-	-	-	-	-	-
40	Amort-Exchange Assets	Ln41s13	-	-	-	-	-	-	-	-	-	-	-
41	Amort-Other Assets	Ln42s14	-	-	-	-	-	-	-	-	-	-	-
42	Amort-Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-
43	TOTAL DEPR & AMORT EXPENSES	Ln25.41	742,104	261,817	34,770	11,337	-	-	-	22,986	9,229	-	175,175
44	TOTAL PLANT NONSPEC OPER EXP	Ln16s19+23+43	797,748	292,450	36,261	12,082	-	-	-	24,132	9,694	-	185,046
45	Distribution of Line 39	Ln44/44s	100.0000%	35.6595%	4.5454%	1.5146%	-	-	-	3.0250%	1.2152%	-	23.1961%

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CUSTOMER OPERATIONS EXPENSES
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 Sheet 1 of 2

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL		INTRA-STATE TOLL		LOCAL		Other	
			MSG (b)	PL (c)	MSG (d)	PL (e)	MSG (f)	PL (g)		EAS (h)
SEPARATIONS FACTORS										
1	Marketing expense factor	Records								
2	WSSS: Tel Oper Svcs	Records								
3	Subscriber Line MOU	Records								
4	EU Service Order Contacts	Records	30.6290%		0.9900%					
5	EU Service Order Revenue incl CCL	Records	27.0000%							
6	EU Billed Revenue incl CCL	Records	31.1396%							
7	IX Svc Ord Proc Contacts	Records	25.0000%							
8	IX Billed Revenue	Records	50.0000%							
9	IX Bill Inq Contacts	Records	50.0000%							
10	Public Interest Paystation Revenue	Records	50.0000%							
MARKETING EXPENSES SEPARATION										
11	6510 Marketing Expenses	Ln11a*1								
12	Direct Assignment	Direct								
13	TOTAL MARKETING EXPENSES	Ln11..12								
SERVICES EXPENSES SEPARATION										
14	1620 Services Expenses									
15	Telephone Operator Service:									
16	Tel Operator Svc	Ln16a*2								
17	Direct Assignment	Direct								
18	Total Tel Oper Svc Exp	Ln16..17								
19	Published Direct Listings:									
20	Classified	Direct								
21	Unclassified	Direct								
22	Alpha	Ln22a*3								
23	Foreign	Direct								
24	Total Publ Direct List	Ln20..23								
25	All Other:									
26	Cal 1-LEOE EU Svc Ord Proc	Direct	11,350							
27	Presubscription	Ln27a*4	9,193							
28	Other									
29	Cal 1-LEOE EU Pmt & Col	Direct								
30	- Ctl	Ln29a*5	10,603							
31	- Other									
32	Cal 1-LEOE EU Bill Inq	Direct								
33	- Ctl	Ln32a*6								
34	- Other									
35	Cal 1-LEOE IX Svc Ord Proc	Ln35a*7								
36	Cal 1-LEOE IX Pmt & Col	Ln36a*8								
37	Cal 1-LEOE IX Bill Inq	Ln37a*9								
38	Cal 1-LEOE Cn Col & Admin	Ln38a*10								
39	Total Cal 1-LEOE	Ln28..38	39,657							
			113,495							

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 Sheet 2 of 2

LINE	DESCRIPTION	SOURCE	TOTAL COMPANY			INTERSTATE TOLL			INTRASTATE TOLL			LOCAL		
			COMPANY (a)	MSG (b)	PL (c)	INTRALATA (d)	MSG (e)	PL (f)	INTRALATA (g)	MSG (h)	PL (i)	INTRALATA (j)	User Defined (k)	Other (l)
40	Relative Toll & Local Msgs Pct	Records	100.0000%	28.4030%	50.0000%	-	-	-	69.6297%	-	-	-	-	-
41	CABS Pct	Records	100.0000%	50.0000%	-	-	-	-	25.0000%	-	-	-	-	-
SERVICES EXP SEPARATION (CONTD)														
42	Cat 2-CSE Msg Proc	Ln42a-40	37,301	10,595	-	-	-	-	734	-	-	-	-	-
43	Joint Message	Direct	-	-	-	-	-	-	-	-	-	-	-	-
44	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
45	Cat 2-CSE Other B&C	Direct	35,240	10,510	-	-	-	-	12,365	-	-	-	-	12,365
46	Direct Assignment	Direct	1,865	1,865	-	-	-	-	-	-	-	-	-	-
47	End User Common Line	Ln48a-41	24,484	12,247	-	-	-	-	6,124	-	-	-	-	6,124
48	Cat 2-CSE CABS	Ln42, 48	98,890	35,207	-	-	-	-	8,857	-	-	-	-	8,857
49	Total Cat 2-CSE		212,385	74,864	-	-	-	-	17,547	-	-	-	-	17,547
50	Total All Other Cat 1 & 2	Ln50a	100.0000%	35.2491%	-	-	-	-	8.2617%	-	-	-	-	30.6616%
51	Distribution of Line 50		-	-	-	-	-	-	-	-	-	-	-	-
52	Cat 3-All Other CSE	Ln52a-51	713	713	-	-	-	-	-	-	-	-	-	-
53	Cat 3-Direct Assignment	Direct	713	713	-	-	-	-	-	-	-	-	-	-
54	Total All Other Cat 3	Ln52, 53	1,426	1,426	-	-	-	-	-	-	-	-	-	-
55	Total All Other-Cat 1,2,3	Ln50a-54	213,088	75,577	-	-	-	-	17,547	-	-	-	-	65,121
56	TOTAL SERVICES EXPENSES	Ln18+24+55	216,135	75,577	-	-	-	-	17,547	-	-	-	-	68,158
57	TOTAL CUSTOMER OPER EXPENSES	Ln13+56	216,135	75,577	-	-	-	-	17,547	-	-	-	-	68,158
58	Distribution of Line 57	Ln57/57a	100.0000%	34.9674%	-	-	-	-	8.1183%	-	-	-	-	31.5347%

Midvale Telephone Exchange - Idaho
 Study Area: 47226
 Study Year: 2005

CORP OPERATIONS, TAXES, & EQUAL ACCESS EXPENSES

S-14

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL			
			TOTAL COMPANY (a)	MSG IntraLATA (b)	PL IntraLATA (c)	MSG IntraLATA (d)	PL IntraLATA (e)	MSG IntraLATA (f)	PL IntraLATA (g)	MSG IntraLATA (h)	PL IntraLATA (i)	EAS (j)	User Defined (k)	Other (l)
SEPARATIONS FACTORS														
1	Big Three Expenses Distr	S-3, Ln6	100.00000%	45.8825%	3.2916%	1.5228%	-	3.3247%	-	23.3350%	0.6180%	0.7285%	-	21.2967%
2	2001 TPIS Distr	S-2, Ln15	100.00000%	40.8692%	3.5234%	1.7620%	-	2.7053%	-	25.7078%	0.9801%	1.0992%	-	23.3289%
3	Equal Access Invest Distr	S-9, Ln28	100.00000%	-	-	-	-	-	-	-	-	-	-	-
4	Net Telecom Plant Distr excl 1220, EA	S-2, Ln37	100.00000%	35.6196%	3.2120%	1.6853%	-	3.0331%	-	28.7078%	1.1367%	1.2460%	-	25.3586%
5	Income Tax Distribution	S-3, Ln 27	100.00000%	42.7290%	3.6421%	1.5259%	-	3.1705%	-	25.2043%	0.7911%	0.9138%	-	22.0234%
CORPORATE OPER EXP SEPARATIONS														
6	6710 Exec & Planning Expenses	Direct	-	-	-	-	-	-	-	-	-	-	-	-
7	EAS	Ln8a*1	163,799	75,155	5,392	2,494	-	5,446	-	38,222	1,012	1,193	-	34,864
8	All Other	Direct	-	-	-	-	-	-	-	-	-	-	-	-
9	Direct Assignment	Ln7_9	163,799	75,155	5,392	2,494	-	5,446	-	38,222	1,012	1,193	-	34,864
10	TOTAL EXEC & PLANNING EXPENSES													
11	6720 Genl and Admin Expenses	Direct	-	-	-	-	-	-	-	-	-	-	-	-
12	EAS	Ln13a*1	243,941	111,926	6,030	3,715	-	8,110	-	56,924	1,508	1,777	-	51,951
13	All Other	Direct	21,052	132,976	8,030	3,715	-	8,110	-	56,924	1,508	1,777	-	51,951
14	Direct Assignment	Ln12_14	284,993	132,976	8,030	3,715	-	8,110	-	56,924	1,508	1,777	-	51,951
15	TOTAL GENL & ADMIN EXPENSES													
16	TOTAL CORPORATE OPER EXPENSES	Ln10a*15 Ln16*16a	426,782	208,133	13,422	6,209	-	13,566	-	95,146	2,520	2,970	-	86,635
17	Distribution of Int'l Taxes (Actual)		100.00000%	48.5395%	3.1301%	1.4481%	-	3,1615%	-	22,1892%	0.5877%	0.6927%	-	20.2511%
18	7000 Operating Taxes (Actual)	Ln19a*5	17,510	7,482	638	267	-	555	-	4,413	139	160	-	3,856
19	Federal Income Taxes	Ln20a*5	-	-	-	-	-	-	-	-	-	-	-	-
20	State & Local Income Taxes	Ln20a*5	17,510	7,482	638	267	-	555	-	4,413	139	160	-	3,856
21	OP FED, STATE, LOCAL TAXES - CWC													
22	FIT Allowances/Disallowances	Ln22a*2	-	-	-	-	-	-	-	-	-	-	-	-
23	Operating Taxes - Property	Ln23a*2	36,676	15,815	1,363	682	-	1,048	-	9,943	379	425	-	9,024
24	Operating Taxes - Other	Ln24a*2	-	-	-	-	-	-	-	-	-	-	-	-
25	Operating Taxes - Direct Assignment	Direct	429	429	-	-	-	-	-	-	-	-	-	-
26	TOTAL OPER TAXES x/FIT_SIT	Ln23_25	39,107	16,244	1,363	682	-	1,048	-	9,943	379	425	-	9,024
OPERATING REVENUE SEPARATIONS														
27	5000 Basic Local Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-	-
28	5080 Interstate Access/End User Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-	-
29	5084 State Access/End User Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-	-
30	5100 Long Distance Message Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-	-
31	5200 Miscellaneous Operating Revenue	Direct	-	-	-	-	-	-	-	-	-	-	-	-
32	7100 Other Operating Income	Direct	-	-	-	-	-	-	-	-	-	-	-	-
33	TOTAL OPERATING REVENUE	Ln27_32	-	-	-	-	-	-	-	-	-	-	-	-
EQUAL ACCESS EXPENSES SEPARATION														
34	Equal Access Expenses	Ln34a*3	-	-	-	-	-	-	-	-	-	-	-	-
35	TOTAL ALLOWANCES AND DISALLOWANCES	Ln34_34	-	-	-	-	-	-	-	-	-	-	-	-
36	Expense Allowances/Disallowances	Ln37a*4	-	-	-	-	-	-	-	-	-	-	-	-
37	Interest on Customer Deposits	Ln37a*4	-	-	-	-	-	-	-	-	-	-	-	-
38	Other Interest Deduction	Ln37a*4	-	-	-	-	-	-	-	-	-	-	-	-
39	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-
40	TOTAL EXPENSE ALLOW/DISALLOWANCES	Ln37_38	-	-	-	-	-	-	-	-	-	-	-	-

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

Mikula Telephone Exchange - Idaho
 Study ref: 472226
 Study Year: 2005

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 Sheet 1 of Z

RESERVES & DEFERRALS

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL						INTRASTATE TOLL						LOCAL	
			TOTAL COMPANY (a)	MSG (b)	IntraLATA PL (c)	MSG (d)	IntraLATA PL (e)	MSG (f)	IntraLATA PL (g)	MSG (h)	IntraLATA PL (i)	EAS (j)	User Defined (k)	Other (l)		
1	2110 Support Assels Dist	S-4 Ln9	100.0000%	40.8892%	3.5234%	1.7620%	2.7093%	2.7093%	0.9801%	1.0992%	-	0.9801%	1.0992%	-	23.3289%	
2	2210 COE-Switching, incl. EA Dist	S-5 Ln37-S-9 Ln26	100.0000%	82.0300%	-	2.9700%	-	-	-	-	-	-	-	-	15.0000%	
3	2220 COE-Operator Dist	S-5 Ln24	100.0000%	-	-	-	-	-	-	-	-	-	-	-	18.3797%	
4	2230 COE-Transmission Dist	S-5 Ln77	100.0000%	38.7443%	7.9728%	1.2630%	2.9735%	28.6668%	0.8659%	1.1229%	-	0.8659%	1.1229%	-	18.3797%	
5	2310 IOT Dist	S-6 Ln12	100.0000%	-	-	-	-	-	-	-	-	-	-	-	26.0665%	
6	2410 C&WF Dist	S-6 Ln18	100.0000%	34.0042%	3.0577%	1.6679%	3.1309%	29.6040%	1.1873%	1.2914%	-	1.1873%	1.2914%	-	26.0665%	
7	2001 TRIS xLand	S-7 Ln43	100.0000%	40.8892%	3.5234%	1.7620%	2.7093%	25.7079%	0.9801%	1.0992%	-	0.9801%	1.0992%	-	23.3289%	
8	General Support, COE, IOT, C&WF	S-2 Ln1+8	100.0000%	40.8892%	3.5234%	1.7620%	2.7093%	25.7079%	0.9801%	1.0992%	-	0.9801%	1.0992%	-	23.3289%	
9	2002 Prop Hld Fir Tel Use Dist	S-9 Ln7	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	2680 Capital Leases Dist	S-8 Ln19	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	2680 Leasehold Improvements	S-8 Ln30	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	2690 Intangible Assets Dist	S-8 Ln36	-	-	-	-	-	-	-	-	-	-	-	-	-	
13	2005 Telecom Pn Adjustment	S-9 Ln15	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	1500 Other Joint Assets - Ngt	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
15	3100 Accum Depr-Tel Pn in Svc	Ln16a1	1,265,321	517,380	44,582	22,295	34,269	325,287	12,401	13,908	-	12,401	13,908	-	295,199	
16	Support Assets	Direct	1,476,784	1,211,406	-	43,880	-	-	-	-	-	-	-	-	221,518	
17	COE-Switching - Direct Assignment	Ln16a2	-	-	-	-	-	-	-	-	-	-	-	-	-	
18	COE-Switching - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	COE-Switching - Direct Assignment	Ln20a3	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	COE-Operator	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
21	COE-Operator - Direct Assignment	Ln22a4	1,971,710	763,926	157,200	24,903	58,829	565,620	16,896	22,141	-	16,896	22,141	-	362,395	
22	COE-Transmission - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
23	COE-Transmission - Direct Assignment	Ln24a5	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	Info Orig/Term Equip - Direct Assignment	Ln26a6	3,779,735	1,285,270	115,489	63,044	118,338	1,118,953	44,875	48,813	-	44,875	48,813	-	984,943	
25	Info Orig/Term Equip - Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
26	C&WF	Ln16...27	8,493,549	3,777,980	317,280	154,102	211,236	2,009,861	74,173	84,862	-	74,173	84,862	-	1,864,054	
27	C&WF - Direct Assignment	Ln30a9	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	TOTAL ACCUMULATED DEPRECIATION	Ln31a10	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	Accum Depr Property Held	Ln32a11	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	For Future Telecom Use	Ln33a12	-	-	-	-	-	-	-	-	-	-	-	-	-	
31	Accum Amort-Capital Leases	Ln34a13	-	-	-	-	-	-	-	-	-	-	-	-	-	
32	Accum Amort-Leasehold Improvements	Ln35a7	-	-	-	-	-	-	-	-	-	-	-	-	-	
33	Accum Amort-Intangible	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	
34	Accum Amort-Other	Ln35a6	-	-	-	-	-	-	-	-	-	-	-	-	-	
35	Customer Deposits	Ln39a1	-	-	-	-	-	-	-	-	-	-	-	-	-	
36	Direct	Ln40a2	-	-	-	-	-	-	-	-	-	-	-	-	-	
37	TOTAL CUSTOMER DEPOSITS	Ln41a3	-	-	-	-	-	-	-	-	-	-	-	-	-	
38	Net Cur Def Op Inc Taxes	Ln42a4	-	-	-	-	-	-	-	-	-	-	-	-	-	
39	Support Assets	Ln43a5	-	-	-	-	-	-	-	-	-	-	-	-	-	
40	COE-Switching	Ln44a6	-	-	-	-	-	-	-	-	-	-	-	-	-	
41	COE-Operator	Ln45a8	-	-	-	-	-	-	-	-	-	-	-	-	-	
42	COE-Transmission	Ln39...45	-	-	-	-	-	-	-	-	-	-	-	-	-	
43	Info Orig/Term Equip	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
44	C&WF	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
45	Not Classified by Acct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
46	TOTAL NET CUR DEF OP INC TAXES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Midvale Telephone Exchange - Idaho
 Study Area 472226
 Study Year 2005

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 Sheet 2 of 2

RESERVES & DEFERRALS

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL					
			TOTAL COMPANY (a)	MSG IntraLATA (b)	PL IntraLATA (c)	MSG IntraLATA (d)	PL IntraLATA (e)	MSG IntraLATA (f)	PL IntraLATA (g)	MSG IntraLATA (h)	PL IntraLATA (i)	EAS (j)	User Defined (k)	Other (l)
47	SEPARATIONS FACTORS													
48	Bip Three Expenses Distr	S-3Ln6	100.0000%	45.8892%	3.2918%	1.5228%	3.3247%	3.3247%	23.3350%	0.6180%	0.7285%	-	21.2667%	
49	2110 Support Assets Distr	S-4Ln9	100.0000%	40.8892%	3.5234%	1.7620%	2.7083%	-	25.7079%	0.9801%	1.0992%	-	23.3289%	
50	2210 COE-Switching Distr	S-15Ln2	100.0000%	82.0300%	-	2.9700%	-	-	-	-	-	-	15.0000%	
51	2220 COE-Operator Distr	S-5Ln24	100.0000%	-	-	-	-	-	-	-	-	-	-	
52	2310 COE-Transmission Distr	S-5Ln77	100.0000%	38.7443%	7.9728%	1.2630%	2.9735%	-	28.8868%	0.8568%	1.1228%	-	18.3757%	
53	2410 IOT Distr	S-6Ln12	100.0000%	-	-	-	-	-	-	-	-	-	-	
54	2001 C&WF Distr	S-7Ln43	100.0000%	34.0042%	3.0577%	1.6679%	3.1309%	-	28.6040%	1.1873%	1.2914%	-	26.0585%	
55	2001 TPIS ALand	S-2Ln18	100.0000%	40.8892%	3.5234%	1.7620%	2.7083%	-	25.7079%	0.9801%	1.0992%	-	23.3289%	
56	2001 TPIS Distr	S-2Ln15	100.0000%	40.8892%	3.5234%	1.7620%	2.7083%	-	25.7079%	0.9801%	1.0992%	-	23.3289%	
57	RESERVES & DEFERRALS SEPARATION	S-2Ln1+8	100.0000%	40.8892%	3.5234%	1.7620%	2.7083%	-	25.7079%	0.9801%	1.0992%	-	23.3289%	
58	4310 Other Long-Term Liabilities	Ln57a+47	-	-	-	-	-	-	-	-	-	-	-	
59	4340 Net Noncurrent Def Taxes	Ln58a+48	-	-	-	-	-	-	-	-	-	-	-	
60	Support Assets	Ln60a+49	-	-	-	-	-	-	-	-	-	-	-	
61	COE-Switching	Ln61a+50	-	-	-	-	-	-	-	-	-	-	-	
62	COE-Operator	Ln62a+51	-	-	-	-	-	-	-	-	-	-	-	
63	COE-Transmission	Ln63a+52	-	-	-	-	-	-	-	-	-	-	-	
64	Into Origin Term Equip	Ln64a+53	-	-	-	-	-	-	-	-	-	-	-	
65	C&WF	Ln65a+54	216.505	88.527	7.528	3.815	5.864	55.669	55.669	2.122	2.380	-	50.511	
66	Net Classified by Acct	Ln66a+54	216.505	88.527	7.528	3.815	5.864	55.669	55.669	2.122	2.380	-	50.511	
67	Other Deferred Credits-Net	Ln67a+55	-	-	-	-	-	-	-	-	-	-	-	
68	Other Liabilities	Ln68a+55	-	-	-	-	-	-	-	-	-	-	-	
69	Accum Depr & Amort Allow/Disallow	Direct	-	-	-	-	-	-	-	-	-	-	-	
70	Accum Depr & Amort Allow/Disallow	Ln70a+54	-	-	-	-	-	-	-	-	-	-	-	
71	Direct Assignment	Direct	-	-	-	-	-	-	-	-	-	-	-	
72	TOTAL ACC DEPR/AMORT ALW/DISALLOW	Ln70..71	-	-	-	-	-	-	-	-	-	-	-	

CASH WORKING CAPITAL

Microwave Telephone Exchange - Idaho
 Study Area - 472226
 Study Year - 2005

LINE	DESCRIPTION	SOURCE	INTERSTATE TOLL			INTRASTATE TOLL			LOCAL								
			MSG (b)	InterLATA (c)	PL (c)	MSG (d)	InterLATA (e)	PL (e)	MSG (f)	InterLATA (g)	PL (g)	MSG (h)	IntraLATA (i)	PL (i)	EAS (j)	User Defined (k)	Other (l)
TOTAL COMPANY		(a)															
1	Plant Specific Expenses	S-11 Ln31	483,214	40,327	18,710	22,842	218,013	7,699	9,054	206,267							
2	Plant Nonspecific exp excl depreciation & amortization	S-12, Ln16a*23	30,634	1,491	746	1,146	10,877	415	465	9,871							
3	Customer Operations Expense - Marketing	S-13, Ln13	75,577	-	-	17,547	88,158	-	-	54,854							
4	Customer Operations Expense - Services	S-13, Ln56	208,133	13,422	6,209	13,556	95,146	2,520	2,970	86,635							
5	Corporate Operations Expense	S-14, Ln16	-	-	-	-	-	-	-	-							
6	Equal Access Expense	S-14, Ln34	-	-	-	-	-	-	-	-							
7	Other Nonoperating Expense - Contributions	S-10, Ln16	-	-	-	-	-	-	-	-							
8	Interest on Capital Leases	S-10, Ln20	62,937	5,675	2,976	5,359	50,724	2,009	2,202	44,808							
9	Fixed Charges excl Capital Leases	S-10, Ln21	-	-	-	-	-	-	-	-							
10	Interest on Customer Deposits	S-10, Ln17	15,815	1,363	682	1,046	9,843	379	425	9,024							
11	Other Operating Tax - Property	S-10, Ln23	-	-	-	-	-	-	-	-							
12	Other Operating Tax - Other	S-10, Ln24	429	-	-	555	4,413	139	160	3,856							
13	Other Operating Tax - Direct Assignment	S-10, Ln25	17,910	630	267	62,053	457,275	13,160	15,276	415,515							
14	Federal & State Income Tax (Actual)	S-10, Ln21	884,221	62,815	29,591	8,4986%	8,4986%	8,4986%	8,4986%	8,4986%							
15	Total Cash Working Capital Expenses	Ln1..14	1,940,005	8,4986%	8,4986%	8,4986%	8,4986%	8,4986%	8,4986%	8,4986%							
16	Cash Working Capital Factor	Records	184,874	5,347	2,515	5,274	38,862	1,118	1,298	35,313							
17	Cash Working Capital	Ln15, Ln16	-	-	-	-	-	-	-	-							
18	Minimum Bank Balance	Records	219	16	7	15	113	3	4	103							
19	Working Cash Balances	Records	165,354	5,363	2,522	5,289	38,975	1,122	1,302	35,416							
20	Total Cash Working Capital	Ln20	45,5783%	3,2431%	1,5253%	3,1966%	23,5708%	0,6783%	0,7874%	21,4182%							
21	Distribution of Line 20	Ln20/20a	100,0000%														

TAX FORM

Midvale Telephone Exchange - Idaho
 Study Area: 472226
 Study Year: 2005

LN	DESCRIPTION	SOURCE	Taxable		INCOME TAX	
			TOTAL	TOTAL	TOTAL	SurfTax
1	AVERAGE NET INVESTMENT	S-1,Ln1	5,973,073	-	-	-
2	ASSUMED RATE OF RETURN FOR ESTIMATING TAX RATE	S-1,Ln6	8,081,99%	-	-	-
3	RETURN ON INVESTMENT	Ln1a7	482,738	-	-	-
4	FIT INCOME ADJUSTMENT (FROM COST STUDY)		176,692	-	-	-
5	INVESTMENT TAX CREDIT AMORTIZATION		-	-	-	-
6	AFTER TAX INCOME BEFORE TAX CREDITS		306,046	-	-	-
7	FIT BEFORE TAX CREDITS (MUST EQUAL LN 17)		157,660	-	-	-
8	TAXABLE INCOME		463,706	7,500	-	-
9	FIT ON \$0 to \$50,000 @ 15%	15%	50,000	6,250	5,000	-
10	FIT ON \$50,000 to \$75,000 @ 25%	25%	25,000	6,250	11,750	-
11	FIT ON \$75,000 to \$100,000 @ 34%	34%	25,000	8,500	8,500	-
12	FIT ON \$100,000 to \$335,000 @ 39%	39%	235,000	91,650	16,750	-
13	FIT ON \$335,000 to \$10,000,000 @ 34%	34%	128,706	43,760	-	-
14	FIT ON \$10,000,000 to \$15,000,000 @ 34%	34%	-	-	100,000	-
15	FIT ON \$15,000,000 to \$18,333,333 @ 35%	35%	-	-	550,000	-
16	FIT ON OVER \$18,333,333 @ 35%	35%	-	-	-	-
17	TOTAL TAXABLE INCOME/FIT BEFORE TAX CREDITS	LN8 S..16	463,706	157,660	-	-
18	EFFECTIVE FIT TAX RATE				34.00000%	

DISTRIBUTION RATIOS FOR RATE BASE AND EXPENSES

Midvale Telephones Exchange - Idaho
Study Area: 472226
Study Year: 2005

ALLOCATION RATIOS	A/C Category	INTERSTATE TOLL				INTRASTATE TOLL				LOCAL		
		MSG InerLATA (b)	PL InerLATA (c)	MSG InerLATA (d)	PL InerLATA (e)	MSG InerLATA (f)	PL InerLATA (g)	MSG InerLATA (h)	PL InerLATA (i)	EAS (j)	User Defined (k)	Other (l)
Total	Total	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%
Capital Investment Summary												
General Support Facilities	2110	40.8892%	3.5234%	1.7620%	2.7083%	25.7079%	0.9801%	1.0992%	-	-	23.3299%	
COE Switching Equipment	2210	82.0300%	2.9700%	-	-	-	-	-	-	-	15.0000%	
Operator Systems Equipment	2220	38.7443%	7.9728%	1.2630%	2.9735%	28.6668%	0.8669%	1.1239%	-	-	19.3797%	
COE Transmission Equipment	2230	34.0042%	3.0557%	1.6679%	3.1309%	29.6040%	1.1873%	1.2914%	-	-	26.0585%	
Information Orig/Term Equipment	2310	-	-	-	-	-	-	-	-	-	-	
Cable & Wire Facilities	2410	40.8892%	3.5234%	1.7620%	2.7083%	25.7079%	0.9801%	1.0992%	-	-	23.3299%	
Tangible Assets	2680	40.8892%	3.5234%	1.7620%	2.7083%	25.7079%	0.9801%	1.0992%	-	-	23.3299%	
Total Plant in Service A/C 2001	2690	40.8892%	3.5234%	1.7620%	2.7083%	25.7079%	0.9801%	1.0992%	-	-	23.3299%	
Property Held for Future Use	2002	40.8892%	3.5234%	1.7620%	2.7083%	25.7079%	0.9801%	1.0992%	-	-	23.3299%	
Plant Under Construction	2003	40.8892%	3.5234%	1.7620%	2.7083%	25.7079%	0.9801%	1.0992%	-	-	23.3299%	
Leasehold Improvements	2005	40.8892%	3.5234%	1.7620%	2.7083%	25.7079%	0.9801%	1.0992%	-	-	23.3299%	
Total Property, Plant and Equipment		44.4805%	3.7355%	1.8143%	2.4870%	23.6634%	0.8733%	0.9991%	-	-	21.9467%	
Accumulated Depreciation - Plant in Service	3100	-	-	-	-	-	-	-	-	-	-	
Accumulated Depreciation - Property Held for Future Use	3200	-	-	-	-	-	-	-	-	-	-	
Accumulated Depreciation - Tangible Property	3400	-	-	-	-	-	-	-	-	-	-	
Accumulated Amortization - Intangible Property	3500	-	-	-	-	-	-	-	-	-	-	
Accumulated Amortization - Telephone Plant Adjustment	3600	-	-	-	-	-	-	-	-	-	-	
Deferred Operating Taxes	4340	40.8892%	3.5234%	1.7620%	2.7083%	25.7079%	0.9801%	1.0992%	-	-	23.3299%	
Other Long Term Liabilities	4310	-	-	-	-	-	-	-	-	-	-	
Other Deferred Credits	4370	-	-	-	-	-	-	-	-	-	-	
Customer Deposits		35.6143%	3.2115%	1.6652%	3.0334%	28.7107%	1.1369%	1.2461%	-	-	25.3619%	
Net Telephone Plant		-	-	-	-	-	-	-	-	-	-	
Investment Allow/Disallow		-	-	-	-	-	-	-	-	-	-	
Accum Depr/Amort Allow/Disallow		-	-	-	-	-	-	-	-	-	-	
Materials and Supplies	1220	34.0042%	3.0557%	1.6679%	3.1309%	29.6040%	1.1873%	1.2914%	-	-	26.0585%	
Investment in Nonaffiliated Companies	1402	-	-	-	-	-	-	-	-	-	-	
Equal Access Equipment	1439	-	-	-	-	-	-	-	-	-	-	
Other Jurisdictional Assets	1500	45.6763%	3.2431%	1.5293%	3.1986%	33.6789%	0.6763%	0.7874%	-	-	21.4182%	
Cash Working Capital	XXXX	35.8901%	3.2124%	1.6608%	3.0380%	28.5654%	1.1242%	1.2334%	-	-	25.2527%	
Net Telephone Plant, M&S and CWC		-	-	-	-	-	-	-	-	-	-	
Operating Expenses and Taxes Summary												
Network Support	6110	40.8892%	3.5234%	1.7620%	2.7083%	25.7079%	0.9801%	1.0992%	-	-	23.3299%	
General Support	6120	56.9710%	4.6156%	1.9818%	1.7214%	16.6074%	0.4961%	0.6501%	-	-	16.9686%	
Central Office	6210	-	-	-	-	-	-	-	-	-	-	
Information Orig/Term	6310	-	-	-	-	-	-	-	-	-	-	
Cable and Wire Facilities	6410	34.0042%	3.0557%	1.6679%	3.1309%	29.6040%	1.1873%	1.2914%	-	-	26.0585%	
Other Plant	6510	40.8892%	3.5234%	1.7620%	2.7083%	25.7079%	0.9801%	1.0992%	-	-	23.3299%	
Network Operations	6530	100.0000%	-	-	-	-	-	-	-	-	-	
Access Charge	6540	100.0000%	-	-	-	-	-	-	-	-	-	
Federal Support	6540	-	-	-	-	-	-	-	-	-	-	
Marketing	6610	34.9674%	3.2916%	1.5228%	8.1183%	31.5347%	0.6180%	0.7285%	-	-	25.3795%	
Customer Service	6620	45.6825%	3.0302%	1.4019%	3.3247%	23.3350%	0.5689%	0.6706%	-	-	21.2967%	
Corporate Operations - Executive and Planning	6710	50.1818%	3.6757%	1.5110%	3.0666%	21.4811%	0.5689%	0.6706%	-	-	19.6048%	
Corporate Operations - General and Administrative	6720	43.2610%	3.6757%	1.5110%	3.1884%	24.8480%	0.7653%	0.8869%	-	-	21.7659%	
Subtotal Operations Expense		35.2803%	4.6853%	1.5277%	3.0974%	29.4746%	1.0689%	1.2437%	-	-	23.6652%	
Depreciation and Amortization	6560	41.5376%	3.4847%	1.7427%	2.6786%	25.4259%	0.9993%	1.0971%	-	-	23.0740%	
Other Operating	7240	35.6186%	3.2120%	1.6853%	3.0331%	28.7078%	1.1367%	1.2460%	-	-	25.3596%	
Equal Access	7500	-	-	-	-	-	-	-	-	-	-	
Fixed Charges	5240	43.2339%	3.6727%	1.5146%	3.1603%	24.8555%	0.7665%	0.8900%	-	-	21.7864%	
Rent Revenue		-	-	-	-	-	-	-	-	-	-	
Total Operating Expense and Tax		-	-	-	-	-	-	-	-	-	-	
Nonoperating Expense		-	-	-	-	-	-	-	-	-	-	
Abandoned Construction		-	-	-	-	-	-	-	-	-	-	
Contributions		-	-	-	-	-	-	-	-	-	-	
Other Nonoperating		-	-	-	-	-	-	-	-	-	-	
Allowance for Funds Used During Construction	7340	-	-	-	-	-	-	-	-	-	-	
Other Income Adjustments	XXXX	-	-	-	-	-	-	-	-	-	-	