

LOCAL EXCHANGE TELEPHONE COMPANIES

For the provision of (check all that apply):

- INCUMBENT LOCAL EXCHANGE CARRIER (ILEC)
- NEW ENTRANT CARRIER (NEC)
- Class A
- Class B

ANNUAL REPORT

OF

The Chillicothe Telephone Company

If name was changed during year, show also the previous name and date of change.

PUCO

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P.O. Box 480
Address

Chillicothe
City

Ross
County

OH
State

45601
Zip Code

Phone :(740) 772-8200

68 E. Main Street, Chillicothe, Ohio 45601-0480

TO THE PUBLIC UTILITIES COMMISSION OF OHIO



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FOR THE
YEAR ENDED DECEMBER 31, 2001

Name, title, address, e-mail address, telephone and fax numbers (including area code) of the person to be contacted concerning this report.

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GENERAL INSTRUCTIONS

Please read General Instructions carefully before filling out this form:

1. **Class A** -- Companies having annual revenues from regulated telecommunications operations of \$100,000,000 or more.
Class B -- Companies having annual revenues from regulated telecommunications operations of less than \$100,000,000.
2. **Class B** companies may choose to use **Class A** accounts.
3. The word "Respondent" in the following inquiries means the person, firm, association, or company on whose behalf the report is made.
4. This annual report form was prepared in conformity with the Uniform System of Accounts prescribed by the PUCO for local exchange telephone companies. All accounting words and phrases are to be interpreted in accordance with said classification.
5. The schedules and questions contained in this report were developed to be generally applicable to all local exchange telephone companies. All instructions shall be followed and each question answered as fully and accurately as possible. Sufficient answers shall appear to show that no schedule, question, or line item has been overlooked. If a particular line item or schedule does not apply to the respondent, indicate this by answering "none", "-0-", or "not applicable", as appropriate.
6. Customary abbreviations may be used except that the exact name of the respondent shall be shown in full on the "cover page" and on the "Verification" page.
7. Where the space provided is insufficient for the required data or it is necessary or desirable to insert additional statements or schedules, the insert pages shall show the number and title of the schedule to which it pertains, as well as the name of the respondent and the year covered, and shall be on 8 1/2" x 11" durable paper.
8. The information required with respect to any statement furnished is the minimum requirement. The respondent may add such further material information as is necessary to ensure that the required statements are not misleading.
9. All copies filed with the Commission must be legible and permanent. All entries shall be made in permanent ink or by a typewriter. Items of a reverse or contrary character shall be enclosed in parentheses, or indicated by a minus sign followed by the amount.
10. The annual report shall be signed by a duly elected officer of the respondent.
11. The information required in this report, unless otherwise indicated, is to be reported for the entire company and not for the State of Ohio only.
12. Totals should be provided as indicated. The respondent shall ensure that schedule totals and subtotals are mathematically correct.
13. If a line item is supported by a detailed schedule elsewhere in this report, the respondent should ensure that the detailed schedule is completed and that the amounts on both schedules match.
14. The word "affiliated companies" means companies that directly or indirectly through one or more intermediaries control or are controlled by, or are under common control with, the utility filing this report.
15. Please list all accounts and totals in whole dollars only. Make sure the rounded numbers are equal to the original totals, when the original totals are rounded to the nearest dollar amount.

ADDITIONAL FILING REQUIREMENTS

The following list is intended only as a reminder to local exchange companies with less than 15,000 access lines of additional information required to be filed with the Commission and when such information is due.

- (1) Major Outage Reports (Rule 4901:1-5-03, O.A.C.) - when a major outage occurs, the local area news media and the Commission's Emergency Outage Coordinator must be notified within two hours. If such outage affects 9-1-1 service, the 9-1-1 PSAP for each affected county must also be notified immediately with an estimate of when 9-1-1 service will be restored.
- (2) Emergency Services Coordinator Names and Telephone Numbers (Rule 4901:1-5-22, O.A.C.) - the list of a company's Emergency Services Coordinator and appropriate phone numbers shall be updated as necessary and submitted to the Commission's Emergency Services Coordinator in the Consumer Services Department.
- (3) Directories (Rule 4901:1-5-06 (C), O.A.C.) - three copies of each directory shall be provided to the Commission's Library.

IDENTITY OF RESPONDENT

1. Give the location (including street and number) of (a) the main Ohio business office of respondent at the close of the year, and (b) if respondent is a foreign corporation, the main business office if not in this state.

The Chillicothe Telephone Company
68 E. Main Street, P.O. Box 480
Chillicothe, Ohio 45601-0480

2. State whether respondent is a corporation, a joint stock association, a firm or partnership, or an individual. Indicate date of incorporation or date of formation of partnership.

Corporation, December 14, 1927

3. If a consolidated or merged company, name all constituent and all merged companies absorbed during the year.

None

4. Date and authority for each consolidation and for each merger effected during the year.

N/A

5. If a reorganized company, give name of original corporation. State the occasion for any reorganization effected during the year.

N/A

6. For new entrant carrier (NEC); give PUCO Certification approval date _____, and Case No. _____.

N/A

7. For NEC's only describe current serving area.

CORPORATE CONTROL OVER RESPONDENT

- 1. Did any corporation or corporations, telephone or other, hold control over the respondent at the close of the year? YES If control was so held, state:
 - a. The name and address of the controlling corporation or corporations:
Horizon Telcom, Inc. P.O. Box 480, Chillicothe, OH 45601-0480
 - b. The form of control, whether sole or joint: Sole
 - c. The manner in which control was established: Common Stock
 - d. The extent of control: 100%
 - e. Whether control was direct or indirect: Direct
 - f. If indirect, the name and address of the intermediary through which control was established:
n/a

- 2. Did any individual, association, or corporation hold control, as trustee, over the respondent at the close of the year? No If control was so held, state:
 - a. The name and address of the trustee: _____
 - b. The name and address of the beneficiary or beneficiaries for whom the trust was maintained, if available: _____

RESPONDENT'S CONTROL OVER OTHER CORPORATIONS

- 3. Did the respondent hold control over other corporations at the close of the year? NO If so, state:
 - a. The name and address of corporation or corporations controlled: _____
 - b. The form of control, whether sole or joint: _____
 - c. Other parties, if any, to joint agreement for control: _____
 - d. The manner in which control was established: _____
 - e. The extent of control: _____
 - f. Whether control is direct or indirect: _____
 - g. If indirect, the name and address of the intermediary through which control was established: _____

IMPORTANT CHANGES DURING THE YEAR

Report important changes of the types listed. Except as otherwise indicated data furnished should apply to the same period the report covers. Answers should be numbered in accordance with the inquiries and if "none" states the fact, it should be used. If information which answers an inquiry is given elsewhere in the report, identification of the other answer will be sufficient.

1. Purchase or sale of entire property, or of a part of property when service territory is included: Give brief description of each transaction, name of other party, date, consideration, and Commission authorization.

None

2. Lease of property (to or from another) of the kind covered by the preceding inquiry: To the extent applicable give details corresponding to those required by the preceding inquiry.

None

3. Securities issued during the year: Identify the securities, give purpose of issuance, date, consideration received and Commission authorization. As here used, the term "securities" shall be taken to mean any capital stock or debt, the issuance of which requires prior authorization by this Commission.

None

3. Changes in articles of incorporation: Give brief particulars of each change and date.

None

4. Other important changes: Give brief particulars of each other important change which is not disclosed elsewhere in this report.

None

SCHEDULE: 1

VOTING POWERS AND ELECTIONS			
<p>1. In the schedule below, show the particulars called for concerning the stockholders of respondent who, at the date of the latest closing of the stock-book of respondent prior to the actual filing of this report, had the twenty highest voting powers of the respondent. If any such holder is held in trust, attach a statement showing the beneficial owners. If the stock-book was not closed within the year, show twenty such stockholders as of the close of the year. In the space provided, show total shares and notes of all stockholders.</p>			
Name and Address of Stockholders	No. of Shares Held	No. of Voting Shares	Other Vote Empowered Securities
Horizon Telecom, Inc. P.O. Box 480 Chillicothe, Ohio 45601-0480	1		
TOTAL LISTED ABOVE	1	0	0
ALL STOCKHOLDERS	1	0	0

SCHEDULE: 2

BOARD OF DIRECTORS				
1. Give the name of each person who was a member of the Board of Directors at any time during the year.				
2. Columns (d) and (e) relate to Board meetings only.				
Name of Director and Address (City and State) (a)	Served Continuously From (b)	Term Expired or Current Term Will Expire (c)	Number of Meetings Attended During Year (d)	Fees Paid During Year (e)
Thomas McKell Chillicothe, OH	May-01	May-02	4	
Jack Thompson Chillicothe, OH	May-01	May-02	4	
Robert McKell Chillicothe, OH	May-01	May-02	4	
Name of Chairman of the Board				Robert McKell
Name of Secretary of Board				Jack Thompson
Number of Meetings of Board during the year				Four
Number of directors provided for by charter or by-laws, as amended to the end of the year				n/a
Number of directors required to constitute a quorum				n/a

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SCHEDULE: 3

PRINCIPAL GENERAL OFFICERS

1. The persons to be listed herein are the chairman of the board, president, vice-presidents, treasurer, general counsel, and comptroller. Respondents that do not have officers bearing the aforesaid titles shall list those officers who have the responsibilities normally associated with such titles.
2. Customary abbreviations may be used in showing titles and departments in columns (a) and (b).

Title of General Officer (a)	Department Over Which Jurisdiction is Exercised (b)	Name of Person Holding the Office at End of Year (c)	Office Address (City & State) (d)
President	All	Thomas McKell	Chillicothe, Ohio
Secretary/Treasurer	All	Peter Holland	Chillicothe, Ohio
Vice President - Administration	All	John Wilson	Chillicothe, Ohio

SCHEDULE: 4

BALANCE SHEET						
ASSETS AND OTHER DEBITS						
Account No.		Account Title	Page No.	Balance at End of Previous Year (in dollars)	Balance at End of Current Year (in dollars)	Increase or (Decrease) (in dollars)
Class "A" Company	Class "B" Company					
CURRENT ASSETS:						
.....	1220	Cash and Equivalents				
1130	.....	Cash		267,710	2,115,070	1,847,360
1140	.....	Special Cash Deposits		150	-	(150)
1150	.....	Working Cash Advances		1,450	1,450	-
1160	.....	Temporary Investments	37	-	-	-
1180	1180	Telecommunications Accounts Receivable	37	4,399,286	5,662,853	1,263,567
1181	1181	Acts. Receivable Allowance-Telcom. (Cr.)	37	(633,737)	(1,137,022)	(503,285)
1190	1190	Other Accounts Receivable	37	925,585	909,245	(16,340)
1191	1191	Accounts Receivable Allowance-Other (Cr.)	37	-	-	-
1200	1200	Notes Receivable	38	815,934	52,885	(763,049)
1201	1201	Notes Receivable Allowance (Cr.)	38	-	-	-
1210	1210	Interest and Dividends Receivable	38	13,931	24,504	10,573
1220	1220	Material and Supplies		2,906,454	2,664,198	(242,256)
.....	1280	Prepayments		-	-	-
1290	.....	Prepaid Rents		-	-	-
1300	.....	Prepaid Taxes		1,441,811	1,433,154	(8,657)
1310	.....	Prepaid Insurance		-	-	-
1320	.....	Prepaid Directory Expenses		-	-	-
1330	.....	Other Prepayments		2,791,602	3,069,117	277,515
1350	1350	Other Current Assets		-	-	-
(1130-1350)	(1120-1350)	TOTAL CURRENT ASSETS		12,930,176	14,795,454	1,865,278

SCHEDULE: 4

BALANCE SHEET						
ASSETS AND OTHER DEBITS						
Account No.		Account Title	Page No.	Balance at End of Previous Year (in dollars)	Balance at End of Current Year (in dollars)	Increase or (Decrease) (in dollars)
Class "A" Company	Class "B" Company					
NONCURRENT ASSETS:						
1401	1401	Investments in Affiliated Cos.	38	(55,000)	-	55,000
1402	1402	Investments in Nonaffiliated Cos.	38	250,000	3,537,720	3,287,720
1406	1406	Nonregulated Investments		2,788,710	733,328	(2,055,382)
1407	1407	Unamort. Debt Issuance Exp.		166,038	147,404	(18,634)
1408	1408	Sinking Funds		-	-	-
1410	1410	Other Noncurrent Assets		-	-	-
1437	1437	Deferred Tax Regulatory Assets		-	-	-
1438	1438	Deferred Maintenance and Retirements	39	597,694	330,496	(267,198)
1439	1439	Deferred Charges	39	-	-	-
1500	1500	Other Juris. Assets-Net	40	-	-	-
(1401-1500)	(1401-1500)	TOTAL NONCURRENT ASSETS		3,747,442	4,748,948	1,001,506
PROPERTY, PLANT AND EQUIPMENT:						
2001	2001	Tele. Plant in Service	27-29	96,845,769	114,410,757	17,564,988
2002	2002	Prop. Held for Future Telecommunications Use	29	-	-	-
2003	2003	Tele. Plant Under Construction-Short Term	29	6,664,458	3,054,180	(3,610,278)
2004	2004	Tele. Plant Under Construction-Long Term	29	-	-	-
2005	2005	Tele. Plant Adjustment	29	-	-	-
2006	2006	Nonoperating Plant	29	22,089	22,089	-
2007	2007	Goodwill	29	-	-	-
(2001-2007)	(2001-2007)	TOTAL PROP., PLANT & EQUIP.		103,532,316	117,487,026	13,954,710

SCHEDULE: 4

BALANCE SHEET						
ASSETS AND OTHER DEBITS						
Account No.		Account Title	Page No.	Balance at End of Previous Year (in dollars)	Balance at End of Current Year (in dollars)	Increase or (Decrease) (in dollars)
Class "A" Company	Class "B" Company					
DEPRECIATION AND AMORTIZATION:						
3100	3100	Accum. Deprec.	30-35	(38,369,415)	(44,377,099)	(6,007,684)
3200	3200	Accum. Deprec.-Held for Future Tele. Use		-	-	-
3300	3300	Accum. Deprec.-Nonoper.		(6,198)	(6,327)	(129)
.....	3400	Accum Amort.-Tangible		-	-	-
3410	.....	Accum. Amort.-Capit. Leases		-	-	-
3420	.....	Accum. Amort.-Lsehd. Imprv.		-	-	-
3500	3500	Accum. Amort.-Intangible		-	-	-
3600	3600	Accum. Amort.-Other		-	-	-
(3100-3600)	(3100-3600)	TOTAL DEPREC. AND AMORT.		(38,375,613)	(44,383,426)	(6,007,813)
		NET PLANT (2001-2007) Less (3100-3600)		65,156,703	73,103,600	7,946,897
		TOTAL ASSETS (1120-2007) Less (3100-3600)		81,834,321	92,648,002	10,813,681

SCHEDULE: 4

BALANCE SHEET						
LIABILITIES AND OTHER CREDITS						
Account No.		Account Title	Page No.	Balance at End of Previous Year (in dollars)	Balance at End of Current Year (in dollars)	Increase or (Decrease) (in dollars)
Class "A" Company	Class "B" Company					
CURRENT LIABILITIES:						
4010	4010	Accounts Payable		1,239,297	1,763,079	523,782
4020	4020	Notes Payable		12,767,338	19,167,338	6,400,000
4030	4030	Advance Billing and Pay.		-	-	-
4040	4040	Customer Deposits		33,683	33,353	(330)
4050	4050	Cur. Maturities-Long Term Debt		2,000,000	2,000,000	-
4060	4060	Cur. Maturities-Cap. Leases		-	-	-
4070	4070	Income Taxes-Accrued		(3,245,460)	(1,225,912)	2,019,548
4080	4080	Other Taxes-Acrued		2,209,008	2,420,334	211,326
4100	4100	Net Cur. Def. Oper. Income Taxes	40	(1,329,323)	(403,801)	925,522
4110	4110	Net Cur. Def. Nonoper. Income Taxes		-	-	-
4120	4120	Other Accrued Liabilities		1,217,761	1,249,070	31,309
4130	4130	Other Current Liabilities		1,763,271	1,895,452	132,181
(4010-4130)	(4010-4130)	TOTAL CURRENT LIABILITIES		16,655,575	26,898,913	10,243,338
LONG-TERM DEBT:						
4210	4210	Funded Debt	42	20,000,000	18,000,000	(2,000,000)
4220	4220	Pemium on Long-Term Debt	42	-	-	-
4230	4230	Discount on Long-Term Debt	42	-	-	-
4240	4240	Reacquired Debt		-	-	-
4250	4250	Obligations Under Cap. Leases	42	-	-	-
4260	4260	Advances from Affil.Cos	42	-	-	-
4270	4270	Other Long-Term Debt	42	-	-	-
(4210-4270)	(4210-4270)	TOTAL LONG-TERM DEBT		20,000,000	18,000,000	(2,000,000)

SCHEDULE: 4

BALANCE SHEET						
LIABILITIES AND OTHER CREDITS						
Account No.		Account Title	Page No.	Balance at End of Previous Year (in dollars)	Balance at End of Current Year (in dollars)	Increase or (Decrease) (in dollars)
Class "A" Company	Class "B" Company					
		OTHER LIAB. AND DEF. CREDITS:				
4310	4310	Other Long-Term Liabilities		2,906,045	4,505,135	1,599,090
4320	4320	Unamort. Oper. ITC-Net		84,817	29,290	(55,527)
4330	4330	Unamort. Nonoper. ITC-Net		-	-	-
4340	4340	Net Noncur. Def. Oper. Income Taxes	41	6,336,723	6,717,185	380,462
4341	4341	Net Deferred Tax Liability Adjustments	41	-	-	-
4350	4350	Net Noncur. Def. Nonoper. Income Taxes		-	-	-
4360	4360	Other Deferred Credits	43	(132,956)	(221,575)	(88,619)
4361	4361	Deferred Tax Regulat. Liability	44	179,321	179,321	-
4370	4370	Other Juris. Liab. & Def. Cr.-Net	41	-	-	-
(4310-4370)	(4310-4370)	TOTAL OTHER LIAB. & DEF. CR.		9,373,950	11,209,356	1,835,406
		STOCKHOLDERS' EQUITY:				-
4510	4510	Capital Stock	45	1,695,342	1,695,342	-
4520	4520	Additional Paid-in Capital	45	254,185	259,249	5,064
4530	4530	Treasury Stock	45	-	-	-
4540	4540	Other Capital		-	(2,746,706)	(2,746,706)
4550	4550	Retained Earnings	26	33,855,269	37,331,848	3,476,579
(4510-4550)	(4510-4550)	TOTAL STOCKHOLDERS' EQUITY		35,804,796	36,539,733	734,937
(4010-4550)	(4010-4550)	TOTAL LIAB. & STOCKHOLDERS' EQUITY		81,834,321	92,648,002	10,813,681

SCHEDULE: 4A

NOTES TO BALANCE SHEET

SCHEDULE: 5

INCOME STATEMENT			
(In dollars)			
Account No.		Account Title	Amount
Class "A" Company	Class "B" Company		
		LOCAL NETWORK SERVICES REVENUES:	
5001	.....	Basic Area Revenue	10,653,167
5002	.....	Optional Extended Area Revenue	-
5003	.....	Cellular Mobile Revenue	-
5004	.....	Other Mobile Services Revenue	6,679
5000	.....	Basic Local Service Revenue	
(5001-5004)			10,659,846
5010	.....	Public Telephone Revenue	-
5040	.....	Local Private Line Revenue	1,468,988
5050	.....	Customer Premises Revenue	-
5060	.....	Other Local Exchange Revenue	3,322,427
5069	.....	Other Local Exchange Revenue Settlements	-
(5001-5069)	5000	LOCAL NETWORK SERVICES REVENUES	15,451,261
		NETWORK ACCESS SERVICE REVENUES:	
5081	5081	End User Revenue	1,667,154
5082	5082	Switched Access Revenue	10,831,518
5083	5083	Special Access Revenue	1,642,748
5084	5084	State Access Revenue	6,056,915
5080	5080	NETWORK ACCESS REVENUE	
(5081-5084)	(5081-5084)		20,198,335
		LONG DISTANCE NETWORK SERVICES REVENUES:	
5100	5100	Long Distance Message Revenue	1,378,706
5111	.....	Long Distance Inward-Only Revenue	-

SCHEDULE: 5

INCOME STATEMENT			
(in dollars)			
Account No.		Account Title	Amount
Class "A" Company	Class "B" Company		
5112	Long Distance Outward-Only Revenue	-
5121	Subvoice Grade Long Distance Private Network Revenue	-
5122	Voice Grade Long Distance Private Network Revenue	-
5123	Audio Program Grade Long Distance Private Network Revenue	-
5124	Video Program Grade Long Distance Private Network Revenue	-
5125	Digital Transmission Long Distance Private Network Revenue	-
5126	Long Distance Private Network Switching Revenue	-
5128	Other Long Distance Private Network Revenue	-
5129	Other Long Distance Private Network Revenue Settlements	-
5160	Other Long Distance Revenue	97,328
5169	Other Long Distance Revenue Settlements	-
(5100-5169)	5100	TOTAL LONG DISTANCE NETWORK SERVICE REVENUES	1,476,034
		MISCELLANEOUS REVENUES:	
5230	Directory Revenue	2,829,926
5240	Rent Revenue	110,607
5250	Corporate Operations Revenue	-
5261	Special Billing Arrangements Revenue	197
5282	Customer Operations Revenue	52,141
5263	Plant Operations Revenue	-
5264	Other Incidental Regulated Revenue	280,890
5269	Other Revenue Settlements	337,724
5270	Carrier Billing and Collection Revenue	379,505
(5230-5270)	5200	MISCELLANEOUS REVENUES	3,990,990

SCHEDULE: 5

INCOME STATEMENT			
(In dollars)			
Account No.		Account Title	Amount
Class "A" Company	Class "B" Company		
		NONREGULATED REVENUES:	
5280	5280	Non Regulated Operating Revenues	3,415,006
		UNCOLLECTIBLE REVENUES:	
5301	.....	Uncollectible Revenue-Telecommunications	(660,407)
5302	.....	Uncollectible Revenue-Other	-
5300 (5301-5302)	5300	UNCOLLECTIBLE REVENUES	(660,407)
		TOTAL OPERATING REVENUE (5001-5302)	43,871,219

SCHEDULE: 5

Account No.		Account Title	Salaries and Wages (a)	Benefits (b)	Rents (c)	Other Expenses (d)	Clearances (e)	Total (f)
Class "A" Company	Class "B" Company							
INCOME STATEMENT								
(in dollars)								
PLANT SPECIFIC OPERATIONS EXPENSE:								
6112	.....	Motor Vehicle Expense	-	(630)	35,754	19,300	-	54,424
6113	.....	Aircraft Expense	-	-	-	-	-	-
6114	.....	Spec. Purpose Vehicles Expense	-	-	-	2,175	-	2,175
6115	.....	Garage Work Equipment Expense	-	-	-	-	-	-
6116	.....	Other Work Equipment Expense	-	-	-	126	-	126
6110	6110							
(6112-6116)		NETWORK SUPPORT EXPENSE	-	(630)	35,754	21,601	-	56,725
6121	.....	Land and Building Expense	254,975	98,847	3,992	1,031,911	-	1,389,725
6122	.....	Furniture and Artworks Expense	-	-	-	56,382	-	56,382
6123	.....	Office Equipment Expense	(2,569)	9	334,537	83,074	-	415,051
6124	.....	General Purpose Computers Expense	153,245	29,832	1,006,083	322,467	-	1,511,627
6120	6120							
(6121-6124)		GENERAL SUPPORT EXPENSE	405,651	128,688	1,344,612	1,493,834	-	3,372,785
6211	.....	Analog Electronic Expense	-	-	-	-	-	-
6212	.....	Digital Electronic Expense	396,401	134,954	4,435	409,978	-	945,768
6215	.....	Electro-Mechanical Expense	-	-	-	-	-	-
6210	6210							
(6211-6215)		CENTRAL OFFICE SWITCH.EXPENSE	396,401	134,954	4,435	409,978	-	945,768
6220	.....	Operator Systems Expense	90,947	29,229	-	40,411	-	160,587
6231	.....	Radio Facilities Expense	2,800	639	15	1,256	-	4,710
6232	.....	Circuit Equipment Expense	505,861	176,737	2,598	231,934	-	917,130
6230	6230							
(6231-6232)		CENTRAL OFFICE TRANSM.EXPENSE	508,661	177,376	2,613	233,190	-	921,840
6311	.....	Station Apparatus Expense	863,312	318,950	1,609	1,036,743	-	2,220,614
6341	.....	Large Private Branch Exchange Expense	-	-	-	-	-	-
6351	.....	Public Telephone Terminal Equipment Expense	78,701	22,359	610	46,117	-	147,787
6362	.....	Other Terminal Equipment Expense	16,075	4,956	-	61,633	-	82,664
6310	6310							
(6311-6362)		INFO. ORIG./TERM.EXPENSE	958,088	346,265	2,219	1,144,493	-	2,451,065

SCHEDULE: 5

INCOME STATEMENT								
(in dollars)								
Account No.		Account Title	Salaries and Wages (a)	Benefits (b)	Rents (c)	Other Expenses (d)	Clearances (e)	Total (f)
Class "A" Company	Class "B" Company							
6411	.....	Poles Expense	176,341	76,585	119,010	28,001	-	399,937
6421	.....	Aerial Cable Expense	399,068	144,184	1,878	151,186	-	696,316
6422	.....	Underground Cable Expense	113,232	40,089	221	41,234	-	194,776
6423	.....	Buried Cable Expense	913,708	304,174	8,255	297,849	-	1,523,986
6424	.....	Submarine Cable Expense	-	-	-	-	-	-
6425	.....	Deep Sea Cable Expense	-	-	-	-	-	-
6426	.....	Intabuilding Network Cable Expense	-	-	-	-	-	-
6431	.....	Aerial Wire Expense	19,296	9,270	(160)	4,289	-	32,695
6441	.....	Conduit Systems Expense	889	201	-	5,763	-	6,853
6410 (6411-6441)	6410	CABLE AND WIRE FACIL. EXPENSES	1,622,534	574,503	129,204	528,322	-	2,854,563
(6112-6441)	(6110-6410)	TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	3,982,282	1,390,385	1,518,837	3,871,829	-	10,763,333
		PLANT NONSPECIFIC OPERATIONS EXPENSE:						
6511	.....	Property Held for Future Telecommunications Use Expense:						-
6512	.....	Provisioning Expense	13,869	(5,644)	-	(8,023)	-	202
6510 (6511-6512)	6510	OTHER PROP., PLANT & EQUIP. EXPENSE	13,869	(5,644)	-	(8,023)	-	202
6531	.....	Power Expense	-	-	-	35,705	-	35,705
6532	.....	Network Administration Expense	11,402	5,390	-	-	-	16,792
6533	.....	Testing Expense	399,096	133,901	-	5,854	-	538,851
6534	.....	Plant Oper. Admin. Expense	335,479	108,057	-	64,888	-	508,424
6535	.....	Engineering Expense	658,336	203,229	-	32,051	-	893,616
6530 (6531-6535)	6530	NETWORK OPERATIONS EXPENSE	1,404,313	450,577	-	138,498	-	1,993,388
6540	6540	Access Expense	-	-	-	1,163,652	-	1,163,652
6561	.....	Depreciation Expense-Telecommunications Plant In Service	-	-	-	6,961,577	-	6,961,577

SCHEDULE: 5

INCOME STATEMENT								
(in dollars)								
Account No.		Account Title	Salaries and Wages (a)	Benefits (b)	Rents (c)	Other Expenses (d)	Clearances (e)	Total (f)
Class "A" Company	Class "B" Company							
6562	.....	Depreciation Expense-Property Held for Future Telecommunications Use	-	-	-	-	-	-
6563	.....	Amortization Expense-Tangible	-	-	-	-	-	-
6564	.....	Amortization Expense-Intangible	-	-	-	-	-	-
6565	.....	Amortization Expense-Other	-	-	-	378,768	-	378,768
6560 (6561-6565)	6560	DEP'N & AMORT. EXPENSE	-	-	-	7,340,345	-	7,340,345
(6511-6565)	(6510-6560)	TOTAL PLANT NONSPECIFIC OPERATIONS	1,418,182	444,933	-	8,634,472	-	10,497,587
		CUSTOMER OPERATIONS EXPENSE:						-
6611	.....	Product Management	195,763	61,790	-	730	-	258,283
6612	.....	Sales	594,487	191,294	-	109,486	-	895,267
6613	.....	Product Advertising	411	79	-	127,891	-	128,381
6610 (6611-6613)	6610	MARKETING	790,661	253,163	-	238,107	-	1,281,931
6621	.....	Call Completion Services	909,074	207,569	-	69,318	-	1,185,961
6622	.....	Number Services	85,018	28,108	-	996,158	-	1,109,284
6623	.....	Customer Services	1,416,347	465,378	-	550,366	-	2,432,091
6620 (6621-6623)	6620	SERVICES	2,410,439	701,055	-	1,615,842	-	4,727,336
(6610-6620)	(6610-6620)	TOTAL CUSTOMER OPERATIONS EXPENSE	3,201,100	954,218	-	1,853,949	-	6,009,267
		CORPORATE OPERATIONS EXPENSE:						
6711	.....	Executive	480,608	110,886	-	81,715	2,535	675,744
6712	.....	Planning	-	-	-	294	-	294
6710 (6711-6712)	6710	EXECUTIVE AND PLANNING	480,608	110,886	-	82,009	2,535	676,038
6721	.....	Accounting and Finance	1,088,890	226,970	-	667,212	3,047	1,986,119

SCHEDULE: 5

INCOME STATEMENT								
(in dollars)								
Account No.		Account Title	Salaries and Wages (a)	Benefits (b)	Rents (c)	Other Expenses (d)	Clearances (e)	Total (f)
Class "A" Company	Class "B" Company							
6722	.....	External Relations	248,072	57,095	-	79,841	-	385,008
6723	.....	Human Resources	303,861	59,161	-	267,789	-	630,811
6724	.....	Information Management	383,568	74,532	-	10,151	-	468,251
6725	.....	Legal	-	-	-	72,566	-	72,566
6726	.....	Procurement	31,016	10,585	-	-	-	41,601
6727	.....	Research and Development	-	-	-	-	-	-
6728	.....	Other General and Administrative	(94,322)	18,244	-	912,206	298	836,426
6720 (6721-6728)	6720	GENERAL AND ADMINISTRATIVE	1,961,085	446,587	-	2,009,765	3,345	4,420,782
6790	6790	Provision for Uncollectible Notes Receivable						-
(6710-6790)	(6710-6790)	TOTAL CORPORATE OPERATIONS EXPENSE	2,441,693	557,473	-	2,091,774	5,880	5,096,820
(6112-6790)	(6110-6790)	TOTAL OPERATING EXPENSES	11,043,257	3,347,009	1,518,837	16,452,024	5,880	32,367,007

SCHEDULE: 5

INCOME STATEMENT			
(in dollars)			
Account No.		Account Title	Total
Class "A" Company	Class "B" Company		
OPERATING TAXES:			
7210	Operating Investment Tax Credits-Net	(55,527)
7220	Operating Federal Income Taxes	2,305,719
7230	Operating State and Local Income Taxes	-
7240	Operating Other Taxes	1,870,344
7250		Provision for Deferred operating Income Taxes-Net	218,662
7200 (7210-7250)	7200	TOTAL OPERATING TAXES	4,339,198
		NET OPERATING INCOME (5001-5302)	
		LESS (6110-7200)	7,165,014
OTHER OPERATING INCOME AND EXPENSE			
7110	Income from Custom Work	30,011
7130	Return from Nonreg. Use of Regulated Facilities	-
7140	Gains and Losses from Foreign Exchange	-
7150	Gains or Losses from Disposition of Land & Artwork	-
7160	Other Operating Gains & Losses	55,753
7100 (7110-7160)	7100	TOTAL OTHER OPERATING INCOME AND EXPENSES	85,764
NONOPERATING INCOME AND EXPENSE:			
7310	Dividend Income	-
7320	Interest Income	41,397
7330	Income from Sinking and Other Funds	-
7340	Allowance for Funds Used During Construction	234,755

SCHEDULE: 5

INCOME STATEMENT			
(in dollars)			
Account No.		Account Title	Other Expenses (d)
Class "A" Company	Class "B" Company		
7350		Gains or Losses from Disposition of Certain Prop.	
7360	.....	Other Nonoperating Income	174,267
7370	.....	Special Charges	(101,972)
7300 (7310-7370)	7300	TOTAL NONOPERATING INCOME AND EXPENSE	348,447
NONOPERATING TAXES:			
7410	.....	Nonoperating Investment Tax Credit-Net	-
7420	.....	Nonoperating Federal Income Taxes	-
7430	.....	Nonoperating State & Local Income Taxes	-
7440	.....	Nonoperating Other Taxes	-
7450	.....	Provision for Deferred nonoperating Income Taxes-Net	-
7400 (7410-7450)	7400	TOTAL NONOPERATING TAXES	-
INTEREST AND RELATED ITEMS:			
7510	.....	Interest on Funded Debt	1,444,000
7520	.....	Interest Expense-Capital Leases	-
7530	.....	Amortization of Debt Issuance Expense	18,634
7540	.....	Other Interest Deductions	884,587
7500 (7510-7540)	7500	TOTAL INTEREST AND RELATED ITEMS	2,347,221

SCHEDULE: 5

INCOME STATEMENT			
(in dollars)			
Account No.		Account Title	Other Expenses (d)
Class "A" Company	Class "B" Company		
		EXTRAORDINARY ITEMS:	-
7610	.....	Extraordinary Income Credits	-
7620	.....	Extraordinary Income Charges	-
7630	.....	Current Income Tax Effect of Extraord. Items-Net	-
7640	.....	Prov. For Def. Inc. Tax Effect or Extraord. Items-Net	-
7600 (7610-7640)	7600	TOTAL EXTRAORDINARY ITEMS	-
		JURISDICTIONAL DIFFERENCES AND NONREGULATED INCOME ITEMS:	
7910	7910	Income Effect of Juris. Ratemaking Dif.-Net	-
7990	7990	Nonregulated Net income	-
		NET INCOME	5,252,004

SCHEDULE: 5A

NOTES TO INCOME STATEMENT

SCHEDULE: 6

STATEMENT OF RETAINED EARNINGS			
Account No.	Item	Page No.	Amount (in dollars)
4550.00	Balance-First of Year		33,855,269
	Changes:		
	Balance Transferred from Income		5,252,004
4550.11	Dividends Declared		(1,775,425)
	Miscellaneous Debits to Retained Earnings		-
	Miscellaneous Credits to Retained Earnings		-
4550.00	Balance-End of Year		37,331,848
	Notes to Statement of Retained Earnings		

SCHEDULE: 7

Partnership Capital Statement (1)			
Account No.	Item	Page No.	Amount (in dollars)
	Partnership Capital-Beginning of Year		
	Net Income (Loss) for Year		
	Partner's Capital Contributions		
	Miscellaneous Credits		
	Total Credits		
	Partners' Drawings		
	Prior Period Adjustment(s)		
	Miscellaneous Debits		
	Total Debits		
	Partnership Capital-End of Year		

(1) This statement should also be used by sole proprietors.

SCHEDULE: 8

ANALYSIS OF PLANT IN SERVICE							
(In dollars)							
Account No.		TELECOMMUNICATIONS PLANT IN SERVICE (ACCT. 2001) Plant Accounts (a)	Balance at End of Previous Year (b)	Additions (c)	Retirements (d)	Transfers & Adjustments (e)	Balance at End of Current Year (f) = (b)+(c)+ (d)+(e)
Class "A" Company	Class "B" Company						
GENERAL SUPPORT ASSETS:							
.....	2110	Land and Support Assets					-
2111	.....	Land	1,003,405	162,154	-	-	1,165,559
2112	.....	Motor Vehicles	2,778,806	308,811	(61,235)	-	3,026,381
2113	.....	Aircraft	-	-	-	-	-
2114	.....	Special Purpose Vehicles	2,231,801	231,270	-	-	2,463,071
2115	.....	Garage Work Equipment	-	-	-	-	-
2116	.....	Other Work Equipment	-	-	-	-	-
2121	.....	Buildings	10,320,938	2,770,177	-	-	13,091,115
2122	.....	Furniture	145,316	14,055	-	13,898	173,269
2123.1	.....	Office Support Equipment	174,519	-	-	-	174,519
2123.2	.....	Co. Comm. Equipment	267,765	462,433	(134,257)	-	595,941
2124	.....	General Purpose Computers	1,561,041	94,414	-	-	1,655,455
(2111-2124)	2110	TOTAL GENERAL SUPPORT ASSETS	18,483,590	4,043,314	(195,493)	13,898	22,345,309
CENTRAL OFFICE ASSETS:							
2211	.....	Analog Electronic Switching	-	-	-	-	-
2212	.....	Digital Electronic Switching	12,281,565	714,902	(41,140)	7,134	12,962,462
2215	.....	Electo-Mechanical Switching	-	-	-	-	-
2215.1	.....	Step-by-step Switching	-	-	-	-	-
2215.2	.....	Crossbar Switching	-	-	-	-	-
2215.3	.....	Other Elec.-Mech. Switching	-	-	-	-	-
(2211-2215.3)	2210	CENTRAL OFFICE SWITCHING	12,281,565	714,902	(41,140)	7,134	12,962,462
2220	2220	Operator Systems	1,184,704	-	-	-	1,184,704
2231	.....	Radio Systems	338,294	79,662	-	-	417,956
2232	.....	Circuit Equipment	13,995,676	4,600,747	(411,800)	(7,134)	18,177,489
(2231-2232)	2230	CENTRAL OFFICE TRANSMISSION	14,333,970	4,680,409	(411,800)	(7,134)	18,595,445

SCHEDULE: 8

ANALYSIS OF PLANT IN SERVICE							
(in dollars)							
Account No.		TELECOMMUNICATIONS PLANT IN SERVICE (ACCT. 2001) Plant Accounts (a)	Balance at End of Previous Year (b)	Additions (c)	Retirements (d)	Transfers & Adjustments (e)	Balance at End of Current Year (f) = (b)+(c)+ (d)+(e)
Class "A" Company	Class "B" Company						
		INFORMATION ORIGINATION/TERMINATION ASSETS:					
2311	.....	Station Apparatus	532,542	2,870,568	-	-	3,403,110
2321	.....	Customer Premises Wiring	-	-	-	-	-
2341	.....	Large Private Branch Exchanges	-	-	-	-	-
2351	.....	Public Tele. Terminal Equipment	548,785	25,254	-	-	574,039
2362	.....	Other Terminal Equipment	-	-	-	-	-
(2311-2362)	2310	INFORMATION ORIGINATION/TERMINATION	1,081,327	2,895,822	-	-	3,977,149
		CABLE AND WIRE FACILITIES ASSETS:					
2411	.....	Poles	1,839,050	86,401	(32,451)	-	1,893,001
2421	.....	Aerial Cable	11,191,679	912,737	(51,951)	-	12,052,466
2422	.....	Underground Cable	5,305,406	1,146,288	(69,856)	-	6,381,837
2423	.....	Buried Cable	26,647,951	2,532,757	(111,699)	0	29,069,009
2424	.....	Submarine Cable	-	-	-	-	-
2425	.....	Deep Sea Cable	-	-	-	-	-
2426	.....	Intrabuilding Network Cable	-	-	-	-	-
2431	.....	Aerial Wire	701,411	5,923	-	-	707,334
2441	.....	Conduit Systems	3,795,117	1,467,240	(20,315)	-	5,242,042
(2411-2441)	2410	CABLE AND WIRE FACILITIES	49,480,614	6,151,345	(286,271)	-	55,345,688
		AMORTIZABLE ASSETS:					
2681	.....	Capital Leases	-	-	-	-	-
2682	.....	Leasehold Improvements	-	-	-	-	-
(2681-2682)	2680	AMORTIZABLE TANGIBLE ASSETS					
2690	.....	Intangibles	-	-	-	-	-
2001	2001	TOTAL TELECOMMUNICATIONS PLANT IN					
(2110-2690)	(2110-2690)	SERVICE	96,845,769	18,485,793	(934,704)	13,898	114,410,757

SCHEDULE: 8

ANALYSIS OF PLANT IN SERVICE							
(in dollars)							
Account No.		TELECOMMUNICATIONS PLANT IN SERVICE (ACCT. 2001) Plant Accounts (a)	Balance at End of Previous Year (b)	Additions (c)	Retirements (d)	Transfers & Adjustments (e)	Balance at End of Current Year (f) = (b)+(c)+(d)+(e)
Class "A" Company	Class "B" Company						
2001	2001	Telecommunications Plant in Service	96,845,769	18,485,793	(934,704)	13,898	114,410,757
2002	2002	Property Held For Future Telecommunications Use	-	-	-	-	-
2003	2003	Tele. Plant Under Construction-Short Term	6,664,458	(3,610,278)	-	-	3,054,180
2004	2004	Tele. Plant Under Construction-Long Term	-	-	-	-	-
2005	2005	Tele. Plant Adjustment	-	-	-	-	-
2006	2006	Nonoperating Plant	22,089	-	-	-	22,089
2007	2007	Goodwill	-	-	-	-	-
(2001-2007)	(2001-2007)	TOTAL PROPERTY, PLANT AND EQUIPMENT	103,532,316	14,875,515	(934,704)	13,898	117,487,026

SCHEDULE: 9

ACCUMULATED DEPRECIATION (Account 3100) (in dollars)						
The Company's Depreciation Expense is Calculated : Monthly						
Account No.		Account Title	Accumulated Depreciation At Beginning of Current Year (a)	Accrual Rate (b)	Annual Accrual (c)	Original Cost of Plant Retired (d)
Class "A" Company	Class "B" Company					
GENERAL SUPPORT ASSETS:						
.....	2110	Land and Support Assets				
2111	.....	Land and Support Assets				
2112	.....	Motor Vehicles	(1,846,880)	0.1583	(264,051)	61,235
2113	.....	Aircraft				
2114	.....	Other Work Equip.	(1,296,117)	0.0792	(154,835)	-
2115	.....	Garage Work Equip.			-	-
2116	.....	Other Work Equip.			-	-
2121	.....	Buildings	(2,954,208)	0.0258	(297,925)	-
2122	.....	Furniture	(67,236)	0.0633	(13,461)	-
2123.1	.....	Office Support Equip.	(97,308)	0.0980	(20,648)	-
2123.2	.....	Co. Comm. Equip.	(214,611)	0.1250	(25,809)	134,257
2124	.....	Gen. Purpose Computers	(110,284)	0.2000	(348,159)	-
(2111-2124)	2110	TOTAL GEN. SUPPORT ASSETS	(6,586,642)		(1,124,888)	195,493
CENTRAL OFFICE ASSETS						
(2211-2215.3)	2210	Central Office-Switching				
2211	.....	Analog Electronic Switching	-		-	-
2212	.....	Digital Electronic Switching				
2212.1	.....	Digital Switch.-Hardware	(3,018,878)	0.0792	(793,534)	41,140
2212.2	.....	Digital Switch.-Software	(873,043)	0.2000	(344,002)	-
2215	.....	Electro-Mechanical Switching	-	-	-	-
2215.1	.....	Step-by-Step Switch.	-	-	-	-
2215.2	.....	Crossbar Switch.	-	-	-	-
2215.3	.....	Oth. Ele. Mech. Switch.	-	-	-	-
2220	2220	Operator Systems	(308,996)	0.0792	(109,786)	-
.....	2230	Central Office-Transmission	-	-	-	-
2231	.....	Radio Systems	(170,346)	0.0980	(27,423)	-
2232	.....	Circuit Equip.	(6,409,411)	0.0792	(1,067,602)	411,800
(2211-2232)	(2210-2230)	TOTAL CENTRAL OFFICE ASSETS	(10,780,675)		(2,342,347)	452,940

(a) From Accounting Records

(b) For information only, not part of this calculation

(c) thru (g) From Accounting Records

Note: Listed below are the specifics that need to be identified in Annual Reports for minimum acceptable standards in Depreciation:

- List the current accrual rates being used to calculate depreciation expense in column (b). If using a composite accrual rate please specify and show how the composite rate was calculated.
- Identify the source of these accrual rates (PUCO Case No. 01 - 1011 - TP - AAM). If Accrual Rate changes during the year should be identified with effective date of change (January 1, 2001)
- Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.

SCHEDULE: 9

ACCUMULATED DEPRECIATION (Account 3100) (In dollars)						
The Company's Depreciation Expense is Calculated : Monthly						
Account No.		Account Title	Cost of Removal (e)	Salvage (f)	Other (g)	Balance at End of Current Year (h)=(a)+(c)- (d)-(e)+(f)+(g)
Class "A" Company	Class "B" Company					
GENERAL SUPPORT ASSETS:						
.....	2110	Land and Support Assets				
2111	.....	Land and Support Assets	-	-	-	-
2112	.....	motor Vehicles	-	-	-	(2,049,695)
2113	.....	Aircraft	-	-	-	-
2114	.....	Special Purpose Vehicles	-	-	-	(1,450,952)
2115	.....	Garage Work Equip.	-	-	-	-
2116	.....	Other Work Equip.	-	-	-	-
2121	.....	Buildings	-	-	-	(3,252,133)
2122	.....	Furniture	-	-	(13,898)	(94,595)
2123.1	.....	Office Support Equip.	-	-	-	(117,956)
2123.2	.....	Co. Comm. Equip.	-	-	-	(106,163)
2124	.....	Gen. Purpose Computers	-	-	-	(458,443)
(2111-2124)	2110	TOTAL GEN. SUPPORT ASSETS	-	-	(13,898)	(7,529,936)
CENTRAL OFFICE ASSETS						
(2211-2215.3)	2210	Central Office-Switching				
2211	.....	Analog Electronic Switching	-	-	-	-
2212	.....	Digital Electronic Switching	-	-	-	-
2212.1	.....	Digital Switch.-Hardware	-	-	-	(3,771,273)
2212.2	.....	Digital Switch.-Software	-	-	-	(1,217,045)
2215	.....	Electro-Mechanical Switching	-	-	-	-
2215.1	.....	Step-by-Step Switch.	-	-	-	-
2215.2	.....	Crossbar Switch.	-	-	-	-
2215.3	.....	Oth. Ele. Mech. Switch.	-	-	-	-
2220	2220	Operator Systems	-	-	-	(418,782)
.....	2230	Central Office-Transmission	-	-	-	-
2231	.....	Radio Systems	-	-	-	(197,769)
2232	.....	Circuit Equip.	-	(9,630)	-	(7,074,843)
(2211-2232)	(2210-2230)	TOTAL CENTRAL OFFICE ASSETS	-	(9,630)	-	(12,679,712)

(a) From Accounting Records

(b) For information only, not part of this calculation

(c) thru (g) From Accounting Records

Note: Listed below are the specifics that need to be identified in Annual Reports for minimum acceptable standards in Depreciation:

- List the current accrual rates being used to calculate depreciation expense in column (b). If using a composite accrual rate please specify and show how the composite rate was calculated.
- Identify the source of these accrual rates (PUCO Case No. 01 - 1011 - TP - AAM). If Accrual Rate changes during the year should be identified with effective date of change (January 1, 2001)
- Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.

SCHEDULE: 9

ACCUMULATED DEPRECIATION (Account 3100) (in dollars)						
The Company's Depreciation Expense is Calculated : Monthly						
Account No.		Account Title	Accumulated Depreciation At Beginning of Current Year (a)	Accrual Rate (b)	Annual Accrual (c)	Original Cost of Plant Retired (d)
Class "A" Company	Class "B" Company					
INFORM. ORIG./TERM. ASSETS:						
2311	Station Apparatus	(93,950)	0.2000	(553,620)	-
2321	Cust. Premises Wiring	-	-	-	-
2341	Large Priv. Branch Exch.	-	-	-	-
2351	Pub. Tele. Terminal Equip.	(435,377)	0.2000	(57,264)	-
2362	Other Term. Equipment	-	-	-	-
(2311-2362)	2310	TOTAL INFO. ORIG./TERM. ASSETS	(529,327)		(610,884)	-
CABLE & WIRE FACIL. ASSETS:						
2411	Poles	(1,458,676)	0.0750	(121,630)	32,451
2421	Aerial Cable	-	-	-	-
2421.1	Aerial Cable-Metallic	(5,615,906)	0.0545	(924,914)	51,951
2421.2	Aerial Cable-Nonmetallic	(61,311)	0.0420	(38,235)	-
2421.3	Aerial Cable-Drop	-	-	-	-
2422	Underground Cable	-	-	-	-
2422.1	Underground Cable-Metallic	(2,544,206)	0.0438	(248,903)	54,225
2422.2	Underground Cable-Nonmetallic	(176,067)	0.0420	(57,145)	15,631
2423	Buried Cable	-	-	-	-
2423.1	Buried Cable-Metallic	(8,249,009)	0.0477	(1,467,926)	111,699
2423.2	Buried Cable-Nonmetallic	(569,340)	0.0420	(124,879)	-
2423.3	Buried Cable-Drop	-	-	-	-
2424	Submarine Cable	-	-	-	-
2425	Deep Sea Cable	-	-	-	-

(a) From Accounting Records (b) For information only, not part of this calculation (c) thru (g) From Accounting Records

Note: Listed below are the specifics that need to be identified in Annual Reports for minimum acceptable standards in Depreciation:

- List the current accrual rates being used to calculate depreciation expense in column (b). If using a composite accrual rate please specify and show how the composite rate was calculated.
- Identify the source of these accrual rates (PUCO Case No. 01 - 1011 - TP - AAM). If Accrual Rate changes during the year should be identified with effective date of change (January 1, 2001)
- Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.

SCHEDULE: 9

ACCUMULATED DEPRECIATION (Account 3100) (in dollars)						
The Company's Depreciation Expense is Calculated : Monthly						
Account No.		Account Title	Cost of Removal (e)	Salvage (f)	Other (g)	Balance at End of Current Year (h)=(a)+(c)-(d)-(e)+(f)+(g)
Class "A" Company	Class "B" Company					
		INFORM. ORIG./TERM. ASSETS:				
2311	Station Apparatus	-	-	-	(647,570)
2321	Cust. Premisis Wiring	-	-	-	-
2341	Large Priv. Branch Exch.	-	-	-	-
2351	Pub. Tele. Terminal Equip.	1,478	(4,738)	-	(495,901)
2362	Other Term. Equipment	-	-	-	-
(2311-2362)	2310	TOTAL INFO. ORIG./TERM. ASSETS	1,478	(4,738)	-	(1,143,471)
		CABLE & WIRE FACIL. ASSETS:				
2411	Poles	35,731	(565)	(1,719)	(1,514,408)
2421	Aerial Cable	-	-	-	-
2421.1	Aerial Cable-Metallic	74,250	-	-	(6,414,619)
2421.2	Aerial Cable-Nonmetallic	-	-	-	(99,546)
2421.3	Aerial Cable-Drop	-	-	-	-
2422	Underground Cable	-	-	-	-
2422.1	Underground Cable-Metallic	621	-	-	(2,738,263)
2422.2	Underground Cable-Nonmetallic	1,226	-	-	(216,355)
2423	Buried Cable	-	-	-	-
2423.1	Buried Cable-Metallic	22,691	(1,436)	-	(9,583,981)
2423.2	Buried Cable-Nonmetallic	1,462	-	-	(692,757)
2423.3	Buried Cable-Drop	-	-	-	-
2424	Submarine Cable	-	-	-	-
2425	Deep Sea Cable	-	-	-	-

(a) From Accounting Records (b) For information only, not part of this calculation (c) thru (g) From Accounting Records
 Note: Listed below are the specifics that need to be identified in Annual Reports for minimum acceptable standards in Depreciation:
 1. List the current accrual rates being used to calculate depreciation expense in column (b). If using a composite accrual rate please specify and show how the composite rate was calculated.
 2. Identify the source of these accrual rates (PUCO Case No. 01 - 1011 - TP - AAM). If Accrual Rate changes during the year should be identified with effective date of change (January 1, 2001)
 3. Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.

SCHEDULE: 9

ACCUMULATED DEPRECIATION (Account 3100) (in dollars)						
The Company's Depreciation Expense is Calculated : Monthly						
Account No.		Account Title	Accumulated Depreciation At Beginning of Current Year (a)	Accrual Rate (b)	Annual Accrual (c)	Original Cost of Plant Retired (d)
Class "A" Company	Class "B" Company					
2426	.....	Intrabldg. Net. Cable	-		-	-
2426.1	.....	Intrabldg. Net. Cable-Metallic	-		-	-
2426.2	.....	Intrabldg. Net. Cable-Nonmetallic	-		-	-
2431	.....	Aerial Wire	(1,126,517)	0.1000	97,397	-
2441	.....	Conduit Systems	(671,741)	0.0185	(85,697)	20,315
(2411-2441)	2410	TOTAL CABLE & WIRE FACIL. ASSETS	(20,472,771)		(2,971,931)	286,271
		TOTAL ACCUMULATED DEPREC. (2112-2441)	(38,369,415)		(7,050,050)	934,704

(a) From Accounting Records

(b) For information only, not part of this calculation

(c) thru (g) From Accounting Records

Note: Listed below are the specifics that need to be identified in Annual Reports for minimum acceptable standards in Depreciation:

- List the current accrual rates being used to calculate depreciation expense in column (b). If using a composite accrual rate please specify and show how the composite rate was calculated.
- Identify the source of these accrual rates (PUCO Case No. 01 - 1011 - TP - AAM). If Accrual Rate changes during the year should be identified with effective date of change (January 1, 2001)
- Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.

SCHEDULE: 9

ACCUMULATED DEPRECIATION (Account 3100) (in dollars)						
The Company's Depreciation Expense is Calculated : Monthly						
Account No.		Account Title	Cost of Removal (e)	Salvage (f)	Other (g)	Balance at End of Current Year (h)=(a)+ (c)- (d)-(e)+(f)+(g)
Class "A" Company	Class "B" Company					
2426	.....	Intrabldg. Net. Cable	-	-	-	-
2426.1	.....	Intrabldg. Net. Cable-Metallic	-	-	-	-
2426.2	.....	Intrabldg. Net. Cable-Nonmetallic	-	-	-	-
2431	.....	Aerial Wire	2,391	-	-	(1,026,728)
2441	.....	Conduit Systems	-	(202)	-	(737,324)
(2411-2441)	2410	TOTAL CABLE & WIRE FACIL. ASSETS	138,372	(2,203)	(1,719)	(23,023,981)
		TOTAL ACCUMULATED DEPREC. (2112-2441)	139,850	(16,571)	(15,617)	(44,377,099)

(a) From Accounting Records

(b) For information only, not part of this calculation

(c) thru (g) From Accounting Records

Note: Listed below are the specifics that need to be identified in Annual Reports for minimum acceptable standards in Depreciation:

- List the current accrual rates being used to calculate depreciation expense in column (b). If using a composite accrual rate please specify and show how the composite rate was calculated.
- Identify the source of these accrual rates (PUCO Case No. 01 - 1011 - TP - AAM). If Accrual Rate changes during the year should be identified with effective date of change (January 1, 2001)
- Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.

SCHEDULE: 10

UNCOLLECTIBLE ACCOUNTS (Accounts 1181 and 1191) (In dollars)			
	(a)	Account 1181 (b)	Account 1191 (c)
1	Balance at Beginning of Year	\$ (633,737)	\$ -
2	Accruals Charged	(887,754)	-
3	Collection of Amounts Previously Written Off	(48,919)	-
4	Other Credits		
5	TOTAL CREDITS	\$ (1,570,410)	\$ -
6	Uncollectibles Written Off During the Year	433,388	-
7	Other Debits (Explain in a Note)		
8	TOTAL DEBITS	\$ 433,388	\$ -
9	Balance at End of the Year	\$ (1,137,022)	\$ -
10	TOTAL OPERATING REVENUE FOR THE YEAR	\$ 43,871,219	
11	Net Write Offs During the Year (Line 6 minus Line 3)	\$ 384,469	
12	Ratio of Line 11 to Line 10	0.88%	
13	Ratio of Line 2 to Line 10	2.02%	

SCHEDULE: 11

RECEIVABLES AND INVESTMENTS-AFFILIATED AND NONAFFILIATED COMPANIES
(in dollars)

1. Provide in columns (b) thru (k), the year end balances for each affiliate identified in column (a).

Name of Affiliate (a)	Account 1160 Temporary Investments (b)	Account 1180 Telecom. Accounts Receivable (c)	Accounts 1181 Accts. Receivable Telecom Allowance (d)	Account 1190 Other Accounts Receivable (e)	Account 1191 Accts. Receivable Allowance-Other (f)
n/a	-	5,662,853	(1,137,022)	909,245	-
Total Affiliated	-	-	-	-	-
Total Nonaffiliated	-	5,662,853	(1,137,022)	909,245	-
TOTAL BALANCE	-	5,662,853	(1,137,022)	909,245	-

SCHEDULE: 11

RECEIVABLES AND INVESTMENTS-AFFILIATED AND NONAFFILIATED COMPANIES
(in dollars)

1. Provide in columns (b) thru (k), the year end balances for each affiliate identified in column (a).

Name of Affiliate (a)	Accounts 1200 Notes Receivable (g)	Account 1201 Notes Receiv. Allowance (h)	Account 1210 Int. & Div. Receivable (l)	Account 1401 Investments in Affiliated Companies (j)	Account 1402 Investments in Nonaffiliated Companies (k)
Horizon Technology	52,885	-	24,504	-	-
Verisign					3,537,720
Total Affiliated	52,885	-	24,504	-	-
Total Nonaffiliated	-	-	-	-	3,537,720
TOTAL BALANCE	52,885	-	24,504	-	3,537,720

SCHEDULE: 12

DEFERRED CHARGES (Accounts 1438 and 1439) (Include data for each item in excess of \$1,000,000)		
Description of Item (a)		Amount at End of Current Year (in dollars) (b)
ACCOUNT 1438	Reirement of 1210 Switch, a/c 1438.00	\$ 330,496
Aggregate off All Other Items		-
TOTAL		\$ 330,496
ACCOUNT 1439	n/a	\$ -
Aggregate off All Other Items		-
TOTAL		\$ -

SCHEDULE: 13

OTHER JURISDICTIONAL ASSET NET-ACCOUNT 1500 (in dollars)				
Description of Item (a)	Balance at End of Previous Year (b)	Debits (c)	Credits (d)	Balance at End of Current Year (e)=(b)+(c)-(d)
n/a				
TOTALS	-	-	-	-

SCHEDULE: 14

NET CUR. DEF. OPERATING INCOME TAX-ACCOUNT 4100 (in dollars)				
Description of Item (a)	Balance at End of Previous Year (b)	Debits (c)	Credits (d)	Balance at End of Current Year (e)=(b)+(c)-(d)
4100.00 Deferred FIT - Accel. Depr	-			-
4100.14 Deferred FIT - Op. Taxes	-			-
4100.16 Deferred FIT - Pension	(534,809)	(398,492)	-	(933,301)
4100.17 Deferred FIT - Bad Debt	(571,648)	-	205,856	(365,792)
4100.18 Deferred FIT - Vacation	(222,866)	-	333	(222,533)
4100.17 Deferred FIT - Other	-	-	1,117,825	1,117,825
TOTALS	(1,329,323)	(398,492)	1,324,014	(403,801)

SCHEDULE: 15

NET CUR. DEF. OPERATING INCOME TAX-ACCOUNT 4340 (in dollars)				
Description of Item (a)	Balance at End of Previous Year (b)	Debits (c)	Credits (d)	Balance at End of Current Year (e)=(b)+(c)-(d)
4340 Noncurrent Deferred FIT Accel Depr 4340.14 Noncurrent Deferred FIT Other	6,618,640 (281,917)	-	355,105 25,357	6,973,745 (256,560)
TOTALS	6,336,723	-	380,462	6,717,185

SCHEDULE: 16

NET DEFERRED TAX LIABILITY ADJUSTMENTS-ACCOUNT 4341 (in dollars)				
Description of Item (a)	Balance at End of Previous Year (b)	Debits (c)	Credits (d)	Balance at End of Current Year (e)=(b)+(c)-(d)
n/a				
TOTALS	-	-	-	-

SCHEDULE: 17

OTHER JURIS LIABILITY & DEF. CR.-NET-ACCOUNT 4370 (in dollars)				
Description of Item (a)	Balance at End of Previous Year (b)	Debits (c)	Credits (d)	Balance at End of Current Year (e)=(b)+(c)-(d)
n/a				
TOTALS	-	-	-	-

SCHEDULE: 18

LONG-TERM DEBT (ACCOUNTS 4210, 4220, 4230, 4250, 4260, and 4270) (in dollars)								
1. List in account number order in column (a) a description of the long-term obligation, including those maturing in the coming year. 2. In the remaining columns (b)-(l) respondent shall furnish the appropriate data.								
Description of Obligation (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Face Amount Outstanding (d)	Unamortized Premium or Discount (e)	Stated Rate (f)	Yield Rate (g)	Short-Term Portion (h)	Long-Term Portion (i)
Senior Notes, 1993	1993	2008	8,000,000	-	6.47%	6.47%	2,000,000	6,000,000
Senior Notes, 1998	1998	2018	12,000,000	-	6.62%	6.62%	-	12,000,000

SCHEDULE: 20

DEFERRED TAX REGULATORY LIABILITY (ACCOUNT 4361) (in dollars)	
1. Disclose the data for each item in Account 4361 amounting to over \$25,000.	
Description of Item (a)	Amount at End of Current Year (b)
4361.00 Regulatory Liability FIT	179,321
All other-less than \$25,000 each (or aggregate all other items)	
TOTAL	179,321

SCHEDULE: 21

CAPITAL STOCK (Accounts 4510, 4520, and 4530)
(in dollars)

1. Respondant shall enter the class of stock and a description of any pertinent details such as differences in voting rights, preferences as to dividends or assets, pledges etc.
2. Respondant shall provide the information specified in column headings (b) through (J) and note any other pertinent information at the bottom of this schedule.

			Amount of Stock Issued and Outstanding						
Class and Description of Capital Stock (a)	Par or Stated Value Amount (b)	Numbers of Shares Authorized (c)	Number of Stock Issued (d)	Acct. 4510 e=(b)x(d) \$ Amount of Stock Issued & Outstanding (e)	Account 4520 Additional Paid In Capital (f)	Total (Col. (d) & (e)) (g)	Number of Shares of Treasury Stock (h)	Acct. 4530 Amount in Treasury Stock Account (i)	Total Dividends Declared (j)
COMMON:									
Class A	n/a	200,000	99,726	1,695,342	259,249	1,954,591	-	-	1,775,425
PREFERRED:									
TOTALS									
		200,000	99,726	1,695,342	259,249	1,954,591	-	-	1,775,425

SCHEDULE: 22

GENERAL SERVICES AND LICENSES

1. Provide in column(a) the name of the affiliate to whom respondents paid \$50,000 or more for services rendered under a license agreement, a general service contract, or other arrangement providing for the furnishing of general accounting, engineering, financial, legal, patent, and other general services.

Name(s) of Affiliate (a)	Service Provided (b)	Amount at End of Current Year (c)
n/a		
Aggregate of All Other Items		
TOTAL		

SCHEDULE: 24

ANALYSIS OF EXTRAORDINARY ITEMS (Accounts 7610 and 7620)

(in dollars)

1. In column (a) provide the particulars with respect to Accounts 7610 and 7620, with the totals for each account.

Particulars (a)	Debit Amounts (b)	Credit Amounts (c)	Tax Effect Included in Account 7630 (d)	Tax Effect Included in Account 7640 (e)
n/a				

SCHEDULE: 25

DISTRIBUTION OF SALARIES AND WAGES							
Telephone	Number of Employees as of December-01			Total Compensation for Year Ending December-01	Distribution of Wages		
	Male	Female	Total		Operation & Maintenance Accounts	Construction	Other (Specify)
Part-time Employees	13	30	43	287,439	287,439	-	
Full-time Employees	117	95	212	7,360,740	5,509,539	1,851,201	
TOTALS	130	125	255	7,648,179	5,796,978	1,851,201	-

SCHEDULE: 26

OUTSIDE PLANT STATISTICS (WIRE)

- 1 Report the mileage at the end of the year for all solely owned plant and the respondent's share of any jointly owned plant.
 2 In column (r), provide the number of poles that company own, and shares & joint use with other company.
 3 Column (p) and (q) are not included column (c).

(a)	State or Territory (b)	Miles of Aerial Wire (c)	Aerial Cable		Underground Cable		Buried Cable		Submarine Cable	
			Miles of Cable (d)	Miles of Wire In Cable (e)	Miles of Cable (f)	Miles of Wire In Cable (g)	Miles of Cable (h)	Miles of Wire In Cable (i)	Miles of Cable (j)	Miles of Wire In Cable (k)
1	Ohio	1,924	599	67,587	120	104,793	1,382	206,751	N/A	NA/
2										
3										
4										
5										
6										
	TOTAL	1924	599	67587	120	104793	1382	206751	0	0

(a)	State or Territory (b)	Deep Sea Cable		Intra Building Network Cable		Total Cable	
		Miles of Cable (l)	Miles of Wire In Cable (m)	Miles of Cable (n)	Miles of Wire In Cable (o)	Miles of Cable (p)	Miles of Wire In Cable (q)
1	Ohio	N/A	N/A	N/A	N/A	2,101	379,131
2							
3							
4							
5							
6							
	TOTAL	0	0	0	0	2101	379131

(a)	State or Territory (b)	Number of Poles (r)		Miles of Tube In Coaxial Cable (s)		CONDUIT SYSTEMS	
		Company owns poles	Company shares & joint use			Trench Miles (t)	Duct Miles (u)
				(In Ground)	(Aerial)		
1	Ohio	14,807	11,818	N/A	N/A	N/A	N/A
2							
3							
4							
5							
6							
	TOTAL	14807	11818	0	0	0	0

SCHEDULE: 26A

OUTSIDE PLANT STATISTICS (FIBER OPTIC)

1 Report the mileage at the end of the year for all solely owned plant and the respondent's share of any jointly owned plant.

(a)	State or Territory (b)	Fiber Optic Aerial Cable		Fiber Optic Underground Cable		Fiber Optic Buried Cable	
		Miles of Cable Fiber Optic Cable (c)	Miles of Fiber Optic In Cable (d)	Miles of Cable Fiber Optic Cable (e)	Miles of Fiber Optic In Cable (f)	Miles of Cable Fiber Optic Cable (g)	Miles of Fiber Optic In Cable (h)
1	Ohio	28	1,179	45	1,963	184	3,882
2							
3							
4							
5							
6							
	TOTAL	28	1179	45	1963	184	3882

(a)	State or Territory (b)	Fiber Optic Submarine Cable		Deep Sea Optic Cable		Intra Build. Net. Fib. Opt. Cable		Total Fiber Optic Cable	
		Miles of Cable Fiber Optic Cable (l)	Miles of Fiber Optic In Cable (j)	Miles of Cable Fiber Optic Cable (k)	Miles of Fiber Optic In Cable (l)	Miles of Cable Fiber Optic Cable (m)	Miles of Fiber Optic In Cable (n)	Miles of Cable Fiber Optic Cable (o)	Miles of Fiber Optic In Cable (p)
1	Ohio	N/A	N/A	N/A	N/A	N/A	N/A	257	7,024
2									
3									
4									
5									
6									
	TOTAL	0	0	0	0	0	0	257	7024

SCHEDULE: 27

DETAIL OF OHIO EXCHANGE ACCESS LINE IN SERVICE BY CUSTOMER CLASS (For Company with less than 15,000 access lines)							
Name of Exchange (g)	Business Access Lines		Public Access Lines (d)	Residential Access Lines (e)	Mobile Access Lines (f)	Special Access Lines (Non-Switched) (g)	Total Access Lines (h)
	Single Line (b)	Multi Line (c)					
n/a							
TOTAL							

Note: List all of the access line data by exchange.

SCHEDULE: 29

OHIO CENTRAL OFFICES SCHEDULED TO BE UPGRADED		
Date Expected to be Placed in Service	Manufacturer & Type of Equipment	Capable of Independent Operation? (Yes) or (No)
n/a		

Note: This form is only applicable to local exchange companies with less than 15,000 access lines.

Date: Date new switch was placed or will be placed in service.

Manufacturer & Type of Equipment: List the type of switch and its manufacturer.

(Yes) or (No): Is the switch a HOST or REMOTE, i.e. does it have stand-alone capability.

SCHEDULE: 30

PROJECTION OF NEW OR CHANGED OHIO CENTRAL OFFICE PREFIXES (NXX) TO BE PLACED IN SERVICE	
Prefixes (NXX) Number(s)	Date is Expected to be Operational
n/a	

Note: This form is only applicable to local exchange companies with less than 15,000 access lines.
 Prefixes (NXX) Number(s): Were any new NXXs placed in service or will any be placed in service in the upcoming year.
 Date: Give date new NXX was or will be operational.

SCHEDULE: 31

Form 1

TOLL USAGE STUDY OHIO CONTIGUOUS EXCHANGES

Average number of message toll calls equaling 3.0 or over but less than 8.0 per access line per month from one exchange to another

Originating exchange (1)	Number of access lines in 1	Terminating exchange(s) (2)	Number of messages from 1 to 2	Messages per access line per month from 1 to 2*
n/a				

Form 2

TOLL USAGE STUDY OHIO CONTIGUOUS EXCHANGES

Average number of message toll calls equaling 8.0 or more per access line per month from one exchange to another

Originating exchange (1)	Number of access lines in 1	Terminating exchange(s) (2)	Number of messages from 1 to 2	Messages per access line per month from 1 to 2*
n/a				

* Total number of messages from 1 to 2 divided by total number of access lines in 1.

Note: This form is only applicable to local exchange companies with less than 15,000 access lines. EAS calling rates should be filed only for contiguous exchanges that currently have no EAS between them.

SCHEDULE: 32

SERVICE CONNECTION ASSISTANCE (SCA) ANNUAL REPORTING FORM												
Class of Service	Number of Program Participants End of Period (A)	Number of Program Participants During Period (B)										Participants Disconnected for Non-Payment (L)
			HEAP (C)	E-HEAP (D)	OECP (E)	SSI (F)	Medicaid (G)	Touchtone (H)	Wire Care (I)	Non-Pub (J)	Custom Calling (K)	
(1) Flat												
(2) Message												
(3) Measured												
(4) TOTAL												

Class of Service	Average Monthly Local Bill (M)	Average Monthly Toll Bill (N)	Average Service Connection Charge Waived (O)	Average of Waived Deposits (P)	Amount of Monthly Subscriber Line Charge (Q)	No. of Months for SLC Waiver (R)
(1) Flat						
(2) Message						
(3) Measured						
(4) TOTAL						

Telephone Company	
Street/PO Box	
City, State, Zip Code	
Name of Person Completing Form	
Signature	Date

Note: This form is applicable to local exchange companies with less than 15,000 access lines, that are exempted from offering TSA and only provide SCA.

SCHEDULE 32: Service Connection Assistance

EXPLANATION OF SCA ANNUAL REPORTING FORM FIELDS

- A, 1-3 - Refers to the number of SCA customers at the end of the fiscal year, as distinguished by the class of service the customers were receiving, i.e., flat, message, or measured rate service.
- A, 4 - The total of A1 + A2 + A3.
- B, 1-3 - Refers to the number of SCA customers that were added to the program during the relevant fiscal year, as distinguished by the class of service. These numbers may actually be greater than the difference between consecutive year's respective totals. For instance, if there were 20 flat rate SCA customers at the end of FY92, and 25 flat rate SCA customers at the end of FY93, but 3 flat rate SCA customers left the program during FY93, then the number of new program participants would be 8, not 5.
- B, 4 - The total of B1 + B2 + B3.
- C-G, 1-3 - Refers to the number of SCA customers at the end of the fiscal year, as distinguished by the specific assistance program which qualified the customer for SCA, and further divided by the particular class of service.
- C-G, 4 - The respective totals for C thru G, 1 + 2 + 3.
- H-K, 1-3 - Refers to the percentage of SCA customers utilizing the respective optional features, as distinguished by the class of service the customer is receiving. These percentages may be calculated at the end of the fiscal year, as opposed to monitoring any changes during the course of the 12 month period.
- H-K, 4 - THESE FIELDS SHOULD NOT ACTUALLY REFLECT TOTALS. Rather, they should reflect the respective percentages of utilization of each optional feature, expressed as a factor of all TSA customers, disregarding class of service distinctions.
- L, 1-3 - Refers to the number of SCA customers involuntarily disconnected for non-payment during the course of the relevant fiscal year, as distinguished by the class of service.
- L, 4 - The total of L1 + L2 + L3.
- M, 1-3 - Refers to the average dollar amount of SCA customers' monthly local charges for the relevant year, as distinguished by the class of service.
- M, 4 - Refers to the average dollar amount of SCA customers' monthly local charges for the relevant fiscal year, disregarding class of service distinctions.
- N, 1-3 - Refers to the average dollar amount of SCA customers' monthly toll charges, including intra and interLATA toll, for the relevant fiscal year, as distinguished by the class of service.
- N, 4 - Refers to the average dollar amount of SCA customers' monthly toll charges, including intra and interLATA toll, for the relevant fiscal year, disregarding class of service distinctions.
- O, 1-3 - Refers to the average dollar amount of service connection charges that are waived for SCA customers during the relevant fiscal year, as distinguished by the class of service.
- O, 4 - Refers to the average dollar amount of service connection charges that are waived for all SCA customers during the relevant fiscal year, disregarding class of service distinctions.
- P, 1-3 - Refers to the average dollar amount of deposits waived for SCA customers during the relevant fiscal year, as distinguished by the class of service.
- P, 4 - Refers to the average dollar amount of deposits that are waived for all SCA customers during the relevant fiscal year, disregarding class of service distinctions.
- Q, 1-3 - Refers to the amount of the Subscriber Line Charge assessed by the company. This dollar amount will be the same for every class of service.
- Q, 4 - THIS FIELD SHOULD NOT ACTUALLY REFLECT A TOTAL AND MAY, IN FACT, BE DISREGARDED.
- R, 1-3&4 - Like Q, the answer to this field will be the same for 1 thru 4, and will be equal to:

$$(O + P) + Q$$

Instructions:

* Revenue billed on behalf of other entities should not be included on this schedule if the company does not include this revenue in its determination of taxable gross receipts for Ohio gross receipts tax purposes. If, however, the local exchange company includes revenue billed on behalf of other entities in its taxable gross receipts, such as revenue should then be included on this schedule.

* "Earnings or receipts from sales to public utilities for resale" includes, but is not limited to, carrier access charges paid to the company

SCHEDULE: 33

STATEMENT OF INTRASTATE GROSS EARNINGS (REVENUE) FOR THE YEAR*					
(In dollars)					
Account No.		Item	Total (1)	Interstate (2)	Ohio Intrastate (3)=(1)-(2)
Class "A" Company	Class "B" Company				
LOCAL NETWORK SERVICES REVENUES:					
5001	.....	Basic Area Rev.	10,653,167	-	10,653,167
5002	.....	Optinal Extended Area Rev.	-	-	-
5003	.....	Cellular Mobile Service Rev.	-	-	-
5004	.....	Other Mobile Service Rev.	6,679	-	6,679
5000	.....	Basic Local Service Rev.			
(5001-5004)			10,659,846	-	10,659,846
5010	.....	Public Telephone Rev.	-	-	-
5040	.....	Local Private Line Rev.	1,468,988	-	1,468,988
5050	.....	Customer Premises Rev.	-	-	-
5060	.....	Other Local Exchange Rev.	3,322,427	-	3,322,427
5069	.....	Other Local Exchange Rev. Settlements	-	-	-
(5001-5069)	5000	TOTAL LOCAL NETWORK SERVICES REVENUES	15,451,261	-	15,451,261
NETWORK ACCESS SERVICES REVENUES:					
5081	5081	End user Rev.	1,667,154	1,667,154	-
5082	5082	Switched Access Revenue	10,831,518	10,831,518	-
5083	5083	Special Access Revenue	1,642,748	1,642,748	-
5084	5084	State Access Revenue	6,056,915	-	6,056,915
5080	5080	NETWORK ACCESS REVENUE			
(5081-5084)	(5081-5084)		20,198,335	14,141,420	6,056,915

Note: Total Column should agree with revenues reported on Schedule 5.

Provide detailed explanation of any deviations.

SCHEDULE: 33

STATEMENT OF INTRASTATE GROSS EARNINGS (REVENUE) FOR THE YEAR*					
(In dollars)					
Account No.		Item	Total (1)	Interstate (2)	Ohio Intrastate (3)=(1)-(2)
Class "A" Company	Class "B" Company				
LONG DISTANCE NETWORK SERVICES REVENUES:					
5100	long Distance Message Rev.	1,378,706	-	1,378,706
5111	Long Distance Inward-Only Rev.	-	-	-
5112	Long Distance Outward-Only Rev.	-	-	-
5121	Subvoice Grade Long Dist. Priv. Net. Rev.	-	-	-
5122	Voice Grade Long Dist. Priv. Net. Rev.	-	-	-
5123	Audio Prog. Grade Long Dist. Priv. Net. Rev.	-	-	-
5124	Video Prog. Grade Long Dist. Priv. Net. Rev.	-	-	-
5124	Digital Trans. Long Dist. Priv. Net. Rev.	-	-	-
5126	Long Dist. Priv. Net. Switching Rev.	-	-	-
LOCAL NETWORK SERVICES REVENUE:			1,378,706	-	1,378,706
5128	Other Long Dist. Priv. Net. Rev.	-	-	-
5129	Other Long Dist. Priv. Net. Rev. Settlements	-	-	-
5160	Other Long Dist. Rev.	97,328	-	97,328
5169	Other Long Dist. Rev. Settlements	-	-	-
5100-5169	5100	LONG DISTANCE NETWORK SERVICE REVENUES (FOR CLASS "B" ACCOUNT 5100)	1,476,034	-	1,476,034
MISCELLANEOUS REVENUES:					
5230	Directory Rev.	2,829,926	-	1,573,362
5240	Rent Rev.	110,607	-	1,476,034
5250	Corporate Operations Rev.	-	-	4,525,430
5261	Special Billing Arrangement Rev.	197	-	9,050,860
5262	Customer Operations Rev.	52,141	-	16,625,686
5263	Plant Operations Rev.	-	-	33,251,372
5264	Other Incidental Regulated Rev.	280,890	-	66,502,744

Note: Total Column should agree with revenues reported on Schedule 5.

Provide detailed explanation of any deviations.

SCHEDULE: 33

STATEMENT OF INTRASTATE GROSS EARNINGS (REVENUE) FOR THE YEAR*					
(in dollars)					
Account No.		Item	Total (1)	Interstate (2)	Ohio Intrastate (3)=(1)-(2)
Class "A" Company	Class "B" Company				
5269	.....	Other Rev. Settlements	337,724	-	337,724
5260	.....	Miscellaneous Revenues (5261-5269)	670,952	-	670,952
5270	.....	Carrier Billing & Collection Rev.	379,505	159,337	220,168
5200 (5230-5270)	5200	MISCELLANEOUS REVENUES	3,990,990	159,337	3,831,653
NONREGULATED REVENUES:					
5280	5280	Nonregulated Operating Revenues	3,415,006		4,722,773
TOTAL OPERATING REVENUES (5001-5280)			44,531,626	14,300,757	30,230,869
OTHER OPERATING INCOMES AND EXPENSES:					
7110	.....	Income from Custom Work	30,011	-	30,011
7130	.....	Return from Nonregulated Use of Reg. Fac.	-	-	-
7140	.....	Gains and Losses from Foreign Exchange	-	-	-
7150	.....	Gains or Losses from Disposition of Land and Artwork	-	-	34,983,653
7160	.....	Other Operating Gains and Losses	55,753	-	55,753
7100 (7110-7160)	7100	OTHER OPERATING INCOME AND EXPENSES	85,764	-	85,764
NONOPERATING INCOME AND EXPENSES:					
7310	.....	Dividend Income	-	-	-
7320	.....	Interest Income	41,397	-	41,397
7330	.....	Income from Sinking and Other Funds	-	-	-
7340	.....	Allowance for Funds Used During Construction	234,755	-	234,755
7350	.....	Gains from the Disposition of Certain Prop.	-	-	-
7360	.....	Other Nonoper. Income(Income & Gains Only)	174,267	-	174,267
7370	.....	Special Charge	(101,972)	-	(101,972)
7300 (7310-7370)	7300	NONOPERATING INCOME AND EXPENSES	348,447	-	348,447

Note: Total Column should agree with revenues reported on Schedule 5.

Provide detailed explanation of any deviations.

SCHEDULE: 33

STATEMENT OF INTRASTATE GROSS EARNINGS (REVENUE) FOR THE YEAR*					
(in dollars)					
Account No.		Item	Total (1)	Interstate (2)	Ohio Intrastate (3)=(1)-(2)
Class "A" Company	Class "B" Company				
EXTRAORDINARY ITEMS:					
7610	Extraordinary Income Credits	-	-	-
7620	Extraordinary Income Charges Debit	-	-	-
7630	Current Income Tax Effect of Extraordinary Items-Net: Credited	-	-	-
7640	Provision for Deferred Income Tax Effect of Extraordinary Items-Net: Credited	-	-	-
7600 (7610-7640)	7600	TOTAL EXTRAORDINARY ITEMS	-	-	-
SUBTOTAL (5100-7640)			44,965,837	14,300,757	30,665,080
Less:					
- Earnings or receipts from sales to public utilities for resale			-	-	-
TOTAL			44,965,837	14,300,757	30,665,080
* Intrastate means from one point to another point in Ohio, or wholly within Ohio.					

Note: Total Column should agree with revenues reported on Schedule 5.

Provide detailed explanation of any deviations.

SCHEDULE: 34

IN ORDER TO ENSURE THAT PUCO CORRESPONDENCE IS DIRECTED TO THE APPROPRIATE PERSON AT THE CORRECT ADDRESS, PLEASE COMPLETE THE FOLLOWING.

Name, Title, Address, and Phone Number of the Company's Contact Persons
to Receive Entries and Orders from the Docketing Division

Peter M. Holland Secretary/Treasurer
Name Title
P.O. Box 480 Chillicothe, Ohio 45601
Address
(740) 772-8200
Phone Number (Including Area Code)

Name, Title, Address, and Phone Number of Person to whom Invoice
should be Directed

Peter M. Holland Secretary/Treasurer
Name Title
P.O. Box 480 Chillicothe, Ohio 45601
Address
(740) 772-8200
Phone Number (Including Area Code)

Name and Address of the President

Thomas McKell
Name President
P.O. Box 480 Chillicothe, Ohio 45601
Address

VERIFICATION

The foregoing report must be verified by the President or Chief Officer of the company. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

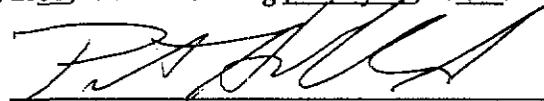
State of Ohio
County of Ross

Peter M. Holland makes oath and says that
(Insert here the name of the affiant.)

he is Secretary/Treasurer
(Insert here the official title of deponent)

of The Chillicothe Telephone Company
(Insert here the exact legal title or name of the respondent.)

that he has examined the foregoing report; that to the best of his knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from and including January 1, 2001, to and including January 31, 2001.



(Signature of affiant.)

REBECCA D. BARNHART
NOTARY PUBLIC, STATE OF OHIO
MY COMMISSION EXPIRES JAN. 27, 2005

