

# LOCAL EXCHANGE TELEPHONE COMPANIES

For the provision of (check all that apply):

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

## ANNUAL REPORT

OF

Cincinnati Bell Telephone Company

(Exact legal name of respondent)

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

Website URL (where this filing is available for public viewing)

201 East Fourth Street	Cincinnati	Hamilton	Ohio	45202
Address	City	County	State	Zip Code
	(513) 397-9900			

Phone: (Area Code) Number  
Same as above

(Address of principal business office at end of year)

### TO THE PUBLIC UTILITIES COMMISSION OF OHIO



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.

Allen K. Roberson: Director - General Accounting

201 E. Fourth Street Room 102-320 Cincinnati, Ohio 45202 (513) 397-6849 , (513) 352-0037 Fax

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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.
  - (a) 201 EAST FOURTH STREET  
CINCINNATI, OHIO 45202
  - (b) NOT APPLICABLE
  
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.
  - CINCINNATI BELL TELEPHONE COMPANY WAS  
INCORPORATED JULY 5, 1873.
  
3. If a consolidated or merged company, name all constituent and all merged companies absorbed during the year.
  - NOT APPLICABLE
  
4. Date and authority for each consolidation and for each merger affected during the year.
  - NOT APPLICABLE
  
5. If a reorganized company, give name of original corporation. State the occasion for any reorganization effected during the year.
  - NOT APPLICABLE
  
6. For new entrant carrier (NEC); give PUCO Certification approval date (NOT APPLICABLE), and Case No. (NOT APPLICABLE).
  
7. For NEC's only describe current serving area.
  - NOT APPLICABLE

## 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.
    - BROADWING, INC.
    - 201 E. FOURTH ST.; CINCINNATI, OH 45202
  - b. The form of control, whether sole or joint.
    - SOLE
  - c. The manner in which control was established.
    - OWNERSHIP OF ALL VOTING 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.
    - NOT APPLICABLE
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.
    - NOT APPLICABLE
  - b. The name and address of the beneficiary or beneficiaries for whom the trust was maintained, if available.
    - NOT APPLICABLE

## RESPONDENT'S CONTROL OVER OTHER CORPORATIONS

3. Did the respondent hold control over other corporations at the close of the year? YES. If so, state:
  - a. The name and address of the corporation or corporations controlled.
    - CINCINNATI BELL TELECOMMUNICATIONS SERVICES (CBTS)
    - 201 E. FOURTH ST.; CINCINNATI, OH 45202
  - b. The form of control, whether sole or joint.
    - SOLE
  - c. Other parties, if any, to joint agreement for control.
    - NONE
  - d. The manner in which control was established:
    - OWNERSHIP OF ALL VOTING STOCK
  - e. The extent of control.
    - OWNERSHIP OF 100% OF THE CONTROLLED COMPANYS' STOCK.
    - (CBTS IS A NONSTRUCTURALLY SEPARATE OPERATION OF CBT)
  - f. Whether control was direct or indirect.
    - DIRECT
  - g. If indirect, the name and address of the intermediary through which control was established.
    - NOT APPLICABLE

## 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
  
4. Changes in articles of incorporation: Give particulars of each change and date.
  - NONE
  
5. Other important changes: Give brief particulars of each other important change which is not disclosed elsewhere in this report.
  - NEW RATE: Optical/electrical Add Drop - OC 12 and OC-48 - Effective 10/16/01
  - NEW RATE: Ocn service OC-3 and OC-12 - Effective 8/31/01
  - RATE CHANGE: Annual Access Filing: Interstate Access Rates - Effective 07/03/01
  - RATE CHANGE: Annual Access Filing: Ohio Intrastate Access Rates - Effective 07/01/01
  - RATE CHANGE: Ohio Non-mirroring Access Filing: Ohio Intrastate Access Rates - Effective 04/09/01
  - RATE CHANGE: USF Filing: Effective 03/31/01
  - RATE CHANGE: USF Filing: Effective 07/03/01
  - RATE CHANGE: USF Filing: Effective 10/01/01

SCHEDULE: I

VOTING POWERS AND ELECTIONS			
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.			
Name and Address of Stockholders	No. of Shares Held	No. of Voting Shares	Other Vote Empowered Securities
Broadwing, Inc.: 201 E. 4th St. Cincinnati, OH 45202	1,000	1,000	0
TOTAL LISTED ABOVE	1,000	1,000	0
TOTAL ALL STOCKHOLDERS	1,000	1,000	0

SCHEDULE: 2

<b>BOARD OF DIRECTORS</b>				
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)
Richard G. Ellenberger; Cincinnati, Ohio	06/09/1997	Note 1	1	\$0
Kevin W. Mooney; Cincinnati, Ohio	01/01/1998	Note 1	1	\$0
Mark W. Peterson; Cincinnati, Ohio	10/26/2001	Note 1	1	\$0
Name of Chairman of the Board: <u>Richard G. Ellenberger</u> Name of Secretary of Company: <u>Jeffrey C. Smith</u> Number of Meetings of Board during the year: <u>0</u> Number of directors provided for by charter or by-laws, as amended to the end of the year: <u>3</u> Number of directors required to constitute a quorum: <u>2</u>				

Note 1: CBT Board - Duly Elected Until Successor Named.

## SCHEDULE: 3

## PRINCIPAL GENERAL OFFICERS

- 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.
- 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)
Chief Executive Officer	CBT	Richard G. Ellenberger	Cincinnati, Ohio
President	CBT	John F. Cassidy	Cincinnati, Ohio
Chief Operating Officer	CBT	Kevin W. Mooney	Cincinnati, Ohio
Chief Human Resources Officer	General Counsel and Corporate Secretary	Jeffrey C. Smith	Cincinnati, Ohio
Senior Vice President	Corporate Finance	Mary E. McCann	Cincinnati, Ohio
Senior Vice President	Finance and Accounting	Brian A. Ross	Cincinnati, Ohio
Senior Vice President	Network and Operations	Dennis P. Hinkel	Cincinnati, Ohio
General Manager	Strategic Business Markets	David A. Korb	Cincinnati, Ohio
General Manager	Emerging Markets	Linda D. Frank	Cincinnati, Ohio
Vice President	Consumer Markets	Cori G. Rothenbach	Cincinnati, Ohio
Vice President	Growth Market	William A. Reynolds	Cincinnati, Ohio
Vice President	Product Development	Michael S. Vanderwoude	Cincinnati, Ohio
Vice President	Treasurer	Mark W. Peterson	Cincinnati, Ohio
Vice President	Regulatory/Public Affairs	Christopher S. Colwell	Cincinnati, Ohio
Vice President	Human Resources	Brian G. Keating	Cincinnati, Ohio
Vice President	Network Operations	Richard P. Benken	Cincinnati, Ohio
Vice President	Network Engineering & Construction	Grant D. Girard	Cincinnati, Ohio
Vice President	Information Technology	Charles R. Burke	Cincinnati, Ohio
Vice President	Customer Operations	Phillip T. Parks	Cincinnati, Ohio
Controller	Finance and Accounting	Gary A. Cornett	Cincinnati, Ohio
Director	Corporate Tax	Kimberly H. Sheehy	Cincinnati, Ohio
Associate General Counsel & Assistant Corporate Secretary	Legal Counsel	Christopher J. Wilson	Cincinnati, Ohio
Assistant Corporate Secretary	Assistant Corporate Secretary	Amy K. Collins	Cincinnati, Ohio

## SCHEDULE: 4

BALANCE SHEET						
ASSETS AND OTHER DEBITS						
Account No.		Account Title	Page No.	Beginning Balance	Ending Balance	Increase or (Decrease)
Class "A" Company	Class "B" Company					
<b>CURRENT ASSETS</b>						
xxxxxx	1120	Cash & Equivalent		N/A	N/A	N/A
1130	xxxxxx	Cash		(9,076,704)	(6,679,492)	2,397,211
1140	xxxxxx	Special Cash Deposits		0	0	0
1150	xxxxxx	Working Cash Advances		0	0	0
1160	xxxxxx	Temporary Investments	35	0	0	0
1180	1180	Telecommunications Accounts Receivable	35	105,131,908	103,715,066	(1,416,842)
1181	1181	Acts. Receivable Allowance - Telecom. (Cr.)	34-35	(10,426,969)	(9,636,389)	790,580
1190	1190	Other Accounts Receivable	35	32,095,683	10,459,851	(21,635,832)
1191	1191	Accounts Receivable Allowance - Other (Cr.)	34-35	0	0	0
1200	1200	Notes Receivable	36	(3,943,707)	58,699,110	62,642,818
1201	1201	Notes Receivable Allowance (Cr.)	36	0	0	0
1210	1210	Interest and Dividends Receivable	36	0	0	0
1220	1220	Materials and Supplies		14,594,283	12,657,501	(1,936,782)
xxxxxx	1280	Prepayment		N/A	N/A	N/A
1290	xxxxxx	Prepaid Rents		12,000	40,840	28,840
1300	xxxxxx	Prepaid Taxes		(762,036)	(3,348,214)	(2,586,177)
1310	xxxxxx	Prepaid Insurance		0	0	0
1320	xxxxxx	Prepaid Directory Expenses		1,740,420	1,696,000	(44,419)
1330	xxxxxx	Other Prepayments		158,494	10,157,184	9,998,690
1350	1350	Other Current Assets		0	0	0
(1130-1350)	(1120-1350)	<b>TOTAL CURRENT ASSETS</b>		<b>\$129,523,372</b>	<b>\$177,761,458</b>	<b>\$48,238,087</b>

## SCHEDULE: 4

BALANCE SHEET						
ASSETS AND OTHER DEBITS						
Account No.		Account Title	Page No.	Beginning Balance	Ending Balance	Increase or (Decrease)
Class "A" Company	Class "B" Company					
<b>NONCURRENT ASSETS</b>						
1401	1401	Investments in Affiliated Cos.	36	0	0	0
1402	1402	Investments in Nonaffiliated Cos.	36	0	0	0
1406	1406	Nonregulated Investments		0	0	0
1407	1407	Unamort. Debt Issuance Exp.		2,389,495	2,270,598	(118,897)
1408	1408	Sinking Funds		0	0	0
1410	1410	Other Noncurrent Assets		0	0	0
1437	1437	Deferred Tax Regulated Asset		3,841,979	2,576,167	(1,265,812)
1438	1438	Deferred Maintenance and Retirements	37	0	0	0
1439	1439	Deferred Charges	37	47,554,531	9,461,015	(38,093,515)
1500	1500	Other Juris. Assets - Net	38	(25,457,394)	(29,246,041)	(3,788,647)
(1401-1500)	(1401-1500)	<b>TOTAL NONCURRENT ASSETS</b>		\$28,328,611	(\$14,938,260)	(\$43,266,871)
<b>PROPERTY, PLANT AND EQUIPMENT</b>						
2001	2001	Tele. Plant in Service	27-28	1,944,185,815	2,058,307,856	114,122,041
2002	2002	Prop. Held for Future Telecommunications Use	29	30,418	30,418	0
2003	2003	Tele. Plant Under Construction - Short Term	29	32,756,112	18,501,255	(14,254,857)
2004	2004	Tele. Plant Under Construction - Long Term	29	0	0	0
2005	2005	Tele. Plant Adjustment	29	0	0	0
2006	2006	Nonoperating Plant	29	5,120,477	6,793,567	1,673,090
2007	2007	Goodwill	29	0	0	0
(2001-2007)	(2001-2007)	<b>TOTAL PROP., PLANT &amp; EQUIP.</b>		\$1,982,092,822	\$2,083,633,096	\$101,540,274

SCHEDULE: 4

BALANCE SHEET						
ASSETS AND OTHER DEBITS						
Account No.		Account Title	Page No.	Beginning Balance	Ending Balance	Increase or (Decrease)
Class "A" Company	Class "B" Company					
<b>DEPRECIATION AND AMORTIZATION</b>						
3100	3100	Accum. Deprec.	30-33	1,048,764,535	1,174,069,969	125,305,434
3200	3200	Accum. Deprec. - Held for Future Tele. Use		0	0	0
3300	3300	Accum. Deprec. - Nonoperating		37,494	37,494	0
xxxxxx	3400	Accum. Amort. - Tangible		N/A	N/A	N/A
3410	xxxxxx	Accum. Amort. - Capit. Leases		19,747,278	27,487,712	7,740,434
3420	xxxxxx	Accum. Amort. - Lshld. Imprv.		9,687,673	10,671,706	984,033
3500	3500	Accum. Amort. - Intangible		5,235,278	17,932,596	12,697,318
3600	3600	Accum. Amort. - Other		0	0	0
(3100-3600)	(3100-3600)	<b>TOTAL DEPREC. AND AMORT.</b>		<b>\$1,083,472,258</b>	<b>\$1,230,199,476</b>	<b>\$146,727,218</b>
		<b>NET PLANT (2001-2007) Less (3100-3600)</b>		<b>\$898,620,564</b>	<b>\$853,433,620</b>	<b>(\$45,186,944)</b>
		<b>TOTAL ASSETS (1120-2007) Less (3100-3600)</b>		<b>\$1,056,472,547</b>	<b>\$1,016,256,818</b>	<b>(\$40,215,729)</b>

## SCHEDULE: 4

BALANCE SHEET						
LIABILITIES AND OTHER CREDITS						
Account No.		Account Title	Page No.	Beginning Balance	Ending Balance	Increase or (Decrease)
Class "A" Company	Class "B" Company					
<b><u>CURRENT LIABILITIES</u></b>						
4010	4010	Accounts Payable		113,916,824	102,176,370	(11,740,454)
4020	4020	Notes Payable		0	0	0
4030	4030	Advance Billing and Pay.		22,703,118	23,523,611	820,492
4040	4040	Customer Deposits		666,125	650,232	(15,893)
4050	4050	Cur. Maturities - Long Term Debt		0	20,000,000	20,000,000
4060	4060	Cur. Maturities - Cap. Leases		5,638,209	8,012,480	2,374,271
4070	4070	Income Taxes - Accrued		3,614,678	4,929,110	1,314,433
4080	4080	Other Taxes - Accrued		23,351,211	21,428,952	(1,922,259)
4100	4100	Net Cur. Def. Oper. Income Taxes	38	(15,747,346)	(8,965,206)	6,782,140
4110	4110	Net Cur. Def. Nonoper. Income Taxes		160,212	160,212	0
4120	4120	Other Accrued Liabilities		7,544,427	12,849,132	5,304,704
4130	4130	Other Current Liabilities		805,369	10,925,641	10,120,273
(4010-4130)	(4010-4130)	<b>TOTAL CURRENT LIABILITIES</b>		<b>\$162,652,825</b>	<b>\$195,690,533</b>	<b>\$33,037,708</b>
<b><u>LONG TERM DEBT</u></b>						
4210	4210	Funded Debt	40	290,000,000	270,000,000	(20,000,000)
4220	4220	Premium on Long-Term Debt	40	6,738	2,483	(4,255)
4230	4230	Discount on Long-Term Debt	40	(559,729)	(539,679)	20,050
4240	4240	Reacquired Debt		0	0	0
4250	4250	Obligations Under Cap. Leases	40	34,772,488	34,785,097	12,609
4260	4260	Advances from Affil. Cos.	40	0	0	0
4270	4270	Other Long-Term Debt	40	0	0	0
(4210-4270)	(4210-4270)	<b>TOTAL LONG-TERM DEBT</b>		<b>\$324,219,496</b>	<b>\$304,247,900</b>	<b>(\$19,971,596)</b>

## SCHEDULE: 4

BALANCE SHEET						
LIABILITIES AND OTHER CREDITS						
Account No.		Account Title	Page No.	Beginning Balance	Ending Balance	Increase or (Decrease)
Class "A" Company	Class "B" Company					
<b><u>OTHER LIAB. AND DEF. CREDITS</u></b>						
4310	4310	Other Long-Term Liabilities		0	0	0
4320	4320	Unamort. Oper. ITC - Net		9,226,679	8,368,841	(857,838)
4330	4330	Unamort. Nonoper. ITC - Net		0	0	0
4340	4340	Net Noncur. Def. Oper. Income Taxes	39	126,286,905	106,234,372	(20,052,533)
4341	4341	Net Deferred Tax Liability Adjustment	39	(9,319,925)	(6,241,811)	3,078,114
4350	4350	Net Noncur. Def. Nonoper. Income Taxes		12,514,281	15,553,692	3,039,411
4360	4360	Other Deferred Credits	41	25,362,243	13,742,655	(11,619,587)
4361	4361	Deferred Tax Regulat. Liability	42	13,161,904	8,817,978	(4,343,926)
4370	4370	Other Juris. Liab. & Def. Cr. - Net	39	(6,800,380)	(8,126,407)	(1,326,026)
(4310-4370)	(4310-4370)	<b>TOTAL OTHER LIAB. &amp; DEF. CR.</b>		<b>\$170,431,707</b>	<b>\$138,349,320</b>	<b>(\$32,082,387)</b>
<b><u>STOCKHOLDERS' EQUITY</u></b>						
4510	4510	Capital Stock	43	12,500	12,500	0
4520	4520	Additional Paid-In Capital	43	167,048,759	167,048,759	0
4530	4530	Treasury Stock	43	0	0	0
4540	4540	Other Capital		0	0	0
4550	4550	Retained Earnings	26	232,107,260	210,907,805	(21,199,454)
(4510-4550)	(4510-4550)	<b>TOTAL STOCKHOLDERS' EQUITY</b>		<b>\$399,168,518</b>	<b>\$377,969,064</b>	<b>(\$21,199,454)</b>
(4010-4550)	(4010-4550)	<b>TOTAL LIAB. &amp; STOCKHOLDERS' EQUITY</b>		<b>\$1,056,472,547</b>	<b>\$1,016,256,818</b>	<b>(\$40,215,729)</b>

SCHEDULE: 4A

**NOTES TO BALANCE SHEET**

Acct. 1439: Includes balances in clearing accounts 8701, 8705, and 8710.

Acct. 1200 The change in this account is due entirely to a loan made to the parent company, Broadwing Inc.

## SCHEDULE: 5

<b>INCOME STATEMENT</b> (in dollars)			
Account No.		Account Title	Amount
Class "A" Company	Class "B" Company		
		<b><u>LOCAL NETWORK SERVICES REVENUES</u></b>	
5001	xxxxxx	Basic Area Revenue	xxxxxx
5002	xxxxxx	Optional Extended Area Revenue	xxxxxx
5003	xxxxxx	Cellular Mobile Revenue	xxxxxx
5004	xxxxxx	Other Mobile Services Revenue	xxxxxx
5000	xxxxxx	Basic Local Service Revenue	xxxxxx
5010	xxxxxx	Public Telephone Revenue	xxxxxx
5040	xxxxxx	Local Private Line Revenue	xxxxxx
5050	xxxxxx	Customer Premises Revenue	xxxxxx
5060	xxxxxx	Other Local Exchange Revenue	xxxxxx
5069	xxxxxx	Other Local Exchange Revenue Settlements	xxxxxx
(5001-5069)	5000	<b>LOCAL NETWORK SERVICES REVENUES</b>	\$465,300,751
		<b><u>NETWORK ACCESS SERVICE REVENUES</u></b>	
5081	5081	End User Revenue	68,364,274
5082	5082	Switched Access Revenue	30,806,061
5083	5083	Special Access Revenue	66,518,641
5084	5084	State Access Revenue	39,667,807
5080	5080		
(5081-5084)	(5081-5084)	<b>NETWORK ACCESS REVENUE</b>	\$205,356,784
		<b><u>LONG DISTANCE NETWORK SERVICES REVENUES</u></b>	
5100	xxxxxx	Long Distance Mesage Revenue	xxxxxx
5111	xxxxxx	Long Distance Inward-Only Revenue	xxxxxx

## SCHEDULE: 5

<b>INCOME STATEMENT</b> (in dollars)			
Account No.		Account Title	Amount
Class "A" Company	Class "B" Company		
5112	xxxxxx	Long Distance Outward-Only Revenue	xxxxxx
5121	xxxxxx	Subvoice Grade Long Distance Private Network Revenue	xxxxxx
5122	xxxxxx	Voice Grade Long Distance Private Network Revenue	xxxxxx
5123	xxxxxx	Audio Program Grade Long Distance Private Network Revenue	xxxxxx
5124	xxxxxx	Video Program Grade Long Distance Private Network Revenue	xxxxxx
5125	xxxxxx	Data Transmission Long Distance Private Network Revenue	xxxxxx
5126	xxxxxx	Long Distance Private Network Switching Revenue	xxxxxx
5128	xxxxxx	Other Long Distance Private Network Revenue	xxxxxx
5129	xxxxxx	Other Long Distance Private Network Revenue Settlements	xxxxxx
5160	xxxxxx	Other Long Distance Revenue	xxxxxx
5169	xxxxxx	Other Long Distance Revenue Settlements	xxxxxx
(5100-5169)	5100	<b>TOTAL LONG DISTANCE NETWORK SERVICE REVENUES</b> <b>(FOR CLASS B COMPANY - ACCOUNT 5100)</b>	<b>\$12,117,399</b>
<b>MISCELLANEOUS REVENUES</b>			
5230	xxxxxx	Directory Revenue	xxxxxx
5240	xxxxxx	Rent Revenue	xxxxxx
5250	xxxxxx	Corporate Operations Revenue	xxxxxx
5261	xxxxxx	Special Billing Arrangements Revenue	xxxxxx
5262	xxxxxx	Customer Operations Revenue	xxxxxx
5263	xxxxxx	Plant Operations Revenue	xxxxxx
5264	xxxxxx	Other Incidental Regulated Revenue	xxxxxx
5269	xxxxxx	Other Revenue Settlements	xxxxxx
5270	xxxxxx	Carrier Billing and Collection Revenue	xxxxxx
(5230-5270)	(5230-5270)	<b>MISCELLANEOUS REVENUES</b>	<b>\$33,761,809</b>

SCHEDULE: 5

<b>INCOME STATEMENT</b> (in dollars)			
Account No.		Account Title	Amount
Class "A" Company	Class "B" Company		
		<b>NONREGULATED REVENUES</b>	
5280	5280	Non Regulated Operating Income	\$121,045,186
		<b>UNCOLLECTIBLE REVENUES</b>	
5301	xxxxxx	Uncollectible Revenue - Telecommunications	xxxxxx
5302	xxxxxx	Uncollectible Revenue - Other	xxxxxx
5300 (5301-5302)	5300	<b>UNCOLLECTIBLE REVENUES</b>	4,396,095
		<b>TOTAL OPERATING REVENUE (5001-5302)</b>	<b>\$833,185,834</b>

## SCHEDULE: 5

INCOME STATEMENT (in dollars)								
Account No.		Account Title	Salaries and Wages (a)	Benefits (b)	Other Rents (c)	Expenses (d)	Clearances (e)	Total (f)
Class "A" Company	Class "B" Company							
<b>PLANT SPECIFIC OPERATIONS EXPENSE</b>								
6112	xxxxxx	Motor Vehicle Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6113	xxxxxx	Aircraft Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6114	xxxxxx	Spec. Purpose Vehicles Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6115	xxxxxx	Garage Work Equipment Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6116	xxxxxx	Other Work Equipment Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6110	6110							
(6112-6116)		<b>NETWORK SUPPORT EXPENSE</b>	<b>(\$195,153)</b>	<b>(\$242,215)</b>	<b>(\$2,371)</b>	<b>\$1,337,541</b>	<b>\$0</b>	<b>\$897,802</b>
6121	xxxxxx	Land and Building Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6122	xxxxxx	Furniture and Artworks Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6123	xxxxxx	Office Equipment Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6124	xxxxxx	General Purpose Computers Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6120	6120							
(6121-6124)		<b>GENERAL SUPPORT EXPENSE</b>	<b>\$2,293,813</b>	<b>\$464,062</b>	<b>\$5,526,243</b>	<b>\$9,898,689</b>	<b>\$0</b>	<b>\$18,182,807</b>
6211	xxxxxx	Analog Electronic Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6212	xxxxxx	Digital Electronic Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6215	xxxxxx	Electro-Mechanical Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6210	6210							
(6211-6215)		<b>CENTRAL OFFICE SWITCH. EXPENSE</b>	<b>\$8,228,686</b>	<b>\$1,640,619</b>	<b>\$169,046</b>	<b>\$3,054,308</b>	<b>\$0</b>	<b>\$13,092,659</b>
6220	6220	Operator Systems Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6231	xxxxxx	Radio Facilities Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6232	xxxxxx	Circuit Equipment Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6230	6230							
(6231-6232)		<b>CENTRAL OFFICE TRANSM. EXPENSE</b>	<b>\$7,896,183</b>	<b>\$1,605,416</b>	<b>\$909,862</b>	<b>\$2,700,929</b>	<b>\$0</b>	<b>\$13,112,390</b>
6311	xxxxxx	Station Apparatus Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6341	xxxxxx	Large Private Branch Exchange Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6351	xxxxxx	Public Telephone Terminal Equipment Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6362	xxxxxx	Other Terminal Equipment Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6310	6310							
(6311-6362)		<b>INFO. ORIG./TERM. EXPENSE</b>	<b>\$13,808,285</b>	<b>\$2,817,675</b>	<b>\$1,518</b>	<b>\$53,438,987</b>	<b>\$0</b>	<b>\$70,066,465</b>

## SCHEDULE: 5

INCOME STATEMENT (In dollars)								
Account No.		Account Title	Salaries and Wages (a)	Benefits (b)	Other Rents (c)	Expenses (d)	Clearances (e)	Total (f)
Class "A" Company	Class "B" Company							
6411	xxxxxx	Poles Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6421	xxxxxx	Aerial Cable Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6422	xxxxxx	Underground Cable Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6423	xxxxxx	Buried Cable Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6424	xxxxxx	Submarine Cable Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6425	xxxxxx	Deep Sea Cable Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6426	xxxxxx	Intrabuilding Network Cable Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6431	xxxxxx	Aerial Wire Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6441	xxxxxx	Conduit Systems Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6410	6410							
(6411-6441)		<b>CABLE AND WIRE FACIL. EXPENSE</b>	\$18,109,158	\$3,706,746	\$315,761	\$5,586,629	\$0	\$27,718,294
(6112-6441)	(6110-6410)	<b>TOTAL PLANT SPECIFIC OPERATIONS EXPENSE</b>	\$50,140,972	\$9,992,303	\$6,920,059	\$76,017,083	\$0	\$143,070,417
		<b>PLANT NONSPECIFIC OPERATIONS EXPENSE</b>						
6511	xxxxxx	Property Held for Future Telecommunications Use Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6512	xxxxxx	Provisioning Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6510	6510							
(6511-6512)		<b>OTHER PROP., PLANT &amp; EQUIP. EXPENSE</b>	\$136,474	\$67,304	\$0	(\$40,507)	\$0	\$163,271
6531	xxxxxx	Power Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6532	xxxxxx	Network Administration Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6533	xxxxxx	Testing Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6534	xxxxxx	Plant Oper. Admin. Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6535	xxxxxx	Engineering Expense	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6530	6530							
(6531-6535)		<b>NETWORK OPERATIONS EXPENSE</b>	\$18,524,388	\$3,192,070	\$0	\$13,657,454	\$0	\$35,373,912
6540	6540	Access Expense	\$0	\$0	\$0	\$10,510,854	\$0	\$10,510,854
6561	xxxxxx	Depreciation Expense - Telecommunications Plant In Service	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx

## SCHEDULE: 5

INCOME STATEMENT (in dollars)								
Account No.		Account Title	Salaries and Wages (a)	Benefits (b)	Other Rents (c)	Expenses (d)	Clearances (e)	Total (f)
Class "A" Company	Class "B" Company							
6562	xxxxxx	Depreciation Expense - Prop. Held for Future Telecommunications Use	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6563	xxxxxx	Amortization Expense - Tangible	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6564	xxxxxx	Amortization Expense - Intangible	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6565	xxxxxx	Amortization Expense - Other	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6560	6560							
(6561-6565)		DEP'N & AMORT. EXPENSE	\$0	\$0	\$0	\$166,363,348	\$0	\$166,363,348
(6511-6565)	(6510-6560)	TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSE	\$18,660,862	\$3,259,374	\$0	\$190,491,149	\$0	\$212,411,385
		<b>CUSTOMER OPERATIONS EXPENSE</b>						
6611	xxxxxx	Product Management	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6612	xxxxxx	Sales	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6613	xxxxxx	Product Advertising	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6610	6610							
(6611-6613)		MARKETING	\$24,123,879	\$3,771,533	\$0	\$25,625,217	\$0	\$53,520,629
6621	xxxxxx	Call Completion Services	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6622	xxxxxx	Number Services	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6623	xxxxxx	Customer Services	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6620	6620							
(6621-6623)		SERVICES	\$25,965,744	\$5,184,282	\$0	\$17,350,483	\$0	\$48,500,509
(6611-6623)	(6610-6620)	TOTAL CUSTOMER OPERATIONS EXPENSE	\$50,089,623	\$8,955,815	\$0	\$42,975,700	\$0	\$102,021,138
		<b>CORPORATE OPERATIONS EXPENSE</b>						
6711	xxxxxx	Executive	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6712	xxxxxx	Planning	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6710	6710							
(6711-6712)		EXECUTIVE AND PLANNING	\$2,029,573	\$307,023	N/A	\$1,169,225	\$0	\$3,505,821
6721	xxxxxx	Accounting and Finance	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx

## SCHEDULE: 5

INCOME STATEMENT (In dollars)								
Account No.		Account Title	Salaries and Wages (a)	Benefits (b)	Other Rents (c)	Expenses (d)	Clearances (e)	Total (f)
Class "A" Company	Class "B" Company							
6722	xxxxxx	External Relations	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6723	xxxxxx	Human Resources	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6724	xxxxxx	Information Management	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6725	xxxxxx	Legal	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6726	xxxxxx	Procurement	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6727	xxxxxx	Research and Development	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6728	xxxxxx	Other General and Administrative	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
6720	6720							
(6721-6728)		GENERAL AND ADMINISTRATIVE	27,726,783	4,408,967	0	52,626,319	0	\$84,762,069
6790	6790	Provision for Uncollectible Notes Receivable	0	0	0	0	0	0
(6710-6790)	(6710-6790)	TOTAL CORPORATE OPERATIONS EXPENSE	\$29,756,356	\$4,715,990	\$0	\$53,795,544	\$0	\$88,267,890
(6112-6790)	(6110-6790)	TOTAL OPERATING EXPENSES	\$148,647,813	\$26,923,482	\$6,920,059	\$363,279,476	\$0	\$545,770,830

## SCHEDULE: 5

<b>INCOME STATEMENT</b> (in dollars)			
Account No.		Account Title	Total (f)
Class "A" Company	Class "B" Company		
<b><u>OPERATING TAXES</u></b>			
7210	xxxxxx	Operating Investment Tax Credits - Net	xxxxxx
7220	xxxxxx	Operating Federal Income Taxes	xxxxxx
7230	xxxxxx	Operating State and Local Income Taxes	xxxxxx
7240	xxxxxx	Operating Other Taxes	xxxxxx
7250	xxxxxx	Provisin for Deferred Operating Income Taxes - Net	xxxxxx
7200 (7210-7250)	7200	<b>TOTAL OPERATING TAXES</b>	<b>\$121,001,902</b>
<b>NET OPERATING INCOME (5001-5302)</b> Less (6110-7200)			
			<b>\$166,413,101</b>
<b><u>OTHER OPERATING INCOME AND EXPENSE</u></b>			
7110	xxxxxx	Income from Custom Work	xxxxxx
7130	xxxxxx	Return from Nonreg. Use of Regulated Facilities	xxxxxx
7140	xxxxxx	Gains and Losses from Foreign Exchange	xxxxxx
7150	xxxxxx	Gains and Losses from Disposition of Land & Artwork	xxxxxx
7160	xxxxxx	Other Operating Gains & Losses	xxxxxx
7100 (7110-7160)	7100	<b>TOTAL OTHER OPERATING INCOME AND EXPENSE</b>	<b>(\$140,605)</b>
<b><u>NONOPERATING INCOME AND EXPENSE</u></b>			
7310	xxxxxx	Dividend Income	xxxxxx
7320	xxxxxx	Interest Income	xxxxxx
7330	xxxxxx	Income from Sinking and Other Funds	xxxxxx
7340	xxxxxx	Allowance for Funds Used During Construction	xxxxxx

## SCHEDULE: 5

<b>INCOME STATEMENT</b> (in dollars)			
Account No.		Account Title	Total (f)
Class "A" Company	Class "B" Company		
7350	xxxxxx	Gains or Losses from Disposition of Certain Prop.	xxxxxx
7360	xxxxxx	Other Nonoperating Income	xxxxxx
7370	xxxxxx	Special Charges	xxxxxx
7300 (7310-7370)	7300	<b>TOTAL NONOPERATING INCOME AND EXPENSE</b>	<b>\$3,203,259</b>
<b><u>NONOPERATING TAXES</u></b>			
7410	xxxxxx	Nonoperating Investment Tax Credits - Net	xxxxxx
7420	xxxxxx	Nonoperating Federal Income Taxes	xxxxxx
7430	xxxxxx	Nonoperating State and Local Income Taxes	xxxxxx
7440	xxxxxx	Nonoperating Other Taxes	xxxxxx
7450	xxxxxx	Provisin for Deferred Nonoperating Income Taxes - Net	xxxxxx
7400 (7410-7450)	7400	<b>TOTAL NONOPERATING TAXES</b>	<b>\$1,125,042</b>
<b><u>INTEREST AND RELATED ITEMS</u></b>			
7510	xxxxxx	Interest on Funded Debt	xxxxxx
7520	xxxxxx	Interest Expense - Capital Leases	xxxxxx
7530	xxxxxx	Amortization of Debt Issuance Expense	xxxxxx
7540	xxxxxx	Other Interest Deductions	xxxxxx
7500 (7510-7540)	7500	<b>TOTAL INTEREST AND RELATED ITEMS</b>	<b>\$23,831,978</b>

## SCHEDULE: 5

<b>INCOME STATEMENT</b> (in dollars)			
Account No.		Account Title	Total (f)
Class "A" Company	Class "B" Company		
<b><u>EXTRAORDINARY ITEMS</u></b>			
7610	xxxxxx	Extraordinary Income Credits	xxxxxx
7620	xxxxxx	Extraordinary Income Charges	xxxxxx
7630	xxxxxx	Current Income Tax Effect of Extraord. Items - Net	xxxxxx
7640	xxxxxx	Prov. for Def. Inc. Tax Effect of Extraord. Items - Net	xxxxxx
7600 (7610-7640)	7600	<b>TOTAL EXTRAORDINARY ITEMS</b>	<b>\$0</b>
<b><u>JURISDICTIONAL DIFF. AND NONREGULATED INCOME ITEMS</u></b>			
7910	7910	Income Effect of Juris. Ratemaking Dif. - Net	(2,462,621)
7990	7990	Nonregulated Net Income	0
<b>NET INCOME</b>			<b>\$142,056,116</b>

SCHEDULE: 5A

**NOTES TO INCOME STATEMENT**

No notes to the Income Statement

## SCHEDULE: 6

STATEMENT OF RETAINED EARNINGS			
Account No.	Item	Page No.	Amount
	Balances - First of the Year	13	232,107,260
	Changes: Balance Transferred From Income	24	142,056,116
	Dividends Declared		163,255,571
	Miscellaneous Debits to Retained Earnings		0
	Miscellaneous Credits to Retained Earnings		0
	Balance - End of the Year	13	210,907,805
	Notes to Statement of Retained Earnings:		

## SCHEDULE: 7

PARTNERSHIP CAPITAL STATEMENT (1)			
Account No.	Item	Page No.	Amount
	Partnership Capital - Beginning of Year	13	
	Net Income (Loss) for Year	24	
	Partners' Capital Contributions		
	Miscellaneous Credits		
	TOTAL CREDITS		0
	Partners' Drawings		
	Prior Period Adjustment(s)		
	Miscellaneous Debits		
	TOTAL DEBITS		0
	Partnership Capital - End of Year	13	0

(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 First of Year (b)	Additions (c)	Retirements (d)	Transfers & Adjustments (e)	Balance End of Year (f)=(b)+(c)+ (d)+(e)
Class "A" Company	Class "B" Company						
<b>GENERAL SUPPORT ASSETS</b>							
2111	xxxxxx	Land	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2112	xxxxxx	Motor Vehicles	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2113	xxxxxx	Aircraft	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2114	xxxxxx	Special Purpose Vehicles	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2115	xxxxxx	Garage Work Equipment	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2116	xxxxxx	Other Work Equipment	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2121	xxxxxx	Buildings	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2122	xxxxxx	Furniture	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2123.1	xxxxxx	Office Support Equip.	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2123.2	xxxxxx	Co. Comm. Equip.	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2124	xxxxxx	General Purpose Computers	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
<b>(2111-2124)</b>	<b>2110</b>	<b>LAND AND SUPPORT ASSETS</b>	<b>\$255,974,935</b>	<b>\$6,642,552</b>	<b>(\$10,886,072)</b>	<b>(\$1,961)</b>	<b>\$251,729,454</b>
<b>CENTRAL OFFICE ASSETS</b>							
2211	xxxxxx	Analog Electronic Switching	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2212	xxxxxx	Digital Electronic Switching	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2215	xxxxxx	Electro-Mechanical Switching	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2215.1	xxxxxx	Step-By-Step Switching	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2215.2	xxxxxx	Crossbar Switching	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2215.3	xxxxxx	Other Elec.-Mech. Switching	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
<b>(2211-2215.3)</b>	<b>2210</b>	<b>CENTRAL OFFICE SWITCHING</b>	<b>\$421,493,647</b>	<b>\$15,611,632</b>	<b>(\$637,522)</b>	<b>(\$601,472)</b>	<b>\$435,866,285</b>
2220	2220	Operator Systems	2,152,604	1,390,020	0	(4,381)	\$3,538,243
2231	xxxxxx	Radio Systems	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2232	xxxxxx	Circuit Equipment	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
<b>(2231-2232)</b>	<b>2230</b>	<b>CENTRAL OFFICE TRANSMISSION</b>	<b>\$417,325,409</b>	<b>\$37,006,077</b>	<b>(\$5,201,623)</b>	<b>\$481,755</b>	<b>\$449,611,618</b>

## SCHEDULE: 8

ANALYSIS OF PLANT IN SERVICE							
(in dollars)							
Account No.		TELECOMMUNICATIONS PLANT IN SERVICE (ACCT. 2001) Plant Accounts (a)	Balance First of Year (b)	Additions (c)	Retirements (d)	Transfers & Adjustments (e)	Balance End of Year (f)=(b)+(c)+ (d)+(e)
Class "A" Company	Class "B" Company						
<b>INFORMATION ORIGIN/TERMIN. ASSETS</b>							
2311	xxxxxx	Station Apparatus	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2321	xxxxxx	Customer Premises Wiring	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2341	xxxxxx	Large Private Branch Exchanges	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2351	xxxxxx	Public Tele. Terminal Equipment	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2362	xxxxxx	Other Terminal Equipment	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
(2311-2362)	2310	<b>INFORMATION ORIGIN/TERMINATION</b>	\$16,597,652	\$872,287	\$48,823	\$1,068,002	\$18,586,764
<b>CABLE AND WIRE FACILITIES</b>							
2411	xxxxxx	Poles	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2421	xxxxxx	Aerial Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2422	xxxxxx	Underground Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2423	xxxxxx	Buried Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2424	xxxxxx	Submarine Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2425	xxxxxx	Deep Sea Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2426	xxxxxx	Intrabuilding Network Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2431	xxxxxx	Aerial Wire	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2441	xxxxxx	Conduit Systems	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
(2411-2441)	2410	<b>CABLE AND WIRE FACILITIES</b>	\$744,729,156	\$36,755,823	(\$3,904,436)	\$8,713	\$777,589,256
<b>AMORTIZABLE ASSETS</b>							
2681	xxxxxx	Capital Leases	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2682	xxxxxx	Leasehold Improvements	xxxxxx	xxxxxx	xxxxxx	xxxxxx	xxxxxx
(2681-2682)	2680	<b>AMORTIZABLE ASSETS</b>	\$67,906,227	\$141,230	\$0	\$9,415,256	\$77,462,713
2690	2690	Intangibles	\$18,006,185	\$25,943,706	\$0	(\$26,368)	\$43,923,523
2001 (2110-2690)	2001 (2110-2690)	<b>TOTAL TELECOMMUNICATIONS PLANT IN SERVICE</b>	\$1,944,185,815	\$124,363,327	(\$20,580,830)	\$10,339,544	\$2,058,307,856

## SCHEDULE: 8

ANALYSIS OF PLANT IN SERVICE (in dollars)								
Account No.		TELECOMMUNICATIONS PLANT IN SERVICE (ACCT. 2001) Plant Accounts (a)	Balance First of Year (b)	Additions (c)	Retirements (d)	Transfers & Adjustments (e)	Balance End of Year (f)=(b)+(c)+ (d)+(e)	
Class "A" Company	Class "B" Company							
2001	2001	Telecommunications Plant In Service	1,944,185,815	124,363,327	(20,580,830)	10,339,544	\$2,058,307,856	
2002	2002	Property Held For Future Telecommunications Use	30,418	0	0	0	\$30,418	
2003	2003	Tele. Plant Under Construction - Short Term	32,756,112	57,827,185	0	(72,082,042)	\$18,501,255	
2004	2004	Tele. Plant Under Construction - Long Term	Account is no longer used. Please use Account 2003.					\$0
2005	2005	Tele. Plant Adjustment	0	0	0	0	\$0	
2006	2006	Nonoperating Plant	5,120,477	1,673,090	0	0	\$6,793,567	
2007	2007	Goodwill	0	0	0	0	\$0	
(2001-2007)	(2001-2007)	<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>\$1,982,092,822</b>	<b>\$183,863,602</b>	<b>(\$20,580,830)</b>	<b>(\$61,742,498)</b>	<b>\$2,083,633,096</b>	

SCHEDULE: 9

ACCUMULATED DEPRECIATION (Account 3100) (In dollars)						
(Please check if the Company's Depreciation Expense is Calculated: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually)						
Account No.	Account Title	Accumulated Depreciation At Beginning of Year (a)	Accrual Rate (b)	Annual Accrual (c)	Original Cost of Plant Retired (d)	
Class "A" Company	Class "B" Company					
<b>GENERAL SUPPORT ASSETS</b>						
xxxxxx	2110	Land and Support Assts	N/A	N/A	N/A	N/A
2111	xxxxxx	Land	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2112	xxxxxx	Motor Vehicles	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2113	xxxxxx	Aircraft	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2114	xxxxxx	Special Purpose Vehicles	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2115	xxxxxx	Garage Work Equipment	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2116	xxxxxx	Other Work Equipment	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2121	xxxxxx	Buildings	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2122	xxxxxx	Furniture	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2123.1	xxxxxx	Office Support Equip.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2123.2	xxxxxx	Co. Comm. Equip.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2124	xxxxxx	General Purpose Computers	xxxxxx	xxxxxx	xxxxxx	xxxxxx
(2111-2124)	2110	<b>TOTAL PROPERTY, PLANT AND EQUIPMENT (FOR CLASS "B" ACCOUNT 2110)</b>	\$118,090,654		\$15,768,736	\$10,886,074
<b>CENTRAL OFFICE ASSETS</b>						
xxxxxx	2210	Central Office - Switching	N/A	N/A	N/A	N/A
2211	xxxxxx	Analog Elect Switch.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2212	xxxxxx	Digital Elect Switch.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2215.1	xxxxxx	Step-By-Step Switch.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2215.2	xxxxxx	Crossbar Switch.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2215.3	xxxxxx	Oth. Ele. Mech. Switch.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2220	2220	Operator Systems	xxxxxx	xxxxxx	xxxxxx	xxxxxx
xxxxxx	2230	Central Office - Transmission	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2231	xxxxxx	Radio Systems	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2232	xxxxxx	Circuit Equip.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
(2211-2232)	(2210-2230)	<b>TOTAL CEN. OFFICE ASSETS</b>	\$430,997,819		\$74,099,165	\$5,839,143

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

- Note: Listed below are 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).
  2. Identify the source of these accrual rates (PUCO Case No. 97-1532-TP-AAM) (If Accrual Rate changes during the year should be identified with effective date of change 01/01/97).
  3. Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.

Continue on next page

SCHEDULE: 9

ACCUMULATED DEPRECIATION (Account 3100) (in dollars)						
(Please check if the Company's Depreciation Expense is Calculated: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually)						
Account No.						
Class "A" Company	Class "B" Company	Account Title	Cost of Removal (e)	Salvage (f)	Other (g)	Balance at End of Year (h)=(a)+(c)-(d)-(e)+(f)+(g)
<b>GENERAL SUPPORT ASSETS</b>						
xxxxxx	2110	Land and Support Assts	N/A	N/A	N/A	N/A
2111	xxxxxx	Land	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2112	xxxxxx	Motor Vehicles	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2113	xxxxxx	Aircraft	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2114	xxxxxx	Special Purpose Vehicles	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2115	xxxxxx	Garage Work Equipment	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2116	xxxxxx	Other Work Equipment	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2121	xxxxxx	Buildings	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2122	xxxxxx	Furniture	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2123.1	xxxxxx	Office Support Equip.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2123.2	xxxxxx	Co. Comm. Equip.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2124	xxxxxx	General Purpose Computers	xxxxxx	xxxxxx	xxxxxx	xxxxxx
(2111-2124)	2110	<b>TOTAL PROPERTY, PLANT AND EQUIPMENT (FOR CLASS "B" ACCOUNT 2110)</b>	\$56,866	\$392,801	\$0	\$123,309,249
<b>CENTRAL OFFICE ASSETS</b>						
xxxxxx	2210	Central Office - Switching	N/A	N/A	N/A	N/A
2211	xxxxxx	Analog Elect Switch.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2212	xxxxxx	Digital Elect Switch.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2215.1	xxxxxx	Step-By-Step Switch.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2215.2	xxxxxx	Crossbar Switch.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2215.3	xxxxxx	Oth. Ele. Mech. Switch.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2220	2220	Operator Systems	xxxxxx	xxxxxx	xxxxxx	xxxxxx
xxxxxx	2230	Central Office - Transmission	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2231	xxxxxx	Radio Systems	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2232	xxxxxx	Circuit Equip.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
(2211-2232)	(2210-2230)	<b>TOTAL CEN. OFFICE ASSETS</b>	\$395,770	\$2,127,907	(\$37,474)	\$499,952,503

(a) From Accounting Records

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

(c) thru (g) From Accounting Records

Note: Listed below are 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).
2. Identify the source of these accrual rates (PUCO Case No. 97-1532-TP-AAM) (If Accrual Rate changes during the year should be identified with effective date of change 01/01/97).
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)						
(Please check if the Company's Depreciation Expense is Calculated: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually)						
Account No.		Account Title	Accumulated Depreciation At Beginning of Year (a)	Accrual Rate (b)	Annual Accrual (c)	Original Cost of Plant Retired (d)
Class "A" Company	Class "B" Company					
<b>INFORM. ORIG./TERM. ASSETS</b>						
2311	xxxxxx	Station Apparatus	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2321	xxxxxx	Cust. Premises Wiring	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2341	xxxxxx	Large Priv. Branch Exch.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2351	xxxxxx	Pub. Tele. Terminal Equip.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2362	xxxxxx	Other Term. Equipment	xxxxxx	xxxxxx	xxxxxx	xxxxxx
(2311-2362)	2310	<b>TOTAL INFO. ORIG./TERM. ASSETS</b>	\$14,176,359		\$3,263,768	(\$48,250)
<b>CABLE &amp; WIRE FACIL. ASSETS</b>						
2411	xxxxxx	Poles				
2421	xxxxxx	Aerial Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2421.1	xxxxxx	Aerial Cable - Metallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2421.2	xxxxxx	Aerial Cable - Nonmetallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2421.3	xxxxxx	Aerial Cable - Drop	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2422	xxxxxx	Underground Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2422.1	xxxxxx	Underground Cable - Metallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2422.2	xxxxxx	Underground Cable - Nonmetallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2423	xxxxxx	Buried Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2423.1	xxxxxx	Buried Cable - Metallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2423.2	xxxxxx	Buried Cable - Nonmetallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2423.3	xxxxxx	Buried Cable - Drop	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2424	xxxxxx	Submarine Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2425	xxxxxx	Deep Sea Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx

(a) From Accounting Records

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

(c) thru (g) From Accounting Records

Note: Listed below are 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).
2. Identify the source of these accrual rates (PUCO Case No. 97-1532-TP-AAM.). (If Accrual Rate changes during the year should be identified with effective date of change 01/01/97).
3. Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.

Continue on next page

SCHEDULE: 9

ACCUMULATED DEPRECIATION (Account 3100) (in dollars)						
(Please check if the Company's Depreciation Expense is Calculated: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually)						
Account No.		Account Title	Cost of Removal (e)	Salvage (f)	Other (g)	Balance at End of Year (h)=(a)+(c)-(d)-(e)+(f)+(g)
Class "A" Company	Class "B" Company					
<b>INFORM. ORIG/TERM. ASSETS</b>						
2311	xxxxxx	Station Apparatus	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2321	xxxxxx	Cust. Premises Wiring	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2341	xxxxxx	Large Priv. Branch Exch.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2351	xxxxxx	Pub. Tele. Terminal Equip.	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2362	xxxxxx	Other Term. Equipment	xxxxxx	xxxxxx	xxxxxx	xxxxxx
(2311-2362)	2310	<b>TOTAL INFO. ORIG./TERM. ASSETS</b>	\$42,822	(\$19)	\$848,003	\$18,293,541
<b>CABLE &amp; WIRE FACIL. ASSETS</b>						
2411	xxxxxx	Poles	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2421	xxxxxx	Aerial Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2421.1	xxxxxx	Aerial Cable - Metallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2421.2	xxxxxx	Aerial Cable - Nonmetallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2421.3	xxxxxx	Aerial Cable - Drop	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2422	xxxxxx	Underground Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2422.1	xxxxxx	Underground Cable - Metallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2422.2	xxxxxx	Underground Cable - Nonmetallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2423	xxxxxx	Buried Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2423.1	xxxxxx	Buried Cable - Metallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2423.2	xxxxxx	Buried Cable - Nonmetallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2423.3	xxxxxx	Buried Cable - Drop	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2424	xxxxxx	Submarine Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2425	xxxxxx	Deep Sea Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx

(a) From Accounting Records

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

(c) thru (g) From Accounting Records

Note: Listed below are 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).
2. Identify the source of these accrual rates (PUCO Case No. 97-1532-TP-AAM ). (If Accrual Rate changes during the year should be identified with effective date of change 01/01/97).
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)						
(Please check if the Company's Depreciation Expense is Calculated: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually)						
Account No.		Account Title	Accumulated Depreciation At Beginning of Year (a)	Accrual Rate (b)	Annual Accrual (c)	Original Cost of Plant Retired (d)
Class "A" Company	Class "B" Company					
2426	xxxxxx	Intrabuilding Network Cable	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2426.1	xxxxxx	Intrabuilding Network Cable - Metallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2426.2	xxxxxx	Intrabuilding Network Cable - Nonmetallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2431	xxxxxx	Aerial Wire	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2441	xxxxxx	Conduit Systems	xxxxxx	xxxxxx	xxxxxx	xxxxxx
(2411-2441)	2410	<b>TOTAL CABLE &amp; WIRE FACIL ASSETS</b>	\$485,499,702		\$51,809,895	\$3,904,436
		<b>TOTAL ACCUMULATED DEPREC. (2112-2441)</b>	\$1,048,764,534	\$0	\$143,941,563	\$20,581,402

(a) From Accounting Records

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

(c) thru (g) From Accounting Records

Note: Listed below are 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).
2. Identify the source of these accrual rates (PUCO Case No. 97-1532-TP-AAM ). (If Accrual Rate changes during the year should be identified with effective date of change 01/01/97).
3. Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.

Continue on next page

## SCHEDULE: 9

ACCUMULATED DEPRECIATION (Account 3100) (in dollars)						
(Please check if the Company's Depreciation Expense is Calculated: <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually)						
Account No.		Account Title	Cost of Removal (e)	Salvage (f)	Other (g)	Balance at End of Year (h)=(a)+(c)- (d)-(e)+(f)+(g)
Class "A" Company	Class "B" Company					
2426	xxxxxx	Intrabuilding Network Cable				
2426.1	xxxxxx	Intrabuilding Network Cable - Metallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2426.2	xxxxxx	Intrabuilding Network Cable - Nonmetallic	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2431	xxxxxx	Aerial Wire	xxxxxx	xxxxxx	xxxxxx	xxxxxx
2441	xxxxxx	Conduit Systems	xxxxxx	xxxxxx	xxxxxx	xxxxxx
(2411-2441)	2410	TOTAL CABLE & WIRE FACIL. ASSETS	xxxxxx	xxxxxx	xxxxxx	xxxxxx
			\$2,285,977	\$66,898	\$328,593	\$531,514,675
		TOTAL ACCUMULATED DEPREC. (2112-2441)	\$2,781,435	\$2,587,587	\$1,139,122	\$1,174,069,969

(a) From Accounting Records

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

(c) thru (g) From Accounting Records

Note: Listed below are 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).
2. Identify the source of these accrual rates (PUCO Case No. 97-1532-TP-AAM. (If Accrual Rate changes during the year should be identified with effective date of change 01/01/97).
3. Clearly mark on the Depreciation Schedule how depreciation expense was calculated, i.e., monthly, quarterly, semi-annually, or annually.

## SCHEDULE: 10

<b>UNCOLLECTIBLE ACCOUNTS (Accounts 1181 and 1191)</b> (in dollars)			
	(a)	Account 1181 (b)	Account 1191 (c)
1	Balance at Beginning of the Year	10,426,969	0
2	Accruals Charged (excluding Direct Write-Offs)	5,008,469	0
3	Collection of Amounts Previously Written Off	2,774,285	0
4	Other Credits	500,644	0
5	TOTAL CREDITS	8,283,398	0
6	Uncollectibles Written Off During the Year	8,962,978	0
7	Other Debits (Explain in a Note)	111,000	0
8	TOTAL DEBITS	9,073,978	0
9	Balance at End of the Year	\$9,636,389	\$0
10	Total Operating Revenue for the Year	833,185,834	833,185,834
11	Net Write Offs During the Year (Line 6 minus Line 3)	6,188,693	0
12	Ratio of Line 11 to Line 10	0.74%	0.00%
13	Ratio of Line 2 to Line 10	0.60%	0.00%

NOTE: Line 7 debit principally due to transfer of receivable to Cincinnati Bell Any Distance (CBAD).

## SCHEDULE: 11

<b>RECEIVABLES AND INVESTMENTS - AFFILIATED AND NONAFFILIATED COMPANIES</b> (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)	Account 1181 Accts. Rec. Telecom. Allowance (d)	Account 1190 Other Accts. Receivable (e)	Account 1191 Accts. Rec. Other Allowance (f)
BRW-Com	0	772,143	0	1,765,406	0
BRW-Inc	0	3,845	0	241,196	0
CBS	0	0	0	0	0
CBD	0	6,250	0	1,038,630	0
CBW	0	337,408	0	1,287,242	0
BRW IT Consulting	0	32,272	0	24,030	0
Zoomtown	0	115,734	0	385,468	0
CBPC	0	0	0	338,369	0
CBAD	0	0	0	(2,032,566)	0
BMH	0	0	0	70,260	0
<b>Total Affiliated</b>	<b>\$0</b>	<b>\$1,267,652</b>	<b>\$0</b>	<b>\$3,118,035</b>	<b>\$0</b>
<b>Total Nonaffiliated</b>	<b>0</b>	<b>102,447,414</b>	<b>(9,636,389)</b>	<b>7,341,816</b>	<b>0</b>
<b>TOTAL BALANCE</b>	<b>\$0</b>	<b>\$103,715,066</b>	<b>(\$9,636,389)</b>	<b>\$10,459,851</b>	<b>\$0</b>

## SCHEDULE: 11

<b>RECEIVABLES AND INVESTMENTS - AFFILIATED AND NONAFFILIATED COMPANIES</b> (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 1200 Notes Receivable (g)	Account 1201 Notes Receiv. Allowance (h)	Account 1210 Int. & Div. Receivable (i)	Account 1401 Investments in Affiliated Companies (j)	Account 1402 Investments in Nonaffiliated Companies (k)
BRW-Com	0	0	0	0	0
BRW-Inc	58,699,110	0	0	0	0
CBS	0	0	0	0	0
CBD	0	0	0	0	0
CBW	0	0	0	0	0
BRW IT Consulting	0	0	0	0	0
Zoomtown	0	0	0	0	0
CBPC	0	0	0	0	0
CBAD	0	0	0	0	0
<b>Total Affiliated</b>	<b>\$58,699,110</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Nonaffiliated</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL BALANCE</b>	<b>\$58,699,110</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## 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 Year (b)
<u>Account 1438</u>	
Aggregate of All Other Items	0
TOTAL	\$0
<u>Account 1439</u>	
Billing of affiliate payroll through BRW-Inc timing differences	(2,116,046)
Inventory Allowance	(922,672)
Vouchers processed in December 2001 to be affiliate billed January 2002	274,044
Cumulative Effect of SAB 101 deferred expenses	12,599,800
Aggregate of All Other Items	(374,110.92)
TOTAL	\$9,461,015

## SCHEDULE: 13

OTHER JURISDICTONAL ASSET NET - ACCOUNT 1500 (in dollars)				
Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e)=(b)+(c)-(d)
Net Effect of Jurisdictional Differences	(25,457,394)	48,352	3,836,999	(29,246,041)
<b>TOTALS</b>	<b>(\$25,457,394)</b>	<b>\$48,352</b>	<b>\$3,836,999</b>	<b>(\$29,246,041)</b>

## SCHEDULE: 14

NET CUR. DEF. OPERATING INCOME TAX - ACCOUNT 4100 (in dollars)				
Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e)=(b)-(c)+(d)
Federal Income Taxes	(15,647,751)	5,246,919	12,174,047	(8,720,623)
State & Local Income Taxes	(99,595)	326,738	181,750	(244,584)
<b>TOTALS</b>	<b>(\$15,747,346)</b>	<b>\$5,573,657</b>	<b>\$12,355,797</b>	<b>(\$8,965,206)</b>

## SCHEDULE: 15

NET NONCUR. DEF. OPERATING INCOME TAXES - ACCOUNT 4340				
(in dollars)				
Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e)=(b)-(c)+(d)
<b>Property Related:</b>				
Federal Income Taxes	122,125,877	18,659,495	34,412	103,500,794
State & Local Income Taxes	3,754,575	4,012,246	3,869,919	3,612,248
<b>Nonproperty Related:</b>				
Federal Income Taxes	665,719	3,908,350	3,342,443	99,812
State & Local Income Taxes	(259,267)	1,084,830	365,615	(978,483)
<b>TOTALS</b>	<b>\$126,286,904</b>	<b>\$27,664,921</b>	<b>\$7,612,389</b>	<b>\$106,234,372</b>

## SCHEDULE: 16

NET DEFERRED TAX LIABILITY ADJUSTMENTS - ACCOUNT 4341				
(in dollars)				
Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e)=(b)-(c)+(d)
Tax Rate Differential Adjustments	(9,319,925)	0	3,078,114	(6,241,811)
<b>TOTALS</b>	<b>(\$9,319,925)</b>	<b>\$0</b>	<b>\$3,078,114</b>	<b>(\$6,241,811)</b>

## SCHEDULE: 17

OTHER JURIS. LIABILITY & DEF. CR. - NET - ACCOUNT 4370				
(in dollars)				
Description (a)	Beginning Balance (b)	Debits (c)	Credits (d)	Balance End of Year (e)=(b)-(c)+(d)
Net Effect of Jurisdictional Differences	(6,800,380)	1,342,950	16,923	(8,126,407)
<b>TOTALS</b>	<b>(\$6,800,380)</b>	<b>\$1,342,950</b>	<b>\$16,923</b>	<b>(\$8,126,407)</b>

## 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) - (i) 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)
<u>Account 4210</u>								
40 Year Debenture	08/01/1962	08/01/2002	20,000,000	2,483	4.38%	4.39%	20,000,000	0
30 Year Debenture	12/01/1998	12/01/2028	150,000,000	(539,679)	6.30%	6.34%	0	150,000,000
30 Year Note	11/29/1993	11/29/2023	40,000,000	0	7.20%	7.20%	0	40,000,000
30 Year Note	12/14/1993	12/14/2023	17,500,000	0	7.18%	7.18%	0	17,500,000
30 Year Note	12/15/1993	12/15/2023	19,000,000	0	7.18%	7.18%	0	19,000,000
30 Year Note	12/09/1993	12/11/2023	1,000,000	0	7.25%	7.25%	0	1,000,000
30 Year Note	12/09/1993	12/11/2023	2,500,000	0	7.27%	7.27%	0	2,500,000
12 Year Note	12/30/1993	12/30/2005	20,000,000	0	6.33%	6.33%	0	20,000,000
10 Year Note	12/30/1993	12/30/2003	20,000,000	0	6.24%	6.24%	0	20,000,000
TOTALS			\$290,000,000	(\$537,197)			\$20,000,000	\$270,000,000
<u>Account 4250 &amp; 4060</u>								
Obligations Under Capital Leases			\$42,797,577				\$8,012,480	\$34,785,097
<u>Account 4260</u>			\$0				\$0	\$0
<u>Account 4270</u>			\$0				\$0	\$0

## SCHEDULE: 19

OTHER DEFERRED CREDITS (Account 4360) (in dollars)	
1. Disclose the data for each item in Account 4360 amounting to over \$25,000.	
Description of Obligation (a)	Amount at End of Year (b)
Deferred Revenue from Video Transport of Cable T.V.	1,098,679
Cumulative Effect of SAB 101 deferred revenues related to non-refundable upfront payments	12,963,472
Kentucky Sales Tax Audit	(226,699)
Long Distance Message Revenue	(92,796)
Aggregate of All Other Items	(0)
TOTAL	13,742,655

## 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 Obligation (a)	Amount at End of Year (b)
Gross-up of Unamortized ITC at Current Tax Rates	3,889,366
Gross-up of Excess Deferred Tax Liability at Current Tax Rates Due to Rate Reduction	3,310,365
Estimated Deferred Taxes on Difference Between Regulatory Asset & Liability at Current Tax Rates	1,618,247
Aggregate of All Other Items	0
TOTAL	\$8,817,978

## SCHEDULE: 21

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

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

Class and Description of Capital Stock (a)	Par or Stated Value Amount (b)	Number of Shares Authorized (c)	Amount of Stock Issued and Outstanding (d)		Acct. 4520 Additional Paid In Capital (e)	Total (Col. (d) & (e)) (f)	Number of Shares of Treasury Stock (g)	Acct. 4530 Amount in Treasury Stock Account (h)	Total Dividends Declared (i)
			Number of Stock Issued (d1)	Acct. 4510 Amount of Stock Issued & Outstanding (d2)=(b)*(d1)					
<u>COMMON:</u> (All Stock is Owned by Broadwing, Inc)	\$12.50	1,000	1,000	\$12,500	\$167,048,759	\$167,061,259	0	\$0	\$163,255,571
<u>PREFERRED:</u>	\$0.00	0	0	\$0	\$0	\$0	0	\$0	\$0
<b>TOTALS</b>		1,000	1,000	\$12,500	\$167,048,759	\$167,061,259	0	\$0	\$163,255,571

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 of Affiliate (a)	Service Provided (b)	Amount (c)
Broadwing, Inc.	Corporate, Financial Planning, Treasury and Internal Auditing Services	16,100,000
Aggregate of All Other Items		0
TOTAL		\$16,100,000



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 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)
	\$0	\$0	\$0	\$0

SCHEDULE: 25

DISTRIBUTION OF SALARIES AND WAGES							
	Number of Employees as of December 31			Total Compensation for Year Ending December 31	Distribution of Wages		
	Male	Female	Total		Operation & Maintenance Accounts	Construction	Other (Specify)
Telephone							
Part-Time Employees	N/A	N/A	100	N/A			
Full-Time Employees	N/A	N/A	2,715	N/A			
<b>TOTAL ALL EMPLOYEES</b>	1,538	1,277	2,815	\$173,760,209	\$50,140,972	\$22,330,960	
<u>Other:</u>							
Plant Nonspecific Operations							\$18,660,862
Customer Operations							\$50,089,623
Corporate Operations							\$29,756,356
Cost of Removal							\$2,781,435

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 system route miles, not sheath mileage.

(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	Indiana	72	89	37,560	7	3,103	143	24,788		
2	Kentucky	2,084	2,984	963,296	693	952,309	1,314	301,299	0	0
3	Ohio	1,231	5,871	2,760,466	3,189	4,135,062	2,269	584,201	0	0
4	TOTAL	3,387	8,944	3,761,322	3,889	5,090,474	3,726	910,288	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	Indiana	0	0	0	10	239	65,461
2	Kentucky	0	0	425	17,442	5,416	2,234,346
3	Ohio	0	0	71	158,519	11,400	7,638,248
4	TOTAL	0	0	496	175,971	17,055	9,938,055

(a)	State or Territory (b)	Number of Poles (r)	Miles of Tube In Coaxial Cable (s)		CONDUIT SYSTEM	
			(In Ground)	(Aerial)	Trench Miles (t)	Duct Miles (u)
1	Indiana	1,205	0	0	30	33
2	Kentucky	49,342	0	0	491	1,364
3	Ohio	99,441	0	0	1,663	5,391
4	TOTAL	149,988	0	0	2,184	6,788

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								
2. In column (r), provide the number of system route miles, not sheath mileage.								
(a)	State or Territory (b)	Miles of Aerial Fiber Optic (c)	FIBER OPTIC AERIAL CABLE		FIBER OPTIC UNDERGROUND CABLE		FIBER OPTIC BURIED CABLE	
			Miles of Fiber Optic Cable (d)	Miles of Fiber Optic In Cable (e)	Miles of Fiber Optic Cable (f)	Miles of Fiber Optic In Cable (g)	Miles of Fiber Optic Cable (h)	Miles of Fiber Optic In Cable (i)
1	Indiana	0	13	344	0	0	0	0
2	Kentucky	0	346	11,562	0	0	0	10
3	Ohio	0	631	27,788	0	0	32	1,006
4	TOTAL	0	990	39,694	0	0	32	1,016

(a)	State or Territory (b)	FIBER OPTIC SUBMARINE CABLE		DEEP SEA FIBER OPTIC CABLE		INTRA BUILDING NETWORK FIBER OPTIC CABLE		TOTAL FIBER OPTIC CABLE	
		Miles of Fiber Optic Cable (j)	Miles of Fiber Optic In Cable (k)	Miles of Fiber Optic Cable (l)	Miles of Fiber Optic In Cable (m)	Miles of Fiber Optic Cable (n)	Miles of Fiber Optic In Cable (o)	Miles of Fiber Optic Cable (p)	Miles of Fiber Optic In Cable (q)
1	Indiana	0	0	0	0	0	0	13	344
2	Kentucky	0	0	0	0	2	60	348	11,632
3	Ohio	0	0	0	0	48	1,287	711	30,081
4	TOTAL	0	0	0	0	50	1,347	1,072	42,057

SCHEDULE: 27

DETAIL OF OHIO EXCHANGE ACCESS LINES IN SERVICE BY CUSTOMER CLASS (For Company with less than 15,000 access lines)							
Name of Exchange (a)	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)					
NOT APPLICABLE TO CINCINNATI BELL TELEPHONE							
TOTAL							

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

## SCHEDULE: 28

**PLANT AND SERVICE DATA - OHIO TELEPHONE COMPANIES  
DETAIL OF BILLABLE ACCESS LINES IN SERVICE BY EXCHANGE IN OHIO**

Exchange Name (a)	No. of CO(s) In Exchange (b)	Type & Model(s) of CO(s) In Exchange (c)	No. of Business Access Lines		No. of Company Pay Stations (f)	No. of Residential Access Lines		No. of Total Access Lines (i)
			Single Line (d)	Multi Line Trunks (e)		1-Party (g)	Multi- Party (h)	
Bethany	1	1-5ESS ORM	3,995	1,538	103	23,603	0	29,239
Bethel	1	1-DMS10	654	8	27	4,414	0	5,103
Cincinnati	24	20-5ESS 3-5ESS ORM 1-DMS10	94,983	84,749	4,266	359,272	0	543,270
Clermont	4	1-5ESS 1-5ESS ORM 2-DMS10	5,891	2,534	290	28,811	0	37,526
Hamilton	3	2-5ESS 1-5ESS ORM	18,340	13,659	823	68,081	0	100,903
Harrison	1	1-5ESS ORM	1,360	687	85	5,589	0	7,721
Little Miami	3	2-5ESS 1-5ESS ORM	8,457	5,851	279	42,641	0	57,228
Newtownsville	1	1-DMS10	279	8	11	4,566	0	4,864
Reily	1	1-DMS10	64	0	0	1,139	0	1,203
Seven Mile	1	1-DMS10	118	0	2	2,266	0	2,386
Shandon	1	1-DMS10	766	31	15	4,155	0	4,967
Williamsburg	1	1-DMS10	528	153	27	3,291	0	3,999
	42		135,435	109,218	5,928	547,828	0	798,409

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

For companies with more exchanges than will fit this page, substitute a computer printout with the same information in place of this page.

For exchanges with multiple central offices, list the number of each type of central office, e.g., 12-5ESS, 1-61E, 2-DMS10, etc. The total should equal the total number of COs listed in Column (b).

Unusual switch types should be characterized as Electromechanical, Analog or Digital.

Use the following symbols to show in the above columns:

\* Includes Key System, PBS and Centrex.

\*\* Includes all Single Line Business Access Lines.

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)
<b>NOT APPLICABLE TO CINCINNATI BELL TELEPHONE</b>		

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
NOT APPLICABLE TO CINCINNATI BELL TELEPHONE		

NOTE: This form is only applicable to local exchange companies with less than 15,000 access lines.  
 Prefixes (NXX) Number(s): Where 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 TO OHIO CONTIGUOUS EXCHANGES**  
(Month and Year of Study)

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 Exchanges (1)	Number of Access Lines in (1)	Terminating Exchanges (2)	Number of Messages from (1) to (2)	Messages per Access Line per Month from (1) to (2)*
NOT APPLICABLE TO CINCINNATI BELL TELEPHONE				

Form 2

**TOLL USAGE STUDY TO OHIO CONTIGUOUS EXCHANGES**  
(Month and Year of Study)

AVERAGE NUMBER OF MESSAGE TOLL CALLS EQUALING 8.0 OR MOR PER ACCESS LINE PER MONTH FROM ONE EXCHANGE TO ANOTHER

Originating Exchanges (1)	Number of Access Lines in (1)	Terminating Exchanges (2)	Number of Messages from (1) to (2)	Messages per Access Line per Month from (1) to (2)*
NOT APPLICABLE TO CINCINNATI BELL TELEPHONE				

\* Total Number of Messages from (1) to (2) / Total Number of Access Lines in (1).

NOTE: This form is only applicable to local exchange companies with less than 15,000 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 New Program Participants - End of Period (a)	Number of New Program Participants During Period (b)	Number of Participants By Qualifying Program					Percentage Penetration of Optional Features				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	NOT APPLICABLE TO CINCINNATI BELL TELEPHONE												
(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)	Number of Months for SLC Waiver (r)
(1) Flat						
(2) Message	NOT APPLICABLE TO CINCINNATI BELL TELEPHONE					
(3) Measured						
(4) TOTAL						

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

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

STATEMENT ON INTRASTATE GROSS EARNINGS (REVENUE) FOR THE YEAR				
ACCT. NO.	ITEM	Total (1)	Interstate (2)	Ohio Intrastate (3)=(1)-(2)
	<b>Local Basic Services Revenues</b>			
5001	Basic Area	275,629,325	53,045,241	222,584,084
5002	Optional Extended Area	28,488,947	16,424,996	12,063,952
5003	Cellular Mobile	-----	-----	-----
5004	Other Mobile Service	6,257	443	5,815
5000 (5001-5004)	<b>TOTAL BASIC LOCAL SERVICES REV (5001-5004)</b>	<b>304,124,529</b>	<b>69,470,679</b>	<b>234,653,851</b>
	<b>Local Network Services Revenues</b>			
5010	Public Telephone	4,552,860	1,365,006	3,187,854
5040	Local Private Line	941,060	12,674	928,386
5050	Customer Premises	(172)	(12)	(161)
5060	Other Local Exchange	155,682,475	51,764,586	103,917,889
5069	Settlements	-----	-----	-----
(5001-5069)	<b>TOTAL LOCAL NETWORK SERVICES REV (5010-5069)</b>	<b>161,176,222</b>	<b>53,142,254</b>	<b>108,033,968</b>
	<b>Network Access Services Revenues</b>			
5081	End User	68,364,274	68,364,274	-----
5082	Switched Access	30,806,061	30,806,061	-----
5083	Special Access	66,518,641	66,518,641	-----
5084	State Access	39,667,808	6,935,683	32,732,125
5080 (5081-5084)	<b>TOTAL NETWORK ACCESS REVENUES (5081-5084)</b>	<b>205,356,784</b>	<b>172,624,659</b>	<b>32,732,125</b>

Note: Total Column should agree with revenues reported on Schedule 5.  
Provide detailed explanation of any deviations.

STATEMENT ON INTRASTATE GROSS EARNINGS (REVENUE) FOR THE YEAR				
	Long Distance Network Services Revenues			
5110	Unidirectional LD	678,951	391,598	287,353
5111	Long Distance Inward	3,898	0	3,899
5112	Long Distance Outward	1,992	0	1,992
5121	Subvoice Grade	692	692	0
5122	Voice Grade	66,072	6,028	60,044
5123	Audio Program Guide	-----	-----	-----
5124	Video Program Guide	122,388	122,388	-----
5125	Digital Transmission	3,236	6,472	(3,236)
5126	Switching	-----	-----	-----
5128	Other	-----	-----	-----
5129	Settlements	-----	-----	-----
5160	Other Long Distance	958,205	177,254	780,951
5169	Other Settlements	10,281,966	4,850,244	5,431,721
5100 5100-5169	<b>TOTAL LONG DISTANCE OTHER NETWORK REVENUES (5100-5169)</b>	<b>12,117,399</b>	<b>5,554,676</b>	<b>6,562,724</b>
	Miscellaneous Revenues			
5230	Directory	9,663,224	1,843,034	7,820,190
5240	Rent	7,768,069	215,805	7,552,264
5250	Corporate Operations	-----	-----	-----
5261	Special Bill Arrangements	(407)	-----	(407)
5262	Customer Operations	0	0	0
5263	Plant Operations	184,347	-----	184,347
5264	Other Incidental Regulated	7,030,442	931,568	6,098,874

Note: Total Column should agree with revenues reported on Schedule 5.  
Provide detailed explanation of any deviations.

STATEMENT ON INTRASTATE GROSS EARNINGS (REVENUE) FOR THE YEAR				
5269	Other Revenue Settlements	-----	-----	-----
5260	Miscellaneous Revenues (5261-5269)	7,214,384	931,568	6,282,815
5270	Carrier Billing & Collection	9,116,132	5,043,482	4,072,650
	<b>TOTAL MISCELLANEOUS REVENUES</b> (5230-5270)	<b>33,761,809</b>	<b>8,033,889</b>	<b>25,727,919</b>
	<b>Nonregulated Revenues</b>			
5280	Nonregulated Operating Revenues	-----	-----	-----
	<b>TOTAL OPERATING REVENUES</b> (5001-5280)	<b>716,536,744</b>	<b>308,826,158</b>	<b>407,710,587</b>
	<b>Other Operating Income and Expenses</b>			
7110	Income from Custom Work	-----	-----	-----
7130	Return from Nonregulated Use of Regulate	-----	-----	-----
7140	Gains from Foreign Exchange	-----	-----	-----
7150	Gains from Disposition of Land & Artwor	(956)	(956)	0
7160	Other Operating Gains and Losses	(139,649)	(336)	(139,313)
	<b>TOTAL OTHER OPERATING</b> <b>INCOME &amp; EXPENSES (7110-716</b>	<b>(140,605)</b>	<b>(1,292)</b>	<b>(139,313)</b>
	<b>Nonoperating Income and Expenses</b>			
7310	Dividend Income	-----	-----	-----
7320	Interest Income	517,315	102,054	415,261
7330	Income from Sinking & Other Funds	-----	-----	-----
7340	Allowance for Funds Used During Constru	1,102,396	129,300	973,096
7350	Gains from the Disposition of Certain Prop	0	-----	0
7360	Other Nonoperating Income (Income & Ga	2,339,185	0	2,339,185
7370	Special Charge	(755,637)	(102,530)	(653,107)
	<b>TOTAL NONOPERATING</b> <b>INCOME &amp; EXPENSES (7310-737</b>	<b>3,203,259</b>	<b>128,824</b>	<b>3,074,435</b>

Note: Total Column should agree with revenues reported on Schedule S

Provide detailed explanation of any deviations.

STATEMENT ON INTRASTATE GROSS EARNINGS (REVENUE) FOR THE YEAR				
ACCT. NO.	ITEM	Total (1)	Interstate (2)	Ohio Intrastate (3)=(1)-(2)
	<b>Extraordinary Items</b>			
7610	Extraordinary Income Credits	-----	-----	-----
7620	Extraordinary Income Charges Debit	0	0	0
7630	Current Income Tax Effect of Extraordinary Items - Net: Credited	0	-----	-
7640	Provision for Deferred Income Tax Effect of Extraordinary Items - Net: Credited	-----	-----	-----
	<b>TOTAL EXTRAORDINARY ITEMS (7610-7640)</b>	-	-	-
	<b>SUBTOTAL (5001-7640)</b>	<b>719,599,398</b>	<b>308,953,690</b>	<b>410,645,710</b>
	Less:			
	- Earnings or receipts from sales (sales to public utilities for resale) for resale	(227,917,363)	(182,518,384)	(45,398,979)
	<b>TOTAL</b>	<b>491,682,035</b>	<b>126,435,306</b>	<b>365,246,730</b>

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

D. Scott Ringo, Jr.	Director - Regulatory Issues & Tariffs
Name	Title
201 E. Fourth St.	Cincinnati, Ohio 45202
Address	
(513) 397-1354	
Phone Number (Including Area Code)	

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

Allen K. Roberson	Director - General Accounting
Name	Title
201 E. Fourth St.	Cincinnati, Ohio 45202
Address	
(513) 397-6849	
Phone Number (Including Area Code)	

Name and Address of the President

John F. Cassidy	President
Name	
201 E. Fourth St.	Cincinnati, Ohio 45202
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 Hamilton -

Gary A. Cornett makes oath and says that  
(Insert here the name of the affiant.)

he is Controller  
(Insert here the official title of deponent)

of Cincinnati Bell 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 December 31, 2001.

Gary A. Cornett  
(Signature of affiant.)