

LOCAL EXCHANGE TELEPHONE COMPANIES

ANNUAL REPORT

For the provision of (check all that apply):

INCUMBENT LOCAL EXCHANGE CARRIER (ILEC)

- Class A
- Class B

90-5010

CenturyTel of Ohio, Inc.

(Exact legal name of respondent)

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

P.O. Box 4065, Monroe, LA 71211-4065,

(Address of principal business office at end of year)

**TO THE
PUBLIC UTILITIES COMMISSION OF OHIO**



FOR THE
YEAR ENDED
12/31/2006

PUCO

2007 APR 26 AM 10:24

RECEIVED-DOCKETING DIV

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) 203 West Ninth Street, Lorain, OH 44052

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 12/07/1977

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.

None

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.

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

N/A

Corporate Control Over Respondents

1. Did any corporation or corporations, telephone or other, hold control over the respondent at the close of

Yes

If control was so held, state:

(a) The name and address of the controlling corporation or corporations:

CenturyTel, Inc. P.O. Box 4065, Monroe, LA 71211-4065

(b) The form of control, whether sole or joint:

Sole

(c) The manner in which control was established:

Stock Purchase

(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 est

N/A

2. Did any individual, association, or corporation hold control, as trustee over the respondent at the close of

No

If control was so held, state:

(a) The name and address of the trustee:

N/A

(b) The name and address of the beneficiary or beneficiaries for whom the trust was maintained, if available:

N/A

RESPONDENTS' 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:

N/A

(b) The form of control, whether sole or joint:

N/A

(c) Other parties, if any, to joint agreement for control:

N/A

(d) The manner in which control was established:

N/A

(e) The extent of control:

N/A

(f) Whether control is direct or indirect:

N/A

(g) If indirect, the name and address of the intermediary through which control was established:

N/A

Important Changes During the Year

Hereunder give particulars concerning the matters indicated below. 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 party, date, consideration, and Commission

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. Capital stock and debt issued during the year: Identify the securities, give purpose of issuance, date, consideration received and Commission authorization.

None

4. Changes in articles of incorporation: Give brief 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.

- a) Filing to mirror the Federal Presubscription Interexchange Carrier (PIC) charges effective 01/30/2006.
- b) Add a new service called "N11 Abbreviated Dialing Code" effective 08/25/2006.
- c) File a grandfather "Express Services" effective 10/11/2006.
- d) File to add "Metro Ethernet Service" effective 11/09/2006.

Voting Powers and Elections

| Name and Address of Stockholders | Number of Shares Held | Number of Voting Shares | Other Vote Empowered Securities |
|--|----------------------------------|------------------------------------|--|
| CenturyTel, Inc. P.O. Box 4065 Monroe, LA 71211-4065 | 10 | 10 | 0 |
| Total Listed Above | 10 | 10 | 0 |

Board of Directors

1. Give the names 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 | Address of Director | Served Continuously From | Term Expired or Current Term Will Expire | No. of Meetings Attended During Year |
|-----------------------|---|--------------------------------|--|--|
| Glen F. Post, III | P.O. Box 4065, Monroe, LA 71211-4065 | 4/1/1992 | 6/11/2007 | 1 |
| R. Stewart Ewing, Jr. | P.O. Box 4065, Monroe, LA 71211-4065 | 9/1/2000 | 6/11/2007 | 1 |
| Stacey W. Goff | P.O. Box 4065, Monroe, LA 71211-4065 | 6/8/2004 | 6/11/2007 | 1 |

Name Of Chairman: Glen F. Post, III

Name of Secretary: Kay C. Buchart

Number of Board Meetings: 1

Number of Directors by Charter: 4

Number of Directors Required: 3

PRINCIPAL GENERAL OFFICERS

| Title of General Officer | Department Over Which Jurisdiction is Exercised | Name Of Person Holding The Office At End of Year | Office Address (City and State) |
|---------------------------------------|---|--|---------------------------------|
| President & Chief Executive Officer | Company Wide | Glen F. Post, III | Monroe, LA |
| Vice President & Controller | Company Wide | Neil A. Sweasy | Monroe, LA |
| Vice President, Treasurer & Secretary | Company Wide | G. Clay Bailey | Monroe, LA |
| Vice President | Region | Duane Ring | LaCrosse, WI |

Balance Sheet Report

| Acct No. | Account Title | Beginning Balance | Ending Balance | Increase or Decrease |
|--|--|---------------------|---------------------|-------------------------|
| CURRENT ASSETS | | | | |
| 1120 | Cash and Equivalents | \$0 | \$0 | \$0 |
| 1130 | Cash | \$23,252,614 | \$7,895,251 | (\$15,357,363) |
| 1140 | Special Cash Deposits | \$0 | \$0 | \$0 |
| 1150 | Working Cash Advances | \$400 | \$3,450 | \$3,050 |
| 1160 | Temporary Investments | \$0 | \$0 | \$0 |
| 1180 | Telecommunications Accounts Receivable | \$4,332,820 | \$4,174,922 | (\$157,898) |
| 1181 | Acts. Receivable Allowance-Telecom. (Cr.) | (\$760,845) | (\$629,249) | \$131,596 |
| 1190 | Other Accounts Receivable | \$3,338,686 | \$881,642 | (\$2,457,044) |
| 1191 | Accounts Receivable Allowance-Other(Cr.) | \$0 | \$0 | \$0 |
| 1200 | Notes Receivable | \$164,940 | \$99,784 | (\$65,156) |
| 1201 | Notes Receivable Allowance (Cr.) | \$0 | \$0 | \$0 |
| 1210 | Interest and Dividends Receivable | \$0 | \$0 | \$0 |
| 1220 | Material and Supplies | \$67,104 | \$113,124 | \$46,020 |
| 1280 | Prepayments | \$0 | \$0 | \$0 |
| 1290 | Prepaid Rents | \$0 | \$0 | \$0 |
| 1300 | Prepaid Taxes | \$0 | \$0 | \$0 |
| 1310 | Prepaid Insurance | \$0 | \$0 | \$0 |
| 1320 | Prepaid Directory Expenses | \$0 | \$0 | \$0 |
| 1330 | Other Prepayments | \$21,405 | \$45,240 | \$23,835 |
| 1350 | Other Current Assets | \$0 | \$0 | \$0 |
| TOTAL NONCURRENT ASSETS (1401-1500) | | \$30,417,124 | \$12,584,164 | (\$17,832,960) |
| NONCURRENT ASSETS | | | | |
| 1401 | Investments in Affiliated Cos. | \$0 | \$0 | \$0 |
| 1402 | Investments in Nonaffiliated Cos. | \$0 | \$0 | \$0 |
| 1406 | Nonregulated Investments | \$88,263 | \$131,074 | \$42,811 |
| 1407 | Unamort. Debt Issuance Exp. | \$0 | \$0 | \$0 |
| 1408 | Sinking Funds | \$0 | \$0 | \$0 |
| 1410 | Other Noncurrent Assets | \$0 | \$0 | \$0 |
| 1437 | Deferred Tax Regulatory Assets | \$0 | \$0 | \$0 |
| 1438 | Deferred Maintenance and Retirements | \$0 | \$0 | \$0 |
| 1439 | Deferred Charges | \$12,146,278 | \$10,499,910 | (\$1,646,368) |
| 1500 | Other Juris. Assets-Net | \$0 | \$0 | \$0 |
| TOTAL NONCURRENT ASSETS (1401-1500) | | \$12,234,541 | \$10,630,984 | (\$1,603,557) |
| TOTAL PROPERTY, PLANT AND EQUIPMENT | | | | |
| 2001 | Telephone Plant in Service | \$164,448,745 | \$164,875,865 | \$427,120 |
| 2002 | Prop. Held for Future Telecommunications Use | \$0 | \$0 | \$0 |

Balance Sheet Report

| Acct No. | Account Title | Beginning Balance | Ending Balance | Increase or Decrease |
|--|---|------------------------|------------------------|-------------------------|
| 2003 | Tele. Plant Under Construction-Short Term | \$325,877 | \$583,534 | \$257,657 |
| 2004 | Tele. Plant Under Construction-Long Term | \$0 | \$0 | \$0 |
| 2005 | Tele. Plant Adjustment | \$0 | \$0 | \$0 |
| 2006 | Nonoperating Plant | \$17,972 | \$0 | (\$17,972) |
| 2007 | Goodwill | \$0 | \$0 | \$0 |
| TOTAL PROP., PLANT, EQUIP. (2001-2007) | | \$164,792,594 | \$165,459,399 | \$666,805 |
| TOTAL DEPRECIATION AND AMORTIZATION | | | | |
| 3100 | Accum. Deprec. | (\$123,923,797) | (\$132,589,937) | (\$8,666,140) |
| 3200 | Accum. Deprec.-Held for Future Tele. Use | \$0 | \$0 | \$0 |
| 3300 | Accum. Deprec.-Nonoper. | \$0 | \$0 | \$0 |
| 3400 | Accum. Amort.-Tangible | \$0 | \$0 | \$0 |
| 3410 | Accum. Amort.-Capit. Leases | \$0 | \$0 | \$0 |
| 3420 | Accum. Amort.-Lshld. Imprv. | \$0 | \$0 | \$0 |
| 3500 | Accum. Amort.-Intangible | (\$9,071) | (\$9,718) | (\$647) |
| 3600 | Accum. Amort.-Other | \$0 | \$0 | \$0 |
| TOTAL DEPREC. AND AMORT. (3100-3600) | | (\$123,932,868) | (\$132,599,655) | (\$8,666,787) |
| NET PLANT (2001-2007) Less (3100-3600) | | \$288,725,462 | \$298,059,054 | \$9,333,592 |
| TOTAL ASSETS (1120-2007) Less (3100-3600) | | \$83,511,391 | \$56,074,892 | (\$27,436,499) |
| TOTAL CURRENT LIABILITIES | | | | |
| 4010 | Accounts Payable | \$3,089,066 | \$740,124 | (\$2,348,942) |
| 4020 | Notes Payable | \$0 | \$0 | \$0 |
| 4030 | Advance Billing and Pay. | \$828,918 | \$766,126 | (\$62,792) |
| 4040 | Customer Deposits | \$327,991 | \$311,814 | (\$16,177) |
| 4050 | Cur. Maturities-Long Term Debt | \$0 | \$0 | \$0 |
| 4060 | Cur. Maturities-Cap. Leases | \$0 | \$0 | \$0 |
| 4070 | Income Taxes-Accrued | \$2,259,235 | \$1,304,588 | (\$954,647) |
| 4080 | Other Taxes-Accrued | \$2,163,787 | \$1,613,688 | (\$550,099) |
| 4100 | Net Cur. Def. Oper. Income Taxes | \$0 | \$0 | \$0 |
| 4110 | Net Cur. Def. Nonoper. Income Taxes | \$0 | \$0 | \$0 |
| 4120 | Other Accrued Liabilities | \$233,462 | \$171,881 | (\$61,581) |
| 4130 | Other Current Liabilities | \$1,130,670 | \$885,647 | (\$245,023) |
| TOTAL CURRENT LIABILITIES (4010-4130) | | \$10,033,129 | \$5,793,868 | (\$4,239,261) |
| TOTAL LONG-TERM DEBT | | | | |
| 4210 | Funded Debt | \$0 | \$0 | \$0 |

Balance Sheet Report

| Acct No. | Account Title | Beginning Balance | Ending Balance | Increase or Decrease |
|--|--|---------------------|---------------------|-------------------------|
| 4220 | Premium on Long-Term Debt | \$0 | \$0 | \$0 |
| 4230 | Discount on Long-Term Debt | \$0 | \$0 | \$0 |
| 4240 | Reacquired Debt | \$0 | \$0 | \$0 |
| 4250 | Obligations Under Cap. Leases | \$0 | \$0 | \$0 |
| 4260 | Advances from Affil. Cos. | \$0 | \$0 | \$0 |
| 4270 | Other Long-Term Debt | \$0 | \$0 | \$0 |
| TOTAL LONG TERM DEBT (4210-4270) | | \$0 | \$0 | \$0 |
| TOTAL OTHER LIABILITY AND DEFERRED CREDITS | | | | |
| 4310 | Other Long-Term Liabilities | \$0 | \$0 | \$0 |
| 4320 | Unamort. Oper. ITC-Net | \$0 | \$0 | \$0 |
| 4330 | Unamort. Nonoper. ITC-Net | \$0 | \$0 | \$0 |
| 4340 | Net Noncur. Def. Oper. Income Taxes | \$3,836,748 | \$306,397 | (\$3,530,351) |
| 4341 | Net Deferred Tax Liability Adjustments | \$0 | \$0 | \$0 |
| 4350 | Net Noncur. Def. Nonoper. Income Taxes | \$0 | \$0 | \$0 |
| 4360 | Other Deferred Credits | \$25,264,284 | \$11,019,433 | (\$14,244,851) |
| 4361 | Deferred Tax Regulat. Liability | \$0 | \$0 | \$0 |
| 4370 | Other Juris. Liab. & Def. Cr.-Net | \$0 | \$0 | \$0 |
| TOTAL OTHER LIAB. & DEF. CREDIT (4310-4370) | | \$29,101,032 | \$11,325,830 | (\$17,775,202) |
| TOTAL STOCKHOLDERS' EQUITY | | | | |
| 4510 | Capital Stock | \$14,176,233 | \$14,176,233 | \$0 |
| 4520 | Additional Paid-in Capital | \$15,905,498 | \$15,905,498 | \$0 |
| 4530 | Treasury Stock | \$0 | \$0 | \$0 |
| 4540 | Other Capital | \$0 | \$0 | \$0 |
| 4550 | Retained Earnings | \$14,295,499 | \$8,873,463 | (\$5,422,036) |
| TOTAL STOCKHOLDERS EQUITY (4510-4550) | | \$44,377,230 | \$38,955,194 | (\$5,422,036) |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | | \$83,511,391 | \$56,074,892 | (\$27,436,499) |

Period Ending

Notes to Balance Sheet

Notes to Balance Sheet

Income Statement Report

| Acct No. | Account Title | Amount |
|---|--|---------------------|
| Local Network Services Revenue | | |
| 5001 | Basic Area Revenue | \$20,301,194 |
| 5002 | Optional Extended Area Revenue | \$0 |
| 5003 | Cellular Mobile Revenue | \$0 |
| 5004 | Other Mobile Services Revenue | \$0 |
| 5010 | Public Telephone Revenue | \$0 |
| 5040 | Local Private Line Revenue | \$677,141 |
| 5050 | Customer Premises Revenue | \$0 |
| 5060 | Other Local Exchange Revenue | \$5,976,516 |
| 5069 | Other Local Exchange Revenue Settlements | \$0 |
| LOCAL NETWORK SERVICES REVENUES | | \$26,954,851 |
| Network Access Services Revenue | | |
| 5081 | End User Revenue | \$5,434,593 |
| 5082 | Switched Access Revenue | \$5,235,594 |
| 5083 | Special Access Revenue | \$6,125,350 |
| 5084 | State Access Revenue | \$10,296,878 |
| NETWORK ACCESS REVENUE | | \$27,092,415 |
| Long Distance Network Services Revenue | | |
| 5100 | Long Distance Message Revenue | \$411,195 |
| 5110 | Undirectional LD | \$0 |
| 5111 | Long Distance Inward-Only Revenue | \$0 |
| 5112 | Long Distance Outward-Only Revenue | \$0 |
| 5121 | Subvoice Grade Long Distance Private Network Revenue | \$0 |
| 5122 | Voice Grade Long Distance Private Network Revenue | \$0 |
| 5123 | Audio Program Grade Long Distance Private Network Revenue | \$0 |
| 5124 | Video Program Grade Long Distance Private Network Revenue | \$0 |
| 5125 | Digital Transmission Long Distance Private Network Revenue | \$0 |
| 5126 | Long Distance Private Network Switching Revenue | \$0 |
| 5128 | Other Long Distance Private Network Revenue | \$0 |
| 5129 | Other Long Distance Private Network Revenue Settlements | \$0 |
| 5160 | Other Long Distance Revenue | (\$3,419) |
| 5169 | Other Long Distance Revenue Settlements | \$0 |
| LONG DISTANCE NETWORK SERVICES REVENUE | | \$407,776 |
| Miscellaneous Revenue | | |
| 5230 | Directory Revenue | \$3,424,592 |
| 5240 | Rent Revenue | \$146,032 |

Income Statement Report

| Acct No. | Account Title | Amount |
|---|--|---------------------|
| 5250 | Corporate Operations Revenue | \$0 |
| 5261 | Special Billing Arrangements Revenue | \$38,795 |
| 5262 | Customer Operations Revenue | \$84,360 |
| 5263 | Plant Operations Revenue | \$0 |
| 5264 | Other Incidental Regulated Revenue | \$329,626 |
| 5269 | Other Revenue Settlements | \$17,463 |
| 5270 | Carrier Billing and Collection Revenue | \$1,054,962 |
| MISCELLANEOUS REVENUES | | \$5,095,830 |
| Non Regulated Revenue | | |
| 5280 | Non Regulated Operating Revenue | \$0 |
| NON REGULATED REVENUE | | \$0 |
| Uncollectible Revenue | | |
| 5301 | Uncollectible Revenue - Telecommunications | \$0 |
| 5302 | Uncollectible Revenue - Other | (\$633,597) |
| UNCOLLECTIBLE REVENUES | | (\$633,597) |
| TOTAL OPERATING REVENUE (5001 - 5302) | | \$58,917,275 |
| <u>PLANT SPECIFIC OPERATIONS EXPENSE</u> | | |
| 6112 | Motor Vehicle Expense | \$0 |
| 6113 | Aircraft Expense | \$89,680 |
| 6114 | Spec. Purpose Vehicles Expense | \$0 |
| 6115 | Garage Work Equipment Expense | \$0 |
| 6116 | Other Work Equipment Expense | \$0 |
| NETWORK SUPPORT EXPENSE | | \$89,680 |
| 6121 | Land and Building Expense | \$1,090,977 |
| 6122 | Furniture and Artworks Expense | \$0 |
| 6123 | Office Equipment Expense | \$39,314 |
| 6124 | General Purpose Computers Expense | \$776,373 |
| GENERAL SUPPORT EXPENSE | | \$1,906,664 |
| 6211 | Analog Electronic Expense | \$0 |
| 6212 | Digital Electronic Expense | \$2,831,356 |

Income Statement Report

| Acct No. | Account Title | Amount |
|--|--|---------------------|
| 6215 | Electro-Mechanical Expense | \$0 |
| CENTRAL OFFICE SWITCH EXPENSE | | \$2,831,356 |
| 6220 | Operator Systems Expense | \$0 |
| 6231 | Radio Facilities Expense | \$0 |
| 6232 | Circuit Equipment Expense | \$1,457,814 |
| CENTRAL OFFICE TRANSM. EXPENSE | | \$1,457,814 |
| 6311 | Station Apparatus Expense | \$0 |
| 6341 | Large Private Branch Exchange Expense | \$0 |
| 6351 | Public Telephone Terminal Equipment Expense | \$0 |
| 6362 | Other Terminal Equipment Expense | \$20,253 |
| INFO. ORIG./TERM EXPENSE | | \$20,253 |
| 6411 | Poles Expense | \$470,954 |
| 6421 | Aerial Cable Expense | \$3,757,010 |
| 6422 | Underground Cable Expense | \$53,211 |
| 6423 | Buried Cable Expense | \$1,346,619 |
| 6424 | Submarine Cable Expense | \$0 |
| 6425 | Deep Sea Cable Expense | \$0 |
| 6426 | Intrabuilding Network Cable Expense | \$0 |
| 6431 | Aerial Wire Expense | \$0 |
| 6441 | Conduit Systems Expense | \$28,259 |
| CABLE AND WIRE FACIL. EXPENSE | | \$5,656,053 |
| TOTAL PLANT SPECIFIC OPERATIONS EXPENSE (6110-6410) | | \$11,961,820 |
| <u>PLANT NONSPECIFIC OPERATIONS EXPENSE:</u> | | |
| 6511 | Property Held for Future Telecommunications Use Ex | \$0 |
| 6512 | Provisioning Expense | \$116,508 |
| OTHER PROP., PLANT & EQUIP. EXPENSE | | \$116,508 |
| 6531 | Power Expense | \$312,018 |
| 6532 | Network Administration Expense | \$273,882 |
| 6533 | Testing Expense | \$592,292 |
| 6534 | Plant Oper. Admin. Expense | \$551,807 |
| 6535 | Engineering Expense | \$402,103 |

Income Statement Report

| Acct No. | Account Title | Amount |
|---|--|---------------------|
| NETWORK OPERATIONS EXPENSE | | \$2,132,102 |
| 6540 | Access Expense | \$2,233,787 |
| 6561 | Depreciation Expense-Telecommunications Plant In Service | \$12,840,898 |
| 6562 | Depreciation Expense-Property Held for Future Tele | \$0 |
| 6563 | Amortization Expense-Tangible | \$0 |
| 6564 | Amortization Expense-Intangible | \$0 |
| 6565 | Amortization Expense-Other | \$0 |
| DEPRECIATION & AMORT. EXPENSE | | \$15,074,685 |
| TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSE (6510-6560) | | \$17,323,295 |
| <u>CUSTOMER OPERATIONS EXPENSE:</u> | | |
| 6611 | Product Management | \$463,855 |
| 6612 | Sales | \$824,907 |
| 6613 | Product Advertising | \$223,883 |
| MARKETING EXPENSE | | \$1,512,645 |
| 6621 | Call Completion Services | \$15,268 |
| 6622 | Number Services | \$311,617 |
| 6623 | Customer Services | \$3,898,725 |
| SERVICES EXPENSE | | \$4,225,610 |
| TOTAL CUSTOMER OPERATIONS EXPENSE (6610-6620) | | \$5,738,255 |
| <u>CORPORATE OPERATIONS EXPENSE:</u> | | |
| 6711 | Executive | \$810,750 |
| 6712 | Planning | \$0 |
| EXECUTIVE AND PLANNING EXPENSE | | \$810,750 |
| 6721 | Accounting and Finance | \$906,069 |
| 6722 | External Relations | \$542,462 |
| 6723 | Human Resources | \$332,966 |
| 6724 | Information Management | \$1,998,236 |
| 6725 | Legal | \$295,204 |
| 6726 | Procurement | \$24,517 |
| 6727 | Research and Development | \$0 |

Income Statement Report

| Acct No. | Account Title | Amount | |
|---|--|--------------------|--------------------|
| 6728 | Other General and Administrative | \$323,192 | |
| | GENERAL AND ADMINISTRATIVE EXPENSE | \$4,422,646 | |
| 6790 | Provision for Uncollectible Notes Receivable | \$0 | |
| | PROVISION FOR UNCOLLECTIBLE NOTES REC. EXPEN | \$0 | |
| | TOTAL CORPORATE OPERATIONS EXPENSE (6721-6728) | | \$5,233,396 |
| <u>OPERATING TAXES:</u> | | | |
| 7210 | Operating Investment Tax Credits-Net | \$0 | |
| 7220 | Operating Federal Income Taxes | \$7,786,224 | |
| 7230 | Operating State and Local Income Taxes | \$1,874,461 | |
| 7240 | Operating Other Taxes | \$1,635,355 | |
| 7250 | Provision for Deferred Operating Income Taxes-Net | (\$2,214,152) | |
| | OPERATING TAXES EXPENSE | \$9,081,888 | |
| | TOTAL OPERATING TAX EXPENSE | | \$9,081,888 |
| | NET OPERATING INCOME = (5001-5302) LESS (6110-7200) | | \$9,578,621 |
| <u>OTHER OPERATING INCOME AND EXPENSE:</u> | | | |
| 7110 | Income from Custom Work | \$0 | \$0 |
| 7130 | Return from Nonreg. Use of Regulated Facilities | \$0 | \$0 |
| 7140 | Gains and Losses from Foreign Exchange | \$0 | \$0 |
| 7150 | Gains or Losses from Disposition of Land & Artwork | \$0 | \$0 |
| 7160 | Other Operating Gains & Losses | \$17,603 | \$0 |
| | TOTAL OTHER OPERATING INCOME AND EXPENSE | \$17,603 | \$0 |
| 7310 | Dividend Income | \$0 | \$0 |
| 7320 | Interest Income | \$1,464,612 | \$0 |
| 7330 | Income from Sinking and Other Funds | \$0 | \$0 |
| 7340 | Allowance for Funds Used During Construction | \$0 | \$0 |
| 7350 | Gains or Losses from Disposition of Certain Prop. | \$0 | \$0 |
| 7360 | Other Nonoperating Income | \$4,407 | \$0 |
| 7370 | Special Charges | (\$119,461) | \$0 |
| | TOTAL NONOPERATING INCOME AND EXPENSE | \$1,349,558 | \$0 |
| 7410 | Nonoperating Investment Tax Credits-Net | | \$0 |

Income Statement Report

| Acct No. | Account Title | Amount | |
|-------------|--|------------------|---------------------|
| 7420 | Nonoperating Federal Income Taxes | | \$0 |
| 7430 | Nonoperating State & Local Income Taxes | | \$0 |
| 7440 | Nonoperating Other Taxes | | \$0 |
| 7450 | Provision for Deferred Nonoperating Income Taxes-N | | \$0 |
| | TOTAL NONOPERATING TAXES | | \$0 |
| 7510 | Interest on Funded Debt | | \$0 |
| 7520 | Interest Expense-Capital Leases | | \$0 |
| 7530 | Amortization of Debt Issuance Expense | | \$0 |
| 7540 | Other Interest Deductions | | \$9,193 |
| | TOTAL INTEREST AND RELATED ITEMS | | \$9,193 |
| 7610 | Extraordinary Income Credits | \$0 | \$0 |
| 7620 | Extraordinary Income Charges | \$0 | \$0 |
| 7630 | Current Income Tax Effect of Extraord. Items-Net | \$0 | \$0 |
| 7640 | Prov. for Def. Inc. Tax Effect of Extraord. Items- | \$0 | \$0 |
| | TOTAL EXTRAORDINARY ITEMS EXPENSE | \$0 | \$0 |
| 7910 | Income Effect of Juris. Ratemaking Dif.-Net | \$0 | \$0 |
| 7990 | Nonregulated Net Income | \$841,375 | \$0 |
| | JURISDICTIONAL DIFFERENCES AND NONREGULATED INCOME ITEMS: | \$841,375 | \$0 |
| | NET INCOME | | \$11,777,964 |

Period Ending:

Notes to Income Statement

Statement of Retained Earnings-Acct 4550

| Description | Amount |
|--|---------------|
| Balance First of Year | \$14,295,499 |
| Balance Transferred from Income | \$11,777,964 |
| Dividends Declared | \$17,200,000 |
| Miscellaneous Debits to Retained Earnings | \$0 |
| Miscellaneous Credits to Retained Earnings | \$0 |
| Balance - End Of Year | \$8,873,463 |

***Notes:**

Partnership Capital Statement - Acct 4540

AccountNo 4540

| <u>Description</u> | <u>Amount</u> |
|--|---------------|
| Partnership Capital (Beginning of Year) | \$0 |
| Net Income (Loss) for Year | \$0 |
| Partners' Capital Contributions | \$0 |
| Miscellaneous Credits | \$0 |
| Partners' Drawing | \$0 |
| Prior Period Adjustment(s) | \$0 |
| Miscellaneous Debits | \$0 |
| TOTAL PARTNERSHIP CAPITAL (END OF YEAR) | \$0 |

Note:

Analysis of Plant In Service (in dollars)

Account No 2001

| Sub Acct No | Sub Account Title | Balance First Of Year | Additions During Year | Retirements During Year | Adjustments Debit Or Credit | Balance End of Year |
|-------------|---|-----------------------|-----------------------|-------------------------|-----------------------------|---------------------|
| 2002 | Property Held For Future Telecommunications | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2110 | Land and Support Assets | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2111 | Land | \$498,204 | \$0 | \$0 | \$0 | \$498,204 |
| 2112 | Motor Vehicles | \$3,039,207 | \$343,577 | \$198,499 | (\$16,629) | \$3,167,656 |
| 2113 | Aircraft | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2114 | Special Purpose Vehicles | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2115 | Garage Work Equipment | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2116 | Other Work Equipment | \$1,646,759 | \$80,774 | \$73,358 | (\$3,448) | \$1,650,727 |
| 2121 | Buildings | \$10,021,719 | \$8,706 | \$0 | \$0 | \$10,030,425 |
| 2122 | Furniture | \$352,490 | \$0 | \$2,495 | \$0 | \$349,995 |
| 2123. | Office Support Equip. | \$216,068 | \$12,129 | \$0 | \$0 | \$228,197 |
| 2123. | Co. Comm. Equip. | \$333,608 | \$0 | \$0 | \$0 | \$333,608 |
| 2124 | General Purpose Computers | \$991,958 | \$86,794 | \$108,452 | (\$62,671) | \$907,629 |
| 2211 | Analog Electronic Switching | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2212 | Digital Electronic Switching | \$47,047,330 | \$78,882 | \$2,119,882 | \$0 | \$45,006,330 |
| 2215 | Electro-Mechanical Switching | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2215. | Step-by-step Switching | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2215. | Crossbar Switching | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2215. | Other Elec.-Mech. Switching | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2220 | Operator Systems | \$0 | \$0 | \$0 | \$0 | \$0 |

Analysis of Plant In Service (in dollars)

Account No 2001

| Sub Acct No | Sub Account Title | Balance First Of Year | Additions During Year | Retirements During Year | Adjustments Debit Or Credit | Balance End of Year |
|-------------|---------------------------------|-----------------------|-----------------------|-------------------------|-----------------------------|---------------------|
| 2231 | Radio Systems | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2232 | Circuit Equipment | \$26,077,536 | \$1,816,986 | \$1,506,431 | \$0 | \$26,388,091 |
| 2311 | Station Apparatus | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2321 | Customer Premises Wiring | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2341 | Large Private Branch Exchanges | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2351 | Public Tele. Terminal Equipment | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2362 | Other Terminal Equipment | \$977,261 | \$0 | \$0 | \$0 | \$977,261 |
| 2411 | Poles | \$5,955,390 | \$93,584 | \$9,338 | \$1,171 | \$6,040,807 |
| 2421 | Aerial Cable | \$37,579,175 | \$588,619 | \$62,541 | (\$15,028) | \$38,090,225 |
| 2422 | Underground Cable | \$7,547,627 | \$24,234 | \$1,165 | \$687 | \$7,571,383 |
| 2423 | Buried Cable | \$19,329,232 | \$1,436,547 | \$24,332 | \$15,338 | \$20,756,785 |
| 2424 | Submarine Cable | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2425 | Deep Sea Cable | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2426 | Intrabuilding Network Cable | \$12,909 | \$0 | \$0 | \$0 | \$12,909 |
| 2431 | Aerial Wire | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2441 | Conduit Systems | \$2,812,554 | \$57,037 | \$0 | (\$13,676) | \$2,855,915 |
| 2680 | AMORTIZABLE TANGIBLE ASSET | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2681 | Capital Leases | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2682 | Leasehold Improvements | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2690 | Intangibles | \$9,718 | \$0 | \$0 | \$0 | \$9,718 |

Analysis of Plant In Service (in dollars)

| | | | | | |
|---------------|---------------|-------------|-------------|------------|---------------|
| Totals | \$164,448,745 | \$4,627,869 | \$4,106,493 | (\$94,256) | \$164,875,865 |
|---------------|---------------|-------------|-------------|------------|---------------|

Accumulated Provision For Depreciation

Account No 3100

| Sub Acct No | Account Sub Title (a) | Accumulated Depreciation Balance First of Year (b) | Rate % Used (c) | Accruals During Year (d) | Original Cost of Plant Retired (e) | Cost of Removal (f) | Salvage (g) | Other Additions or Deductions (h) | (i) | Balance End of Year (j)=(b)+(d)-(c)-(f)+(g)+(h)-(i) |
|-------------|------------------------------|--|-----------------|--------------------------|------------------------------------|---------------------|-------------|-----------------------------------|----------|---|
| 2111 | Land | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2112 | Motor Vehicles | \$1,797,574 | 12.00% | \$369,888 | \$198,499 | \$0 | \$0 | \$23,750 | \$0 | \$1,992,713 |
| 2113 | Aircraft | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2114 | Special Purpose Vehicles | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2115 | Garage Work Equip. | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2116 | Other Work Equip. | \$1,086,212 | 8.33% | \$121,393 | \$73,358 | \$0 | \$0 | \$0 | \$2,323 | \$1,131,924 |
| 2121 | Buildings | \$6,263,098 | 3.42% | \$402,042 | \$0 | \$0 | \$0 | \$0 | \$0 | \$6,665,140 |
| 2122 | Furniture | \$302,085 | 6.67% | \$40,588 | \$2,495 | \$0 | \$0 | \$0 | \$0 | \$323,165 |
| 2123.1 | Office Support Equip. | \$168,812 | 12.50% | \$29,196 | \$0 | \$0 | \$0 | \$21,831 | \$0 | \$219,839 |
| 2123.2 | Co. Comm. Equip. | \$333,608 | 9.09% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$333,608 |
| 2124 | Gen. Purpose Computers | \$443,021 | 20.00% | \$117,997 | \$108,452 | \$0 | \$0 | \$0 | \$61,796 | \$390,770 |
| 2211 | Analog Electronic Switching | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2212 | Digital Electronic Switching | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2212.1 | Digital Switch. - Hardware | \$38,918,152 | 8.33% | \$4,885,801 | \$2,119,882 | \$1,200 | \$0 | \$0 | \$0 | \$41,682,871 |
| 2212.2 | Digital Switch. - Software | \$2,565,576 | 8.33% | (\$87,962) | \$0 | \$0 | \$0 | \$0 | \$0 | \$2,477,614 |
| 2215 | Electro-Mechanical Switching | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2215.1 | Step-by-Step Switch. | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2215.2 | Crossbar Switch. | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2215.3 | Oth. Ele. Mech. Switch. | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2220 | Operator Systems | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2230 | Central Office-Transmission | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2231 | Radio Systems | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2232 | Circuit Equip. | \$17,289,302 | 9.50% | \$2,800,693 | \$1,506,431 | \$2,127 | \$0 | \$0 | \$6,120 | \$18,575,317 |
| 2215 | Electro-Mechanical Switching | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2311 | Station Apparatus | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

Accumulated Provision For Depreciation

Account No 3100

| Sub Acct No | Account Sub Title (a) | Accumulated Depreciation Balance First of Year (b) | Rate % Used (c) | Accruals During Year (d) | Original Cost of Plant Retired (e) | Cost of Removal (f) | Salvage (g) | Other Additions or Deductions (h) | Balance End of Year (j)=(b)+(d)-(c)-(f)+(g)+(h)-(i) |
|-------------|-------------------------------------|--|-----------------|--------------------------|------------------------------------|---------------------|-------------|-----------------------------------|---|
| 2321 | Cust. Premises Wiring | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2341 | Large Priv. Branch Exch. | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2351 | Pub. Tele. Terminal Equip. | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2362 | Other Term. Equipment | \$1,025,062 | 9.09% | \$7,526 | \$0 | \$0 | \$0 | \$0 | \$1,032,588 |
| 2411 | Poles | \$5,820,487 | 5.71% | \$461,705 | \$9,338 | \$7,432 | \$1,010 | \$0 | \$6,266,432 |
| 2421 | Aerial Cable | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2421.1 | Aerial Cable - Metallic | \$28,516,154 | 5.61% | \$1,902,128 | \$62,541 | \$15,728 | \$5,180 | \$0 | \$30,339,374 |
| 2421.2 | Aerial Cable - Nonmetallic | \$1,861,188 | 6.25% | \$208,656 | \$0 | \$0 | \$0 | \$0 | \$2,069,844 |
| 2421.3 | Aerial Cable - Drop | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2422 | Underground Cable | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2422.1 | Underground Cable - Metallic | \$7,027,323 | 5.33% | \$289,370 | \$1,165 | \$83 | \$0 | \$0 | \$7,315,445 |
| 2422.2 | Underground Cable - Nonmetallic | \$579,694 | 5.50% | \$51,943 | \$0 | \$0 | \$0 | \$0 | \$631,637 |
| 2423 | Buried Cable | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2423.1 | Buried Cable - Metallic | \$7,627,203 | 5.79% | \$1,155,597 | \$20,110 | \$357 | \$0 | \$0 | \$8,762,333 |
| 2423.2 | Buried Cable - Nonmetallic | \$65,675 | 5.50% | \$19,217 | \$4,223 | \$37 | \$0 | \$0 | \$80,632 |
| 2423.3 | Buried Cable - Drop | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2424 | Submarine Cable | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2425 | Deep Sea Cable | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2426 | Intrabldg. Net. Cable | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2426.1 | Intrabldg. Net. Cable - Metallic | \$14,511 | 5.00% | \$565 | \$0 | \$0 | \$0 | \$0 | \$15,076 |
| 2426.2 | Intrabldg. Net. Cable - Nonmetallic | \$0 | 0.00% | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2431 | Aerial Wire | \$0 | 0.00% | \$0 | \$0 | \$56 | \$0 | \$56 | \$0 |
| 2441 | Conduit Systems | \$2,219,060 | 2.10% | \$64,555 | \$0 | \$0 | \$0 | \$0 | \$2,283,615 |

Accumulated Provision For Depreciation

| Account No | 3100 | | | | | | | | | | |
|-----------------|-----------------------|--|-----------------|--------------------------|------------------------------------|---------------------|-------------|-----------------------------------|----------|---|--|
| Sub Acct No | Account Sub Title (a) | Accumulated Depreciation Balance First of Year (b) | Rate % Used (c) | Accruals During Year (d) | Original Cost of Plant Retired (e) | Cost of Removal (f) | Salvage (g) | Other Additions or Deductions (h) | (i) | Balance End of Year (j)=(b)+(d)-(c)-(f)+(g)+(h)-(i) | |
| | | \$123,923,797 | | \$12,840,898 | \$4,106,494 | \$27,020 | \$6,190 | \$45,637 | \$93,071 | \$132,589,937 | |
| SubTotal | | | | | | | | | | | |

Uncollectible Account 1181

| | |
|---|---------------------|
| 1. Balance at Beginning of the Year | (\$760,845) |
| 2. Accruals Charged | \$603,976 |
| 3. Collection of Amounts Previously Written O | \$200,885 |
| 4. Other Credits | \$583,652 |
| 5. TOTAL CREDITS | \$1,388,513 |
| 6. Uncollectibles Written Off During the Yea | \$1,256,917 |
| 7. Other Debits (Explain in a Note): | \$0 |
| 8. TOTAL DEBITS | \$1,256,917 |
| 9. Balance at End of the Year | (\$629,249) |
| 10. Net Write Offs During the Year | \$1,056,032 |
| 11. TOTAL OPERATING REVENUE FOR THE YEAR | \$59,550,872 |

Ratio of Net Write Off During the Year to Total Operating Revenue for the Year 1.77332751735357

Ratio of Accruals Charged To Line Total Operating Revenue for the Year 1.01421856593469

Note: Other Debit represents amount transferred to CBTS (1.2MM) and removing allowance related to late payment fee receivalbes (2.3MM).

Uncollectible Account 1191

| | |
|---|---------------------|
| 1. Balance at Beginning of the Year | \$0 |
| 2. Accruals Charged | \$0 |
| 3. Collection of Amounts Previously Written Off | \$0 |
| 4. Other Credits | \$0 |
| 5. TOTAL CREDITS | \$0 |
| 6. Uncollectibles Written Off During the Year | \$0 |
| 7. Other Debits (Explain in a Note): | \$0 |
| 8. TOTAL DEBITS | \$0 |
| 9. Balance at End of the Year | \$0 |
| 10. Net Write Offs During the Year | \$0 |
| 11. TOTAL OPERATING REVENUE FOR THE YEAR | \$59,550,872 |

Ratio of Net Write Off During the Year to Total Operating Revenue for the Year 1.77332751735357

Ratio of Accruals Charged To Line Total Operating Revenue for the Year 1.01421856593469

Note: Other Debit represents amount transferred to CBTS (1.2MM) and removing allowance related to late payment fee receivables (2.3MM).

Period Ending

Account 1160 Tempory Investments

Account No

Name of Affiliate
(a)

Amount
(b)

Total Affiliated:

#Error

Total Nonaffiliated:

Total Balance

#Error

Account 1180 Telecom. Accounts Receivable

Account No 1180

| Name of Affiliate (a) | Amount (b) |
|-----------------------------|--------------------|
| | \$0 |
| Total Affiliated: | \$0 |
| Total Nonaffiliated: | \$4,174,922 |
| Total Balance | \$4,174,922 |

Accounts Receivable Telecom Allowance Account 1181

Account No 1181

| Name of Affiliate (a) | Amount (b) |
|-----------------------------|--------------------|
| | \$0 |
| Total Affiliated: | \$0 |
| Total Nonaffiliated: | (\$629,249) |
| Total Balance | (\$629,249) |

Account 1190 Other Accounts Receivable

Account No 1190

Name of Affiliate
(a)

Amount
(b)

\$0

Total Affiliated:

\$0

Total Nonaffiliated:

\$881,642

Total Balance

\$881,642

Account 1191 Accounts Receivable Allowance - Other

Account No

Name of Affiliate
(a)

Amount
(b)

Total Affiliated:

#Error

Total Nonaffiliated:

Total Balance

#Error

Account 1200 Notes Receivable

Account No 1200

Name of Affiliate
(a)

Amount
(b)

\$0

Total Affiliated:

\$0

Total Nonaffiliated:

\$99,784

Total Balance

\$99,784

Period Ending

Account 1201 Notes Receivable Allowance

Account No

Name of Affiliate
(a)

Amount
(b)

Total Affiliated:

#Error

Total Nonaffiliated:

Total Balance

#Error

Period Ending

Account 1210 Interest and Dividends Receivable

Account No

Name of Affiliate
(a)

Amount
(b)

Total Affiliated:

#Error

Total Nonaffiliated:

Total Balance

#Error

Period Ending

Account 1401 Investments in Affiliated Companies

Account No

Name of Affiliate
(a)

Amount
(b)

Total Affiliated:

#Error

Total Nonaffiliated:

Total Balance

#Error

Period Ending

Account 1402 Investments in Affiliated Companies

Account No

Name of Affiliate
(a)

Amount
(b)

Total Affiliated:

#Error

Total Nonaffiliated:

Total Balance

#Error

Period Ending

Account 1438 Deferred Charges

(Include data for each item in excess of \$1,000,000)

Account No

Description of Item
(a)

Amount
(b)

Total

#Error

Account 1439 Deferred Charges

(Include data for each item in excess of \$1,000,000)

Account No 1439

| Description of Item (a) | Amount (b) |
|------------------------------------|-----------------------|
| Intangible Assests- FAS 87 Pension | \$10,499,910 |
| Total | \$10,499,910 |

Period Ending

Other Jurisdictional Asset Net - Account 1500

Account No

| Description (a) | Beginning Balance (b) | Debits (c) | Credits (d) | Balance End of Year (e) = (b) - (c) + (d) |
|--------------------|--------------------------|---------------|----------------|---|
| Total | #Error | #Error | #Error | #Error |

PeriodEnding

Net Current Deferred Operating Income Tax - Account 4100

Account No

| Description (a) | BeginningBalance (b) | Debits (c) | Credits (d) | Balance End of Year (e) = (b) - (c) + (d) |
|--------------------|-------------------------|---------------|----------------|---|
| Total | #Error | #Error | #Error | #Error |

Net Noncur. Def. Operating Income Taxes - Account 4340

Account No 4340

| Description (a) | BeginningBalance (b) | Debits (c) | Credits (d) | Balance End of Year (e) = (b) - (c) + (d) |
|--------------------|-------------------------|--------------------|----------------|---|
| CY Deferred FIT | \$2,484,737 | \$2,178,339 | (\$1) | \$306,397 |
| CY Deferred SIT | \$1,352,011 | \$1,352,011 | \$0 | \$0 |
| Total | \$3,836,748 | \$3,530,350 | (\$1) | \$306,397 |

PeriodEnding

Net Deferred Tax Liability Adjustments - Account 4341

Account No

| Description (a) | BeginningBalance (b) | Debits (c) | Credits (d) | Balance End of Year (e) = (b) - (c) + (d) |
|--------------------|-------------------------|---------------|----------------|---|
| Total | #Error | #Error | #Error | #Error |

PeriodEnding

Other Juris. Liability And Def. Cr. - Net - Account 4370

Account No

| Description (a) | BeginningBalance (b) | Debits (c) | Credits (d) | Balance End of Year (e) = (b) - (c) + (d) |
|--------------------|-------------------------|---------------|----------------|---|
| Total | #Error | #Error | #Error | #Error |

Period Ending:

Long Term Debt - Acct 4210

Account No

| Description of Obligation (a) | Beginning Balance | 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) | #Error | #Error |
|----------------------------------|----------------------|------------------------------------|----------------------------|--------------------------------------|--|-----------------------|----------------------|----------------------------------|---------------------------------|--------|--------|
| Total | | | | | | | | | | | |

Period Ending:

Long Term Debt - Acct 4220

Account No

| Description of Obligation (a) | Beginning Balance (b) | Nominal Date of Issue (c) | Face Amount Outstanding (d) | Unamortized Premium or Discount (e) | Stated Rate (f) | Yield Rate (g) | Short- Term Portion (h) | Long- Term Portion (i) | #Error | #Error |
|----------------------------------|-----------------------------|------------------------------------|--------------------------------------|--|-----------------------|----------------------|----------------------------------|---------------------------------|--------|--------|
| Total | | | | | | | | | | |

Period Ending:

Long Term Debt - Acct 4230

Account No

| Description of Obligation (a) | Beginning Balance | 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) | #Error | #Error |
|----------------------------------|----------------------|------------------------------------|----------------------------|--------------------------------------|--|-----------------------|----------------------|----------------------------------|---------------------------------|--------|--------|
|----------------------------------|----------------------|------------------------------------|----------------------------|--------------------------------------|--|-----------------------|----------------------|----------------------------------|---------------------------------|--------|--------|

Total

Period Ending:

Long Term Debt - Acct 4250

Account No

| Description of Obligation (a) | Beginning Balance | 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) | #Error |
|----------------------------------|----------------------|------------------------------------|----------------------------|--------------------------------------|--|-----------------------|----------------------|----------------------------------|---------------------------------|--------|
| Total | | | | | | | | | | #Error |

Period Ending:

Long Term Debt - Acct 4260

Account No

| Description of Obligation (a) | Beginning Balance | Nominal Date of Issue | Date of Maturity | Face Amount Outstanding | Unamortized Premium or Discount | Stated Rate | Yield Rate | Short- Term Portion | Long- Term Portion | #Error | #Error |
|----------------------------------|----------------------|-----------------------------|---------------------|-------------------------------|---------------------------------------|----------------|---------------|---------------------------|--------------------------|--------|--------|
| | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | | |

Total

Period Ending:

Long Term Debt - Acct 4270

Account No

| Description of Obligation (a) | Beginning Balance | 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) | #Error |
|----------------------------------|----------------------|------------------------------------|----------------------------|--------------------------------------|--|-----------------------|----------------------|----------------------------------|---------------------------------|--------|
| Total | | | | | | | | | | #Error |

Other Deferred Credits (Acct 4360)

Account No 4360

| Description Of Obligation | Amount |
|----------------------------------|---------------------|
| Non Regulated Revenue | \$53,482 |
| Directory Revenue | \$392,611 |
| Post Retirement Benefits | \$10,573,340 |
| Total | \$11,019,433 |

Period Ending:

Deferred Tax Regulatory Liability (Acct 4361)

Account No

| Description Of Obligation | Amount |
|---------------------------|--------|
|---------------------------|--------|

Total

#Error

Capital Stock - Account 4510

| Account No | 4510 | | | | | | | | | | |
|--|--------------------------------------|--|----------------------------------|--|--|--------------------------------|--|---|---------------------------------------|--|--|
| Class/Description Of Capital Stock (a) | Par Or Stated Value Amount (b) | Number of Shares Authorized (c) | Number of Stock Issued (d) | Acct 4510 (e) = (b) x (d) \$ Amount of Stock Issued And Outstanding (e) | Acct 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 Declared Dividends (j) | | |
| Common | \$1,417,623.30 | 10 | 10 | \$14,176,233 | \$15,905,498 | \$30,081,731 | | \$0 | \$17,200,000 | | |
| Totals | \$1,417,623.30 | 10 | 10 | \$14,176,233 | \$15,905,498 | \$30,081,731 | | \$0 | \$17,200,000 | | |

General Services and Licenses

| Name(s) of Affiliate (a) | Service Provided (b) | Amount (in dollars) (c) |
|--|--|--|
| CenturyTel, Inc. | Management Services | \$532,738 |
| CenturyTel Service Group, Inc. | Financial Accounting, Billing, Data Processing, Personnel Relations, Engineering & Other | \$9,898,689 |
| CenturyTel Supply Group | Supplies, consumable, etc. | \$637,996 |
| CenturyTel Holdings Missouri, Inc. | Central Office, Network Operations, & General and Administrative Services | \$67,633 |
| CenturyTel of Washington, Inc. | Marketing & Sales Services | \$238,938 |
| CenturyTel of Montana, Inc. | Marketing & Sales Services | \$128,799 |
| Aggregate of All Other Items Less Than 50K | | \$25,703 |
| Total | | \$11,530,496 |

Taxes Other Than Income Taxes - Operating Account 7240

Account No 7240

| Type of Tax (Specify) | Amount |
|--------------------------------|--------------------|
| Ohio Property Tax | \$1,288,571 |
| Ohio Commercial Activities Tax | \$0 |
| PUCO/OCC Assessment | \$0 |
| Other Taxes Specify | \$0 |
| Other State Taxes | \$4,196 |
| State Franchise Tax | \$243,995 |
| FCC Annual Fee | \$23,891 |
| State Gross Receipts Tax | \$73,984 |
| Other Misc. Taxes | \$718 |
| Total Account 7240 | \$1,635,355 |

Analysis of Extraordinary Items (Accounts 7610)
(in dollars)

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

Account No

| Particulars (a) | Debits (b) | Credits (c) | Tax Effect Included in Account 7630 (d) | Tax Effect Included in Account 7640 (e) |
|----------------------------|---------------|----------------|--|--|
| TOTALS | #Error | #Error | #Error | #Error |
| Total For Acct 7610 | #Error | | | |

**Analysis of Extraordinary Items (Accounts 7620)
(in dollars)**

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

Account No

| Particulars (a) | Debits (b) | Credits (c) | Tax Effect Included in Account 7630 (d) | Tax Effect Included in Account 7640 (e) |
|----------------------------|-----------------------|------------------------|--|--|
| TOTALS | #Error | #Error | #Error | #Error |
| Total For Acct 7620 | #Error | | | |

Employee Compensation

| | Male | Female | Total | Operation and Maint. | Construction Wages | Other Wages | Total Compensation for Year Ending December 31 |
|---------------|-----------|-----------|------------|-------------------------|-----------------------|-------------|---|
| Full-time | 84 | 52 | | \$9,532,427 | \$710,997 | \$0 | \$10,243,424 |
| Part-time | | 0 | | \$0 | \$0 | \$0 | \$0 |
| Totals | 84 | 52 | 136 | \$9,532,427 | \$710,997 | \$0 | \$10,243,424 |

Period Ending

Other Employee Compensation

Description:

Amount

Totals

#Error

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.

| State or Territory (b) | AERIAL CABLE | | UNDERGROUND CABLE | | BURIED CABLE | | SUBMARINE CABLE | | DEEP SEA CABLE | | INTRA BUILDING NETWORK CABLE | | | TOTAL CABLE | | |
|------------------------|--------------------------|--------------------|----------------------------|--------------------|----------------------------|--------------------|----------------------------|--------------------|--------------------|--------------------|------------------------------|--------------------|----------------------------|--------------------|----------------------------|---|
| | Miles of Aerial Wire (c) | 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 Cable (k) | 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) | |
| Ohio | 0 | 1013 | 0 | 95 | 0 | 446 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1555 | 0 |

Outside Plant Statistics (Poles)

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 owns, and shares & joints use with other company.
3. Column (p) and (q) are not included in column (c) Miles of Aerial Wire.

| State or Territory (b) | Number of Poles (r) | | Miles of Tube In Coaxial Cable (s) | | CONDUIT SYSTEM | |
|---------------------------|---------------------------|--|---|----------|---------------------|-------------------|
| | Company Owned Poles | Company shares & Joint use with other company | (In Ground) | (Aerial) | Trench Miles (t) | Duct Miles (u) |
| Ohio | 19456 | 14082 | 0 | 0 | 0 | 56 |

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.

| | FIBER OPTIC AERIAL CABLE | FIBER OPTIC UNDERGROUND CABLE | FIBER OPTIC BURIED CABLE | FIBER OPTIC SUBMARINE CABLE | DEEP SEA FIBER OPTIC CABLE | INTRA BUILDING NETWORK FIBER OPTIC CABLE | TOTAL FIBER OPTIC CABLE |
|------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--|-----------------------------------|
| State or Territory (b) | Miles of Fiber Optic Cable (c) | Miles of Fiber Optic Cable (e) | Miles of Fiber Optic Cable (g) | Miles of Fiber Optic Cable (i) | Miles of Fiber Optic Cable (k) | Miles of Fiber Optic Cable (m) | Miles of Fiber Optic Cable (o) |
| Ohio | 167 | 43 | 11 | 0 | 0 | 0 | 221 |
| | Miles of Fiber Optic in Cable (d) | Miles of Fiber Optic in Cable (f) | Miles of Fiber Optic in Cable (h) | Miles of Fiber Optic in Cable (j) | Miles of Fiber Optic in Cable (l) | Miles of Fiber Optic in Cable (n) | Miles of Fiber Optic in Cable (p) |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

**Detail Of Ohio Exchange Access Lines
In Service By Customer Class**

(For Company with less than 15,000 access lines)

| Name of Exchange (a) | <u>Business Access Lines</u> | | | | Mobile Access Lines (f) | Special Access Lines (Non-Switched) (g) | Total Access Lines (h) |
|-------------------------|------------------------------|-------------------|-------------------------------|------------------------------------|-------------------------------|--|------------------------------|
| | Single Line (b) | Multi Line (c) | Public Access Lines (d) | Residential Access Lines (e) | | | |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

List all of the access line data by exchange.

Detail Of Billable Access Lines In Service By Exchange In Ohio

| Name of Exchange (a) | No. of CO (s) In Exchange (b) | Type & Model(s) of CO(s) In Exchange (c) | 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) | |
| Amhearst | 4 | Digital | 350 | 1646 | 45 | 7205 | 0 | 9246 |
| Avon | 5 | Digital | 397 | 3248 | 85 | 7337 | 0 | 11067 |
| Avon Lake | 2 | Digital | 309 | 1671 | 121 | 7978 | 0 | 10079 |
| Birmingham | 2 | Digital | 80 | 167 | 12 | 1484 | 0 | 1743 |
| Lorain | 10 | Digital | 1144 | 6542 | 328 | 24179 | 0 | 32193 |
| Vermillion | 4 | Digital | 290 | 1060 | 65 | 6050 | 0 | 7465 |

List all of the access line data by exchange.

For exchanges with multiple central offices, list the number of each type of central office, e.g., 12-SESS, 1-01E, 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.

***Denotes SESS switch but not located in the exchange, or service provided over UNE.

N/A Columns (d) and (e) not determined for out of territory Exchanges, all business lines reported as multiline

Ohio Central Offices Scheduled To Be Upgraded

| Date Expected to be Placed In Service | Manufacturer & Type of Equipment | Capable of Independant Operation? (Yes) or (No) |
|---|----------------------------------|--|
|---|----------------------------------|--|

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.

Period Ending:

**Projection of New or Changed Ohio Central Office Prefixes (NXX) To Be
Placed In Service**

Date Expected to
be Operational

Prefixes (NXX) Number (s)

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 NO LONGER USED

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SCHEDULE: 31 NO LONGER REQUIRED

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Service Connection Assistance (SCA)

| Class Of Service, Message, and/or Measured) | Number of Program Participants- End of Period (A) | Number of Program Participants- During Period (B) | HEAP (C) | EHEAP (D) | OACP (E) | SSI (F) | Medicaid (G) | Touchtone (H) | Wire Care (I) | Non-Pub (J) | Custom Calling (K) | Participants Disconnected for Non-Payment (L) |
|---|---|---|----------|-----------|----------|---------|--------------|---------------|---------------|-------------|--------------------|---|
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Service Connection Assistance (SCA)

| Class Of Service (Flat, Message, and/or Measured) | 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) |
|---|--------------------------------|-------------------------------|--|--------------------------------|--|-------------------------------------|
| | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0 |

Note: This form is applicable to local exchange companies with less than 15,000 access lines, that are exempted from offering

**AFUDC Rate Used During Year
and Calculation of Rate**

AFUDC Rate(s) Used During Year: N/A

Calculation AFUDC Rate Used:

N/A

Statement of Intrastate Gross Earnings

| Account No | Account Title | Total Dollars (1) | Interstate Dollars (2) | Intrastate Dollars (3) = (1) - (2) |
|------------|---|-------------------------|------------------------------|--|
| 5001 | Basic Area Revenue | \$20,301,194 | \$0 | \$20,301,194 |
| 5002 | Optional Extended Area Revenue | \$0 | \$0 | \$0 |
| 5003 | Cellular Mobile Revenue | \$0 | \$0 | \$0 |
| 5004 | Other Mobile Services Revenue | \$0 | \$0 | \$0 |
| 5010 | Public Telephone Revenue | \$0 | \$0 | \$0 |
| 5040 | Local Private Line Revenue | \$677,141 | \$0 | \$677,141 |
| 5050 | Customer Premises Revenue | \$0 | \$0 | \$0 |
| 5060 | Other Local Exchange Revenue | \$5,976,516 | \$0 | \$5,976,516 |
| 5069 | Other Local Exchange Revenue Settlements | \$0 | \$0 | \$0 |
| 5081 | End User Revenue | \$5,434,593 | \$5,434,593 | \$0 |
| 5082 | Switched Access Revenue | \$5,235,594 | \$5,235,594 | \$0 |
| 5083 | Special Access Revenue | \$6,125,350 | \$6,125,350 | \$0 |
| 5084 | State Access Revenue | \$10,296,878 | \$0 | \$10,296,878 |
| 5100 | Long Distance Message Revenue | \$411,195 | \$0 | \$411,195 |
| 5110 | Unidirectional LD | \$0 | \$0 | \$0 |
| 5111 | Long Distance Inward-Only Revenue | \$0 | \$0 | \$0 |
| 5112 | Long Distance Outward-Only Revenue | \$0 | \$0 | \$0 |
| 5121 | Subvoice Grade Long Distance Private Network Revenue | \$0 | \$0 | \$0 |
| 5122 | Voice Grade Long Distance Private Network Revenue | \$0 | \$0 | \$0 |
| 5123 | Audio Program Grade Long Distance Private Network Revenue | \$0 | \$0 | \$0 |
| 5124 | Video Program Grade Long Distance Private Network Revenue | \$0 | \$0 | \$0 |
| 5125 | Digital Transmission Long Distance Private Network Revenue | \$0 | \$0 | \$0 |
| 5126 | Long Distance Private Network Switching Revenue | \$0 | \$0 | \$0 |
| 5128 | Other Long Distance Private Network Revenue | \$0 | \$0 | \$0 |
| 5129 | Other Long Distance Private Network Revenue Settlements | \$0 | \$0 | \$0 |
| 5160 | Other Long Distance Revenue | (\$3,419) | \$0 | (\$3,419) |
| 5169 | Other Long Distance Revenue Settlements | \$0 | \$0 | \$0 |
| 5230 | Directory Revenue | \$3,424,592 | \$0 | \$3,424,592 |
| 5240 | Rent Revenue | \$146,032 | \$53,117 | \$92,915 |
| 5250 | Corporate Operations Revenue | \$0 | \$0 | \$0 |
| 5261 | Special Billing Arrangements Revenue | \$38,795 | \$16,294 | \$22,501 |
| 5262 | Customer Operations Revenue | \$84,360 | \$0 | \$84,360 |
| 5263 | Plant Operations Revenue | \$0 | \$0 | \$0 |

Statement of Intrastate Gross Earnings

| | | | | |
|------|--|-------------|-----------|-------------|
| 5264 | Other Incidental Regulated Revenue | \$329,626 | \$72,491 | \$257,135 |
| 5269 | Other Revenue Settlements | \$17,463 | \$12,459 | \$5,004 |
| 5270 | Carrier Billing and Collection Revenue | \$1,054,962 | \$536,092 | \$518,870 |
| 5280 | Non Regulated Operating Revenue | \$0 | \$0 | \$0 |
| 5301 | Uncollectible Revenue - Telecommunications | \$0 | \$0 | \$0 |
| 5302 | Uncollectible Revenue - Other | (\$633,597) | \$0 | (\$633,597) |
| 6112 | Motor Vehicle Expense | \$0 | \$0 | \$0 |
| 6113 | Aircraft Expense | \$0 | \$0 | \$0 |
| 6114 | Spec. Purpose Vehicles Expense | \$0 | \$0 | \$0 |
| 6115 | Garage Work Equipment Expense | \$0 | \$0 | \$0 |
| 6116 | Other Work Equipment Expense | \$0 | \$0 | \$0 |
| 6121 | Land and Building Expense | \$0 | \$0 | \$0 |
| 6122 | Furniture and Artworks Expense | \$0 | \$0 | \$0 |
| 6123 | Office Equipment Expense | \$0 | \$0 | \$0 |
| 6124 | General Purpose Computers Expense | \$0 | \$0 | \$0 |
| 6211 | Analog Electronic Expense | \$0 | \$0 | \$0 |
| 6212 | Digital Electronic Expense | \$0 | \$0 | \$0 |
| 6215 | Electro-Mechanical Expense | \$0 | \$0 | \$0 |
| 6220 | Operator Systems Expense | \$0 | \$0 | \$0 |
| 6231 | Radio Facilities Expense | \$0 | \$0 | \$0 |
| 6232 | Circuit Equipment Expense | \$0 | \$0 | \$0 |
| 6311 | Station Apparatus Expense | \$0 | \$0 | \$0 |
| 6341 | Large Private Branch Exchange Expense | \$0 | \$0 | \$0 |
| 6351 | Public Telephone Terminal Equipment Expense | \$0 | \$0 | \$0 |
| 6362 | Other Terminal Equipment Expense | \$0 | \$0 | \$0 |
| 6411 | Poles Expense | \$0 | \$0 | \$0 |
| 6421 | Aerial Cable Expense | \$0 | \$0 | \$0 |
| 6422 | Underground Cable Expense | \$0 | \$0 | \$0 |
| 6423 | Buried Cable Expense | \$0 | \$0 | \$0 |
| 6424 | Submarine Cable Expense | \$0 | \$0 | \$0 |
| 6425 | Deep Sea Cable Expense | \$0 | \$0 | \$0 |
| 6426 | Intrabuilding Network Cable Expense | \$0 | \$0 | \$0 |
| 6431 | Aerial Wire Expense | \$0 | \$0 | \$0 |
| 6441 | Conduit Systems Expense | \$0 | \$0 | \$0 |
| 6511 | Property Held for Future Telecommunications Use Ex | \$0 | \$0 | \$0 |
| 6512 | Provisioning Expense | \$0 | \$0 | \$0 |
| 6531 | Power Expense | \$0 | \$0 | \$0 |
| 6532 | Network Administration Expense | \$0 | \$0 | \$0 |
| 6533 | Testing Expense | \$0 | \$0 | \$0 |
| 6534 | Plant Oper. Admin. Expense | \$0 | \$0 | \$0 |

Statement of Intrastate Gross Earnings

| | | | | |
|------|---|-------------|-----|-------------|
| 6535 | Engineering Expense | \$0 | \$0 | \$0 |
| 6540 | Access Expense | \$0 | \$0 | \$0 |
| 6561 | Depreciation Expense-Telecommunications Plant In Service | \$0 | \$0 | \$0 |
| 6562 | Depreciation Expense-Property Held for Future Tele | \$0 | \$0 | \$0 |
| 6563 | Amortization Expense-Tangible | \$0 | \$0 | \$0 |
| 6564 | Amortization Expense-Intangible | \$0 | \$0 | \$0 |
| 6565 | Amortization Expense-Other | \$0 | \$0 | \$0 |
| 6611 | Product Management | \$0 | \$0 | \$0 |
| 6612 | Sales | \$0 | \$0 | \$0 |
| 6613 | Product Advertising | \$0 | \$0 | \$0 |
| 6621 | Call Completion Services | \$0 | \$0 | \$0 |
| 6622 | Number Services | \$0 | \$0 | \$0 |
| 6623 | Customer Services | \$0 | \$0 | \$0 |
| 6711 | Executive | \$0 | \$0 | \$0 |
| 6712 | Planning | \$0 | \$0 | \$0 |
| 6721 | Accounting and Finance | \$0 | \$0 | \$0 |
| 6722 | External Relations | \$0 | \$0 | \$0 |
| 6723 | Human Resources | \$0 | \$0 | \$0 |
| 6724 | Information Management | \$0 | \$0 | \$0 |
| 6725 | Legal | \$0 | \$0 | \$0 |
| 6726 | Procurement | \$0 | \$0 | \$0 |
| 6727 | Research and Development | \$0 | \$0 | \$0 |
| 6728 | Other General and Administrative | \$0 | \$0 | \$0 |
| 6790 | Provision for Uncollectible Notes Receivable | \$0 | \$0 | \$0 |
| 7110 | Income from Custom Work | \$0 | \$0 | \$0 |
| 7130 | Return from Nonreg. Use of Regulated Facilities | \$0 | \$0 | \$0 |
| 7140 | Gains and Losses from Foreign Exchange | \$0 | \$0 | \$0 |
| 7150 | Gains or Losses from Disposition of Land & Artwork | \$0 | \$0 | \$0 |
| 7160 | Other Operating Gains & Losses | \$17,603 | \$0 | \$17,603 |
| 7210 | Operating Investment Tax Credits-Net | \$0 | \$0 | \$0 |
| 7220 | Operating Federal Income Taxes | \$0 | \$0 | \$0 |
| 7230 | Operating State and Local Income Taxes | \$0 | \$0 | \$0 |
| 7240 | Operating Other Taxes | \$0 | \$0 | \$0 |
| 7250 | Provision for Deferred Operating Income Taxes-Net | \$0 | \$0 | \$0 |
| 7310 | Dividend Income | \$0 | \$0 | \$0 |
| 7320 | Interest Income | \$1,464,612 | \$0 | \$1,464,612 |
| 7330 | Income from Sinking and Other Funds | \$0 | \$0 | \$0 |
| 7340 | Allowance for Funds Used During Construction | \$0 | \$0 | \$0 |

 Statement of Intrastate Gross Earnings

| | | | | |
|------|--|-------------|-----|-------------|
| 7350 | Gains or Losses from Disposition of Certain Prop. | \$0 | \$0 | \$0 |
| 7360 | Other Nonoperating Income | \$4,407 | \$0 | \$4,407 |
| 7370 | Special Charges | (\$119,461) | \$0 | (\$119,461) |
| 7410 | Nonoperating Investment Tax Credits-Net | \$0 | \$0 | \$0 |
| 7420 | Nonoperating Federal Income Taxes | \$0 | \$0 | \$0 |
| 7430 | Nonoperating State & Local Income Taxes | \$0 | \$0 | \$0 |
| 7440 | Nonoperating Other Taxes | \$0 | \$0 | \$0 |
| 7450 | Provision for Deferred Nonoperating Income Taxes-N | \$0 | \$0 | \$0 |
| 7510 | Interest on Funded Debt | \$0 | \$0 | \$0 |
| 7520 | Interest Expense-Capital Leases | \$0 | \$0 | \$0 |
| 7530 | Amortization of Debt Issuance Expense | \$0 | \$0 | \$0 |
| 7540 | Other Interest Deductions | \$0 | \$0 | \$0 |
| 7610 | Extraordinary Income Credits | \$0 | \$0 | \$0 |
| 7620 | Extraordinary Income Charges | \$0 | \$0 | \$0 |
| 7630 | Current Income Tax Effect of Extraord. Items-Net | \$0 | \$0 | \$0 |
| 7640 | Prov. for Def. Inc. Tax Effect of Extraord. Items- | \$0 | \$0 | \$0 |
| 7910 | Income Effect of Juris. Ratemaking Dif.-Net | \$0 | \$0 | \$0 |
| 7990 | Nonregulated Net Income | \$841,375 | \$0 | \$841,375 |
| 9999 | Sales To Public | \$0 | \$0 | \$0 |

Statement of Intrastate Gross Earnings

| | | | |
|-------|--------------|--------------|--------------|
| TOTAL | \$61,125,811 | \$17,485,990 | \$43,639,821 |
|-------|--------------|--------------|--------------|

Contact Persons

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

Name: Ted M. Hankins
Title: Director of Economic Analysis
Address: P.O. Box 4065, Monroe, LA 71211-4065
Phone: 318-388-9416

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

Name: Ted M. Hankins
Title: Director of Economic Analysis
Address: P.O. Box 4065, Monroe, LA 71211-4065
Phone: 318-388-9416

Name and Address of the President

President Name: Karen A. Puckett
President Address: P.O. Box 4065, Monroe, LA 71211-4065

Other Notes and Reconciliations

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

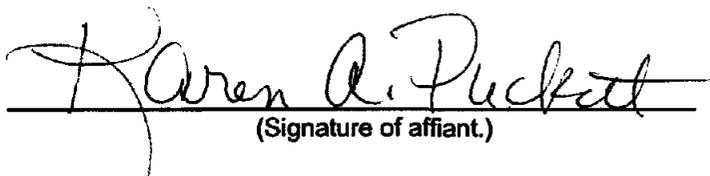
State of Louisiana
Parish of Ouachita

Karen A. Puckett makes oath and says that
(Insert here the name of the affiant.)

he/she is President & Chief Operating Officer
(Insert here the official title of deponent)

of CenturyTel of Ohio, Inc.
(Insert here the exact legal title or name of the respondent.)

that he/she has examined the foregoing report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is 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, 2006, to and including December 31, 2006.


(Signature of affiant.)

State of Louisiana
Parish of Ouachita

Subscribed and sworn before me April 20, 20 07

Phyllis C. Robinson # 041965

My Commission expires At death, 20 ____
Notary Public (or Clerk or Judge)