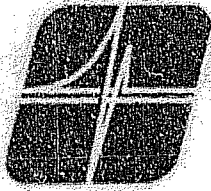


TC00-087



Martin & Associates, Inc

Engineering. Consulting. Computer Solutions.

TC00-087

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JUN 01 2000

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

May 31, 2000

Mr. William Bullard Jr.
Executive Director
Public Utilities Commission
State of South Dakota
500 East Capitol
Pierre, South Dakota 57501

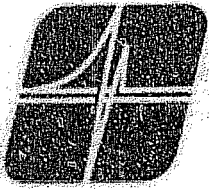
Ref: SD 5248 - 1.7
1999 Intrastate Switched Access Filing

Dear Mr. Bullard:

On behalf of Midstate Communications, Inc., enclosed are five (5) copies of their 1999 Intrastate Switched Access Study pursuant to the rules established by the Commission. The following documentation is included in the study:

1. Five (5) hard copies of the PUC Summary Forms
2. One (1) copy of the program disk
3. Five (5) hard copies of the Cost Study Certification Form
4. Five (5) hard copies of the Known & Measurable Changes Worksheet
5. Five (5) hard copies of the Trial Balance Worksheet
6. Five (5) hard copies of the Reclassification Entries
7. Five (5) hard copies of the Nonregulated Removal Worksheet
8. Five (5) hard copies of Account 6560, Depreciation Expense Worksheet
9. Five (5) hard copies of the Land and Building Investment Worksheet
10. Five (5) hard copies of the Central Office Equipment Worksheet
11. Five (5) hard copies of the Outside Plant Investment Worksheet
12. Five (5) hard copies of the Annual Traffic

The enclosed Intrastate Switched Access Study revenue requirement has been forwarded to the Local Exchange Carrier Association (LECA). The LECA Access Tariff, with which they concur, will include the attached Intrastate Access revenue requirement in the development of the LECA Access Tariff rates.



Martin & Associates, Inc

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May 31, 2000

Page 2 of 2

This study includes both Midstate Telephone Company and Heartland Communications, Inc. in a single study. Please note that these two companies were consolidated into Midstate Communications, Inc. on 01-01-2000.

If you have any questions or comments, please feel free to contact me at 605-995-2573.

Sincerely,
Martin and Associates, Inc.

Don Lee

DIL/srd

Enclosure: Access Study (5)
Program Disk (1)

cc: Mark Benton, Manager

TC00-087

RECEIVED

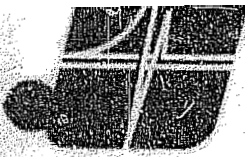
JUN 01 2000

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

**1999 INTRASTATE SWITCHED ACCESS FILING
FOR
MIDSTATE TELEPHONE COMPANY
AND
HEARTLAND COMMUNICATIONS, INC.
KIMBALL, SD**

PREPARED BY:

**MARTIN AND ASSOCIATES, INC.
1515 NORTH SANBORN BOULEVARD
MITCHELL, SOUTH DAKOTA 57301-1021
(605)996-9646**



Martin & Associates, Inc

Engineering. Consulting. Computer Solutions.

I am Don Lee. I hereby certify that I have overall responsibility for the preparation of all data in the attached 1999 Intrastate Switched Access filing for

Midstate Telephone Company

Heartland Communications, Inc.

and that I am authorized to execute this certification. Based on information known to me or provided to me by employees responsible for the preparation of the data in this submission, I hereby certify that the data has been examined and reviewed and is complete, accurate, and consistent with the rules of the South Dakota Public Utilities Commission, to the best of my knowledge.

* Please note that these two companies were consolidated into Midstate Communications, Inc. on 01-01-2000.

Date:

5-31-00

Certifying Signature:

Don Lee

Name:

Don Lee

Title:

Director of Settlements

CONTINUATION

1 -

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 69 *****											
Intrastate Toll Revenue Requirement Summary		Part 36 Total	Source	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)			
INTRALATA:											
15	Net Investment	\$3,653,545	J13	\$1,362,245	\$1,112,749	\$0	\$1,154,072	\$0	\$24,479	O.K.	
16	Rate of Return	10.00%		10.00%	10.00%	10.00%	10.00%	10.00%	10.00%		
17											
18	Return on Rate Base	\$365,355		\$136,224	\$111,275	\$0	\$115,407	\$0	\$2,418	O.K.	
19	Return Adjustments	(4,089)	J13-20	(1,706)	(1,114)	0	(1,239)	0	(29)	O.K.	
20											
21	Net Return on Rate Base	\$361,266		\$134,518	\$110,161	\$0	\$114,168	\$0	\$2,419	O.K.	
22	Income Taxes	21,763	J31-32	8,099	6,640	0	6,879	0	146	O.K.	
23	Expenses and Other Taxes	1,195,472	J33-35, 40	305,609	302,242	4,064	519,576	54,420	9,380	O.K.	
24											
25	Total IntraLATA Rev. Req.	\$1,578,501		\$448,306	\$419,043	\$4,064	\$640,723	\$54,420	\$11,945	O.K.	
26											
27											
28											
29	INTERLATA:										
30											
31	Net Investment	\$0	P13	\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
32	Rate of Return	10.00%		10.00%	10.00%	10.00%	10.00%	10.00%	10.00%		
33											
34	Return on Rate Base	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
35	Return Adjustments	0	P18-20	0	0	0	0	0	0	O.K.	
36											
37	Net Return on Rate Base	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
38	Income Taxes	0	P31-32	0	0	0	0	0	0	O.K.	
39	Expenses and Other Taxes	0	P33-35, 40	0	0	0	0	0	0	O.K.	
40											
41	Total InterLATA Rev. Req.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
42											
43											
44											
45	TOTAL INTRASTATE REV. REQ.	\$1,578,501		\$448,306	\$419,043	\$4,064	\$640,723	\$54,420	\$11,945		
	ACCESS ELEMENT MINUTES OF USE			12,934,679	12,934,679	12,934,679	12,934,679				
	ACCESS RATE PER MINUTE	\$0.116591		\$0.034659	\$0.032397		\$0.049535				

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

Intrastate

***** FCC PART 36 ***** Investment Summary (A)	TOTAL COMPANY (B)	Source/ Allocator (C)	Intrastate and Other (D)	Message Telephone Service				Private Line		TOTAL INTRASTATE (I)	
				InterLATA (E)	IntraLATA (F)	InterLATA (G)	IntraLATA (H)				
13 Land and Support Investment	\$2,833,760	D33	\$2,010,954	\$0	\$818,012	\$0	\$5,393	\$823,406	O.K.		
14											
15 COE Operator Equipment	\$0	D43	\$0	\$0	\$0	\$0	\$0	\$0	O.K.		
16 COE Switching Equipment	5,790,949	D68	3,877,248	0	1,913,701	0	0	1,913,701	O.K.		
17 COE Transmission Equipment	2,463,611	D85	1,669,116	0	790,603	0	3,892	794,495	O.K.		
18											
19 Total COE	\$8,254,560		\$5,546,364	\$0	\$2,704,304	\$0	\$3,892	\$2,708,196	O.K.		
20 Info. Orig./Term. Equipment	0	D94	0	0	0	0	0	0	O.K.		
21 Cable and Wire Facilities	12,508,648	D137	9,182,260	0	3,288,767	0	35,621	3,324,388	O.K.		
22											
23 Total COE, iOT, C&WF	\$20,761,208		\$14,728,624	\$0	\$5,993,071	\$0	\$39,513	\$6,032,584	O.K.		
24											
25 Total Capital Leases	\$0	D173	\$0	\$0	\$0	\$0	\$0	\$0	O.K.		
26											
27 Leasehold Improvements	\$0	D186	\$0	\$0	\$0	\$0	\$0	\$0	O.K.		
28											
29 Intangible Assets	\$0	D209	\$0	\$0	\$0	\$0	\$0	\$0	O.K.		
30											
31											
32 Total Tele. Plt. In Service	\$23,594,968		\$16,738,979	\$0	\$6,811,083	\$0	\$44,906	\$6,855,989	O.K.		
33											
34 Plant Held, Future Use	\$0	D214-215	\$0	\$0	\$0	\$0	\$0	\$0	O.K.		
35 TPUC, Short-term	0	D216-217	0	0	0	0	0	0	O.K.		
36 TPUC, Long-term	599,050	D218-219	424,984	0	172,926	0	1,140	174,066	O.K.		
37 Tel. Plt. Adjustment	0	D220-221	0	0	0	0	0	0	O.K.		
38											
39 Total Other Tel. Plt.	\$599,050		\$424,984	\$0	\$172,926	\$0	\$1,140	\$174,066	O.K.		
40											
41											
42 TOTAL TELEPHONE PLANT	\$24,194,018		\$17,163,963	\$0	\$6,984,009	\$0	\$46,046	\$7,030,055	O.K.		

MIDSTATE TELEPHONE COMPANY & HEARTS AND COMMUNICATIONS, INC.

Intrastate

FOOTNOTES Investment Summary (A)	TOTAL COMPANY (B)	Source Allocator (C)	Intrastate (D)	Message Telephone Service		Private Line		TOTAL INTRASTATE (I)	
				InterLATA (E)	IntraLATA (F)	InterLATA (G)	IntraLATA (H)		
56 Other Assets, Net	0	V105	0	0	0	0	0	0	O.K.
57 Accumulated Depr./Amort	(11,957,979)	E34	(9,533,220)	0	(3,410,392)	0	(24,367)	(3,434,759)	O.K.
58 Accrued Def. Inc. Taxes, Net	0	E47	0	0	0	0	0	0	O.K.
59 Obj. Liab. & Def. Cr., Net	0	V106	0	0	0	0	0	0	O.K.
60									
61 TOTAL NET PLANT	\$12,226,039		\$8,530,743	\$0	\$3,573,617	\$0	\$21,680	\$3,595,296	O.K.
62									
63 Materials and Supplies	107,594	H31	78,994	0	28,293	0	306	28,600	O.K.
64 Rural Tel. Bank Stock	0	H35	0	0	0	0	0	0	O.K.
65 Cash Working Capital	114,558	Formula	84,909	0	29,315	0	334	29,649	O.K.
66 Equal Access Investment	0	---	0	0	0	0	0	0	O.K.
67									
68 TOTAL NET INVESTMENT	\$12,448,191		\$8,794,646	\$0	\$3,631,225	\$0	\$22,320	\$3,653,545	O.K.
69									

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

Intrastate

***** FCC PART 38 ***** Plant Investment Detail	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
				InterLATA	IntraLATA	InterLATA	IntraLATA		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
13 LAND AND SUPPORT ASSETS:									
14									
15 Land, Allocable	\$0	H33	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
16 Land, Direct	0	V22	0	0	0	0	0	0	O.K.
17									
18 Total Land	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
19									
20 Motor Vehicles	\$0	H33	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
21 Aircraft	0	H33	0	0	0	0	0	0	O.K.
22 Special Purpose Vehicles	0	H33	0	0	0	0	0	0	O.K.
23 Garage Work Equipment	0	H33	0	0	0	0	0	0	O.K.
24 Other Work Equipment	2,833,760	H33	2,010,354	0	818,012	0	5,393	823,406	O.K.
25 Buildings, Allocable	0	H33	0	0	0	0	0	0	O.K.
26 Buildings, Direct	0	V29	0	0	0	0	0	0	O.K.
27 Furniture	0	H33	0	0	0	0	0	0	O.K.
28 Office Equipment	0	H33	0	0	0	0	0	0	O.K.
29 General Purpose Computers	0	H33	0	0	0	0	0	0	O.K.
30									
31 Total Support Assets	\$2,833,760		\$2,010,354	\$0	\$818,012	\$0	\$5,393	\$823,406	O.K.
32									
33 Tot. Land and Support Assets	\$2,833,760		\$2,010,354	\$0	\$818,012	\$0	\$5,393	\$823,406	O.K.
34									
35									
36 CENTRAL OFFICE EQUIPMENT:									
37									
38 CAT 1 Oper. Sys., TSPS	\$0	G22	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
39 CAT 1 Oper. Sys., Other TSPS	0	G21	0	0	0	0	0	0	O.K.
40 CAT 1 Oper. Sys., Aux. Pos.	0	G23	0	0	0	0	0	0	O.K.
41 CAT 1 Oper. Sys., Other	0	V36	0	0	0	0	0	0	O.K.
42									
43 Total CAT 1	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
44									
45									
46 CAT 2 Tandem Sw. Allocable	\$964,060	G26	\$558,946	\$0	\$405,114	\$0	\$0	\$405,114	O.K.
47 CAT 2 Tandem Sw. Direct	0	V38	0	0	0	0	0	0	O.K.
48									
49 Total CAT 2	\$964,060		\$558,946	\$0	\$405,114	\$0	\$0	\$405,114	O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

Interstate

	***** ICC PART 36 ***** Plant Investment Detail	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
					InterLATA	IntraLATA	InterLATA	IntraLATA		
					(E)	(F)	(G)	(H)		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
53	CAT 3 Local Sw. Allocable	\$4,826,889	G15	\$3,318,303	\$0	\$1,508,586	\$0	\$0	\$1,508,586	O.K.
54	CAT 3 Local Sw. Direct	0	V40	0	0	0	0	0	0	O.K.
55										
56	Total CAT 3	\$4,826,889		\$3,318,303	\$0	\$1,508,586	\$0	\$0	\$1,508,586	O.K.
57										O.K.
58	Total COE Sw. CAT 2&3	\$5,790,949		\$3,877,246	\$0	\$1,913,701	\$0	\$0	\$1,913,701	O.K.
59										
60										
61	COE TRANSMISSION:									
62										
63	CAT 4.12 Exchange Trunk	\$359,513	123	\$359,513	\$0	\$0	\$0	\$0	\$0	O.K.
64	CAT 4.12 Exch. Tr. Direct	0	V42	0	0	0	0	0	0	O.K.
65	CAT 4.13 Exch. Ln. Message	906,228	G13	679,671	0	226,557	0	0	226,557	O.K.
66	CAT 4.13 PL, WATS, Local	13,856	F18	11,234	0	0	0	2,621	2,621	O.K.
67	CAT 4.13 Direct	0	V45	0	0	0	0	0	0	O.K.
68	CAT 4.23 Message	1,178,639	G18	614,593	0	564,046	0	0	564,046	O.K.
69	CAT 4.23 PL, WATS	0	F24	0	0	0	0	0	0	O.K.
70	CAT 4.23 Direct	5,375	V48	4,104	0	0	0	1,271	1,271	O.K.
71	CAT 4.3 H/R Message	0	G29	0	0	0	0	0	0	O.K.
72	CAT 4.3 WATS	0	V50	0	0	0	0	0	0	O.K.
73	CAT 4.3 Direct	0	V51	0	0	0	0	0	0	O.K.
74										
75	Total COE CAT 4	\$2,463,611		\$1,669,116	\$0	\$790,603	\$0	\$3,892	\$794,495	O.K.
76										
77										
78	INFORMATION ORIGIN/TERMINATION:									
79										
80	CAT 1 Other IOT Equipment	\$0	G13	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
81	CAT 1 Coinless Pay Phones	0	G18	0	0	0	0	0	0	O.K.
82	CAT 2 CP Equipment	0	V70	0	0	0	0	0	0	O.K.
83										
84	Total IOT Equipment	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
85										
86										

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

INVESTMENT

PART OF Investment Detail	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
				InterLATA	IntraLATA	InterLATA	IntraLATA		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
111 CABLE AND WIRE FACILITIES									
112									
113 CAT 1.1 IntraLATA PL/WATS	157,818	F31	\$127,961	\$0	\$0	\$0	\$29,858	\$29,858	O.K.
114 CAT 1.2 InterLATA PL/WATS	0	F31	0	0	0	0	0	0	O.K.
115 CAT 1.3 Joint Message	10,322,171	G13	7,741,628	0	2,580,543	0	0	2,580,543	O.K.
116 Other CAT 1 C&WF	0	V74	0	0	0	0	0	0	O.K.
117									
118 Total CAT 1 C&WF	\$10,479,989		\$7,869,589	\$0	\$2,580,543	\$0	\$29,858	\$2,610,400	O.K.
119									
120 CAT 2 C&WF	\$524,768	G28	\$524,768	\$0	\$0	\$0	\$0	\$0	O.K.
121 CAT 2 C&WF, Wideband	0	V78	0	0	0	0	0	0	O.K.
122									
123 Total CAT 2 C&WF	\$524,768		\$524,768	\$0	\$0	\$0	\$0	\$0	O.K.
124									
125 CAT 3 Joint Message	1,469,047	G17	760,822	0	708,225	0	0	\$708,225	O.K.
126 CAT 3 PL/WATS etc.	0	F36	0	0	0	0	0	0	O.K.
127 CAT 3 Direct	32,844	V79	27,081	0	0	0	5,763	5,763	O.K.
128									
129 Total CAT 3 C&WF	\$1,501,891		\$787,903	\$0	\$708,225	\$0	\$5,763	\$713,988	O.K.
130									
131 CAT 4 Message	\$0	G29	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
132 CAT 4 WATS	0	V81	0	0	0	0	0	0	O.K.
133 CAT 4 Direct	0	V82	0	0	0	0	0	0	O.K.
134									
135 Total CAT 4 C&WF	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
136									
137 TOTAL C&WF	\$12,506,648		\$9,182,260	\$0	\$3,288,767	\$0	\$35,621	\$3,324,388	O.K.
138									
139									
140 CAPITAL LEASES:									
141									
142 Allocable Support Leases	\$0	H14	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
143 Direct Support Leases	0	V84	0	0	0	0	0	0	O.K.
144									
145 Total Support Leases	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

Intrastate

***** FCC PART 36 ***** Plant Investment Detail	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE		
				InterLATA	IntraLATA	InterLATA	intraLATA			
				(E)	(F)	(G)	(H)			
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
160										
161 COE Operator	\$0	H16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
162 COE Tandem Switch	0	H17	0	0	0	0	0	0	0	O.K.
163 COE Local Switch	0	H18	0	0	0	0	0	0	0	O.K.
164 COE Transmission	0	H20	0	0	0	0	0	0	0	O.K.
165 COE Direct	0	V89	0	0	0	0	0	0	0	O.K.
166										
167 Total COE Leases	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
168										
169 IOT Leases	\$0	V90	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
170										
171 C&WF Leases	\$0	V91	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
172										
173 TOTAL CAPITAL LEASES	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
174	=====		=====	=====	=====	=====	=====	=====	=====	
175										
176 LEASEHOLD IMPROVEMENTS:										
177										
178 Land and Support Assets	\$0	H14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
179 COE Switching	0	H18	0	0	0	0	0	0	0	O.K.
180 COE Operator	0	H16	0	0	0	0	0	0	0	O.K.
181 COE Transmission	0	H20	0	0	0	0	0	0	0	O.K.
182 IOT	0	V96	0	0	0	0	0	0	0	O.K.
183 C&WF	0	V97	0	0	0	0	0	0	0	O.K.
184 Other	0	V98	0	0	0	0	0	0	0	O.K.
185										
186 TOTAL LEASEHOLD IMPROVEMENTS	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
187	=====		=====	=====	=====	=====	=====	=====	=====	
188										
189 TPIS, EXCL. ACCT. No. 2690	\$23,594,968		\$16,738,979	\$0	\$6,811,083	\$0	\$44,906	\$6,855,989		O.K.

MONTANA TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

Intrastate

***** FCC PART 36 ***** Plant Investment Detail	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
				InterLATA	IntraLATA	InterLATA	IntraLATA		
				(E)	(F)	(G)	(H)		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
204 INTANGIBLE ASSETS:									
205									
206 Allocable Acct. No. 2690	\$0	H36	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
207 Direct Acct. No. 2690	0	V100	0	0	0	0	0	0	O.K.
208									
209 Total Intangible Assets	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
210									
211									
212 OTHER TELEPHONE PLANT:									
213									
214 Held for Fut. Use - Alloc.	\$0	---	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
215 Held for Fut. Use - Direct	0	---	0	0	0	0	0	0	O.K.
216 TPUC, Short-term - Alloc.	0	H35	0	0	0	0	0	0	O.K.
217 TPUC, Short-term - Direct	0	V124	0	0	0	0	0	0	O.K.
218 TPUC, Long-term - Alloc.	599,050	H35	424,984	0	172,926	0	1,140	174,066	O.K.
219 TPUC, Long-term - Direct	0	V126	0	0	0	0	0	0	O.K.
220 Tele. Plt. Adjust. - Alloc.	0	H35	0	0	0	0	0	0	O.K.
221 Tele. Plt. Adjust. - Direct	0	V104	0	0	0	0	0	0	O.K.
222									
223 Total Other Telephone Plant	\$599,050		\$424,984	\$0	\$172,926	\$0	\$1,140	\$174,066	O.K.

FORM 7
 ENDING DECEMBER 31, 1999 WITH KNOWN & MEASURABLE CHANGES

24 May 2000

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MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

Intrastate

FCC PART 36 Reserves and Deferrals (A)	TOTAL COMPANY (B)	Source/ Allocator (C)	Interstate and Other (D)	Message Telephone Service		Private Line		TOTAL INTRASTATE (I)	
				InterLATA (E)	IntraLATA (F)	InterLATA (G)	IntraLATA (H)		
13 ACCUM. DEPRECIATION, TPIS									
14									
15 Support Assets	\$1,230,074	H13	\$872,651	\$0	\$355,081	\$0	\$2,341	\$357,429	O.K.
16 COE Switching	2,544,223	H19	1,703,449	0	840,774	0	0	840,774	O.K.
17 COE Operator	0	H16	0	0	0	0	0	0	O.K.
18 COE Transmission	1,033,867	H20	700,453	0	331,781	0	1,633	333,414	O.K.
19 IOT Equipment	0	H25	0	0	0	0	0	0	O.K.
20 Cable and Wire Facilities	7,159,815	H31	5,256,667	0	1,882,756	0	20,392	1,903,148	O.K.
21 Other Plant	0	V135	0	0	0	0	0	0	O.K.
22									
23 Total Accum. Depr., TPIS	\$11,967,979		\$8,533,220	\$0	\$3,410,392	\$0	\$24,367	\$3,434,759	O.K.
24									
25 ACCUM. AMORTIZATION:									
26									
27 Accum. Depreciation, PHFU	\$0	H38	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
28 Accum. Amort., Tangible Inv.	0	H40	0	0	0	0	0	0	O.K.
29 Accum. Amort., Intang. Inv.	0	H41	0	0	0	0	0	0	O.K.
30 Accum. Amort., Other	0	V138	0	0	0	0	0	0	O.K.
31									
32 Tot. Accum. Amortization	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
33									
34 Total Accum. Depr./Amort.	\$11,967,979		\$8,533,220	\$0	\$3,410,392	\$0	\$24,367	\$3,434,759	O.K.
35									
36									
37 ACCUM. DEF. INC. TAXES, NET:									
38									
39 Support Assets	0	H13	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
40 COE Switching	0	H19	0	0	0	0	0	0	O.K.
41 COE Operator	0	H16	0	0	0	0	0	0	O.K.
42 COE Transmission	0	H20	0	0	0	0	0	0	O.K.
43 IOT Equipment	0	H25	0	0	0	0	0	0	O.K.
44 Cable and Wire Fac.	0	H31	0	0	0	0	0	0	O.K.
45 Unclassified	0	V145	0	0	0	0	0	0	O.K.
46									
47 Total Accum. Def. inc. Taxes	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

Private Line

***** FCC PART 36 ***** Functional Distribution of Selected Investments (A)	TOTAL COMPANY (B)	JOINT USE Message (C)	IntraLATA		InterLATA		Extended Area Service (H)	Other (I)	
			IntraLATA (D)	IntraLATA (E)	InterLATA (F)	InterLATA (G)			
13 TRANS. CCT EQUIPMENT									
14									
15 Working Loops	4,914	4,840	0	0	0	14	0	60	O.K.
16 Avg. Cost per Loop	187.24	187.24	187.24	187.24	187.24	187.24	187.24	187.24	
17									
18 CAT 4.13 Exch Ln. Invest.	\$920,084	\$906,228	\$0	\$0	\$0	\$2,621	\$0	\$11,234	
19									
20									
21 Circuit Terminations	1,027	1,027	0	0	0	0	0	0	O.K.
22 Avg. Cost per Termination	1,147.65	1,147.65	1,147.65	1,147.65	1,147.65	1,147.65	1,147.65	1,147.65	
23									
24 CAT 4.23 Other IX	\$1,178,639	\$1,178,639	\$0	\$0	\$0	\$0	\$0	\$0	
25									
26									
27 C&WF INVESTMENT:									
28									
29 Working Loops	4,914	4,840	0	0	0	14	0	60	
30 Loops Factor	1.000000	0.984941	0.000000	0.000000	0.000000	0.002849	0.000000	0.012210	
31 CAT 1 Exchange C&WF	\$10,479,989	\$10,322,171	\$0	\$0	\$0	\$29,858	\$0	\$127,961	O.K.
32									
33									
34 Equivalent IX Circuit Miles	55,271	55,271	0	0	0	0	0	0	O.K.
35 IX Cct. Miles Factor	1.000000	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
36 CAT 3 Interexch. C&WF	\$1,469,047	\$1,469,047	\$0	\$0	\$0	\$0	\$0	\$0	

STATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

STATE

FCC PART 28 Physical Allocation Factors	TOTAL COMPANY	Service Allocation	Interstate and Other	Message Telephone Service		Private Line		TOTAL STATE	O.K.
				InterLATA	IntraLATA	InterLATA	IntraLATA		
				(A)	(B)	(C)	(D)		
13 Subscriber Plant Fact. (SPF)	1.000000	SPF	0.750000	0.000000	0.250000	0.000000	0.000000	0.250000	O.K.
14									
15 Dial Equipment Minutes (DEM)	1.000000	DEM	0.687462	0.000000	0.312538	0.000000	0.000000	0.312538	O.K.
16									
17 Conversation Minute-Miles	1.000000	CMM	0.517902	0.000000	0.482098	0.000000	0.000000	0.482098	O.K.
18 Conversation Minutes	1.000000	CM	0.521443	0.000000	0.478557	0.000000	0.000000	0.478557	O.K.
19 Subscriber Minutes (SLU)	1.000000	SLU	0.798365	0.000000	0.201635	0.000000	0.000000	0.201635	O.K.
20									
21 TSPS Processor Time	0.000000	TSP	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
22 Wid. Stand. Work Sec., Toll	0.000000	WST	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
23 Wid. Stand. Work Sec., Aux.	0.000000	WSA	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
24 Wid. Stand. Work Sec., Comb.	0.000000	WSC	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
25									
26 COE CAT 2 Minutes	1.000000	CT2	0.579783	0.000000	0.420217	0.000000	0.000000	0.420217	O.K.
27									
28 Exchange Trunk Minutes	1.000000	ETM	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
29 MOU-Mi., Host/Remote	0.000000	HRM	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
30									
31 C&WF CAT 4, WATS	0.000000	CT4	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
32									
33 Equal Access MOU	0.000000	EAM	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
34									
35 Current Billings	1.000000	CB	0.645657	0.000000	0.328446	0.000000	0.025897	0.354343	O.K.
36 EU Presubscription Factor	1.000000	EPRE	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
37 EU MTS & WATS Factor	1.000000	EMTS	0.482017	0.000000	0.517983	0.000000	0.000000	0.517983	O.K.
38 EU Access, P/L and All Other Factor	1.000000	EPLO	0.988745	0.000000	0.000000	0.000000	0.011255	0.011255	O.K.
39 IX Special Access Factor	1.000000	ISPA	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
40 IX Switched Access Factor	1.000000	ISWA	0.549254	0.000000	0.450746	0.000000	0.000000	0.450746	O.K.
41 IX Billing & Collection Services Factor	1.000000	IBC	0.276836	0.000000	0.723164	0.000000	0.000000	0.723164	O.K.
42 Coin Revenue Percent	1.000000	CR	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
43 Relative Toll/Local Msgs.	1.000000	TLM	0.216144	0.000000	0.783856	0.000000	0.000000	0.783856	O.K.
44 Relative Users Percent	1.000000	RUP	0.657890	0.000000	0.342110	0.000000	0.000853	0.342110	O.K.
45 CABS Percent	1.000000	CAB	0.500000	0.000000	0.500000	0.000000	0.000000	0.500000	O.K.
46 Foreign Directories Percent	0.000000	FD	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.

WESTSTATE TELEPHONE COMPANY & HEARLAND COMMUNICATIONS, INC.

Intrastate

PUC PART 26 Internal Allocation Factors	TOTAL COMPANY	Service Allocator	Intrastate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
				IntraLATA	InterLATA	IntraLATA	InterLATA		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
13 Support Assets	1.000000	D31	0.709430	0.000000	0.288667	0.000000	0.001903	0.290570	O.K.
14 Land and Support Assets	1.000000	D33	0.709430	0.000000	0.288667	0.000000	0.001903	0.290570	O.K.
15									
16 COE Operator	0.000000	D43	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
17 COE Tandem Switching	1.000000	D49	0.579783	0.000000	0.420217	0.000000	0.000000	0.420217	O.K.
18 COE Local Switching	1.000000	D66	0.687462	0.000000	0.312538	0.000000	0.000000	0.312538	O.K.
19 COE Total Switching	1.000000	D68	0.669536	0.000000	0.330464	0.000000	0.000000	0.330464	O.K.
20 COE Transmission	1.000000	D85	0.677508	0.000000	0.320912	0.000000	0.001580	0.322492	O.K.
21 Total COE	1.000000	C19	0.671915	0.000000	0.327613	0.000000	0.000472	0.328085	O.K.
22									
23 Info. Orig./Term. CAT 1	0.000000	D90	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
24 Info. Orig./Term. CAT 2	0.000000	D92	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
25 Total IOT	0.000000	D94	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
26									
27 C&WF CAT 1	1.000000	D118	0.750916	0.000000	0.246235	0.000000	0.002849	0.249084	O.K.
28 C&WF CAT 2	1.000000	D120	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
29 C&WF CAT 3	1.000000	D129	0.524608	0.000000	0.471555	0.000000	0.003837	0.475392	O.K.
30 C&WF CAT 4	0.000000	D135	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
31 Total C&WF	1.000000	D137	0.734190	0.000000	0.262962	0.000000	0.002848	0.265810	O.K.
32									
33 Total Equipment	1.000000	C23	0.709430	0.000000	0.288667	0.000000	0.001903	0.290570	O.K.
34									
35 TPIS	1.000000	C32	0.709430	0.000000	0.288667	0.000000	0.001903	0.290570	O.K.
36 TPIS, excl. Acct. No. 2690	1.000000	D189	0.709430	0.000000	0.288667	0.000000	0.001903	0.290570	O.K.
37									
38 Pil. Held, Fut. Use	0.000000	D215	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
39									
40 Total Tangible Assets	0.000000	C25	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
41 Total Intangible Assets	0.000000	C29	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
42									
43 Long-term PUC	1.000000	C36	0.709430	0.000000	0.288667	0.000000	0.001903	0.290570	O.K.
44 Net Telephone Plant	1.000000	C61	0.705931	0.000000	0.292256	0.000000	0.001773	0.294069	O.K.
45 Total Net Investment	1.000000	C68	0.706500	0.000000	0.291707	0.000000	0.001793	0.293500	O.K.
46 Capital Leases	0.000000	D173	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
47									
48 Tot. Bus. Ofc., Cust. Serv.	1.000000	I141	0.759705	0.000000	0.234976	0.000000	0.005319	0.240295	O.K.
49									
50 Total "BIG THREE" Expenses	1.000000	I170	0.683005	0.000000	0.312481	0.000000	0.004515	0.316995	O.K.
51									
52 Corporate Operations Expense	1.000000	I185	0.590286	0.000000	0.405917	0.000000	0.003796	0.409714	O.K.

Sheet 7

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ENDING DECEMBER 31, 1997 WITH KNOWN & MEASURABLE CHANGES

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 36 ***** Operating Expenses and Taxes	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Intrastate				TOTAL INTRASTATE		
				Message Telephone Service		Private Line				
				InterLATA	IntraLATA	InterLATA	IntraLATA			
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
13 PLANT SPEC. OPER. EXPENSE:										
14										
15 Network Support, Alloc.	\$0	H14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
16 Network Support, Direct	0	V149	0	0	0	0	0	0	0	O.K.
17										
18 Total Network Support Exp.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
19										
20 General Support, Alloc.	\$58,690	H14	\$41,636	\$0	\$16,942	\$0	\$112	\$17,054	\$17,054	O.K.
21 General Support, Direct	0	V151	0	0	0	0	0	0	0	O.K.
22										
23 Total General Support Exp.	\$58,690		\$41,636	\$0	\$16,942	\$0	\$112	\$17,054	\$17,054	O.K.
24										
25 Central Office Eq., Alloc.	\$125,762	H21	\$84,501	\$0	\$41,201	\$0	\$59	\$41,261	\$41,261	O.K.
26 Central Office Eq., Direct	0	V153	0	0	0	0	0	0	0	O.K.
27										
28 Total COE Exp.	\$125,762		\$84,501	\$0	\$41,201	\$0	\$59	\$41,261	\$41,261	O.K.
29										
30 Cust. Premises Equip.	\$0	H24	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
31 Coinless Pay Phone	0	G18	0	0	0	0	0	0	0	O.K.
32 Other IOT	0	H23	0	0	0	0	0	0	0	O.K.
33 IOT Direct	0	V157	0	0	0	0	0	0	0	O.K.
34										
35 Total IOT Exp.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
36										
37 Cable & Wire, Alloc.	\$164,229	H31	\$120,575	\$0	\$43,186	\$0	\$468	\$43,654	\$43,654	O.K.
38 Cable & Wire, Direct	231,713	V159	115,733	0	115,980	0	0	115,980	115,980	O.K.
39										
40 Total C&WF Exp.	\$395,942		\$236,308	\$0	\$159,166	\$0	\$468	\$159,634	\$159,634	O.K.
41										
42 TOTAL PLT. SPEC. OPER. EXP.	\$580,394		\$362,446	\$0	\$217,309	\$0	\$639	\$217,948	\$217,948	O.K.
43										
44 TOTAL PLT. SPEC., ex SUPPORT	\$521,704		\$320,810	\$0	\$200,367	\$0	\$527	\$200,894	\$200,894	O.K.

58	NON-SPECIFIC OPER. EXP.								
59	58								
60	59	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
61	60	H36	V177	0	0	0	0	0	0
62	61	0	0	0	0	0	0	0	0
63	62								
64	63	Total Otr. Pil. & Equip.		\$0	\$0	\$0	\$0	\$0	\$0
65	64	Network Operations, Alloc.	H33	\$112,318	\$79,682	\$32,422	\$214	\$32,636	\$0
66	65	Network Operations, Direct	V179	0	0	0	0	0	0
67	66								
68	67	Total Network Oper. Exp.		\$112,318	\$79,682	\$32,422	\$214	\$32,636	\$0
69	68								
70	69	Total Access Expenses	V180	\$636,524	\$636,524	\$0	\$0	\$0	\$0
71	70								
72	71	Depn., Support Assets	H13	\$186,579	\$132,355	\$53,859	\$355	\$54,214	\$0
73	72	Depn., COE Switching	H19	535,843	358,766	177,077	0	177,077	0
74	73	Depn., COE Operator	H16	0	0	0	0	0	0
75	74	Depn., COE Transmission	H20	320,182	216,926	102,750	506	103,256	0
76	75	Depn., IOT Equipment	H25	0	0	0	0	0	0
77	76	Depn., C&W Facilities	H31	704,779	517,442	185,930	2,007	187,937	0
78	77	Depn., PHU	H38	0	0	0	0	0	0
79	78								
80	79	Total Depreciation Expense		\$1,747,383	\$1,225,499	\$519,016	\$2,868	\$521,884	\$0
81	80								
82	81	Amort., Tangible Assets	H40	\$0	\$0	\$0	\$0	\$0	\$0
83	82	Amort., Intangible Assets	H41	0	0	0	0	0	0
84	83	Over Amortization	H49	0	0	0	0	0	0
85	84	Direct Assigned Amort.	V190	0	0	0	0	0	0
86	85								
87	86	Total Amortization Exp.		\$0	\$0	\$0	\$0	\$0	\$0
88	87								
89	88	Total Depr. and Amort.		\$1,747,383	\$1,225,499	\$519,016	\$2,868	\$521,884	\$0
90	89								
91	90	TOTAL NON-SPEC. OPER. EXP.		\$2,496,225	\$1,941,704	\$551,439	\$3,082	\$554,521	\$0

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	Operating Expenses and Taxes	TOTAL COMPANY	Source/ Allocator	Intestate and Other	Intestate	Intestate	Intestate	Private Line	TOTAL INTRASTATE

INTRASTATE
 MESSAGE TELEPHONE SERVICE
 PRIVATE LINE
 TOTAL INTRASTATE

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 ENDING DECEMBER 31, YEAR WITH KNOWN & REASURABLE CHANGES
 INTRASTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

INTRASTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

Intrastate

***** FCC PART 36 ***** Operating Expenses and Taxes	TOTAL COMPANY	Source/ Allocation	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
				InterLATA	IntraLATA	InterLATA	IntraLATA		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
105 CUSTOMER OPERATIONS EXPENSE:									
106									
107 Marketing, Allocable	\$84,919	G35	\$54,829	\$0	\$27,891	\$0	\$2,199	\$30,090	O.K.
108 Marketing, Direct	0	V192	0	0	0	0	0	0	O.K.
109									
110 Total Marketing Expense	\$84,919		\$54,829	\$0	\$27,891	\$0	\$2,199	\$30,090	O.K.
111									
112 Operator Service, Alloc.	\$0	G24	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
113 Operator Service, Direct	0	V194	0	0	0	0	0	0	O.K.
114									
115 Total Operator Service	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
116									
117 Classified Directory	\$0	V195	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
118 Alphabetical Directory	11,193	G19	8,936	0	2,257	0	0	2,257	O.K.
119 Foreign Directory	0	G46	0	0	0	0	0	0	O.K.
120									
121 Total Directory	\$11,193		\$8,936	\$0	\$2,257	\$0	\$0	\$2,257	O.K.
122									
123 Bus. Ofc., EU Presubscription	\$18,093	G36	\$18,093	\$0	\$0	\$0	\$0	\$0	O.K.
124 Bus. Ofc., EU MTS & WATS	53,745	G37	25,906	0	27,839	0	0	27,839	O.K.
125 Bus. Ofc., EU Access, P/L & all Other	191,121	G38	188,970	0	0	0	2,151	2,151	O.K.
126 Bus. Ofc., IXC Special Access	219	G39	219	0	0	0	0	0	O.K.
127 Bus. Ofc., IXC Switched Access	10,000	G40	5,493	0	4,507	0	0	4,507	O.K.
128 Bus. Ofc., IXC B & C Services	177	G41	49	0	128	0	0	128	O.K.
129 Coin Collect & Admin.	0	G42	0	0	0	0	0	0	O.K.
130									
131 Total Business Office	\$273,355		\$238,729	\$0	\$32,474	\$0	\$2,151	\$34,626	O.K.
132									
133 Cust. Svc., Direct	\$0	V205	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
134 Cust. Serv., Msg. Process	0	G43	0	0	0	0	0	0	O.K.
135 Cust. Serv., Other B&C	20,892	G44	13,745	0	7,130	0	18	7,147	O.K.
136 Cust. Serv., CABS	112,426	G45	56,213	0	56,213	0	0	56,213	O.K.
137 Cust. Serv., EU Common Line	1,100	V209	1,100	0	0	0	0	0	O.K.
138									
139 Total Customer Service	\$134,418		\$71,058	\$0	\$63,343	\$0	\$18	\$63,360	O.K.
140									
141 Total Bus. Ofc., Cust. Serv.	\$407,773		\$309,787	\$0	\$95,817	\$0	\$2,169	\$97,986	O.K.
142									

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

Intrastate

***** FCC PART 36 *****	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
				InterLATA	IntraLATA	InterLATA	IntraLATA		
Operating Expenses and Taxes	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
156 Other Cust. Serv., Alloc.	\$38,778	H48	\$29,460	\$0	\$9,112	\$0	\$206	\$9,318	O.K.
157 Other Cust. Serv., Direct	562	V211	562	0	0	0	0	0	O.K.
158									
159 Total Other Cust. Serv.	\$39,340		\$30,022	\$0	\$9,112	\$0	\$206	\$9,318	O.K.
160									
161 TOTAL CUSTOMER OPER. EXP.	\$543,225		\$403,574	\$0	\$135,077	\$0	\$4,574	\$139,651	O.K.
162									
163									
164 "BIG-THREE" EXPENSES:									
165									
166 Total Plt. Spec., ex Support	\$521,704	44	\$320,810	\$0	\$200,367	\$0	\$527	\$200,894	O.K.
167 Total Network Oper. Exp.	112,318	68	79,682	0	32,422	0	214	32,636	O.K.
168 Total Customer Operations	543,225	161	403,574	0	135,077	0	4,574	139,651	O.K.
169									
170 TOTAL "BIG THREE" EXPENSES	\$1,177,247		\$804,065	\$0	\$367,867	\$0	\$5,315	\$373,182	O.K.
171									
172									
173 CORPORATE OPERATIONS EXPENSE:									
174									
175 Exec. and Planning, Alloc.	\$193,972	H50	\$132,484	\$0	\$60,612	\$0	\$876	\$61,488	O.K.
176 Exec. and Planning, Direct	0	V213	0	0	0	0	0	0	O.K.
177									
178 Total Exec. and Planning	\$193,972		\$132,484	\$0	\$60,612	\$0	\$876	\$61,488	O.K.
179									
180 Admin. & General, Allocable	\$257,741	H50	\$176,039	\$0	\$80,539	\$0	\$1,164	\$81,703	O.K.
181 Admin. & General, Direct	85,474	V231	8,572	0	76,902	0	0	76,902	O.K.
182									
183 Total Admin. and Gen.	\$343,215		\$184,610	\$0	\$157,441	\$0	\$1,164	\$158,605	O.K.
184									
185 TOTAL CORPORATE OPERATIONS	\$537,187		\$317,094	\$0	\$218,054	\$0	\$2,039	\$220,093	O.K.
186									
187									
188 NON-INCOME TAXES:									
189									
190 Non-income Taxes, Allocable	\$0	H36	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
191 Non-income Taxes, Direct	7,970	V233	1,693	0	6,277	0	0	6,277	O.K.
192									
193 Total Non-income Taxes	\$7,970		\$1,693	\$0	\$6,277	\$0	\$0	\$6,277	O.K.
194									
195									
196 TOTAL OPER. EXP. AND TAXES	\$4,165,001		\$3,026,511	\$0	\$1,128,155	\$0	\$10,334	\$1,138,490	O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 69 ***** IntraLATA Revenue Requirement Summary		Part 36 IntraLATA Total	Source	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
13	Net Investment	\$3,653,545	K52	\$1,362,245	\$1,112,749	\$0	\$1,154,072	\$0	\$24,479	O.K.
14	Rate of Return	10.00%	B19	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	O.K.
15										
16	Return on Rate Base	\$365,355		\$136,224	\$111,275	\$0	\$115,407	\$0	\$2,448	O.K.
17										
18	AFUDC	(4,089)	N37	(1,706)	(1,114)	0	(1,239)	0	(29)	O.K.
19	ITC Amortization	0	N37	0	0	0	0	0	0	O.K.
20	Other Return Adjustments	0	Direct	0	0	0	0	0	0	O.K.
21										
22	Net Return	\$361,266		\$134,518	\$110,161	\$0	\$114,168	\$0	\$2,419	O.K.
23										
24	Interest Expense	111,141	N67	41,439	33,850	0	35,107	0	745	O.K.
25	Capitalized Payroll Taxes	0	N37	0	0	0	0	0	0	O.K.
26	Depreciation Adjustment	0	N37	0	0	0	0	0	0	O.K.
27	Other Income Adjustments	0	Direct	0	0	0	0	0	0	O.K.
28										
29	After Tax Income	\$250,125		\$93,079	\$76,311	\$0	\$79,061	\$0	\$1,674	O.K.
30										
31	State Income Taxes	\$0	29	0	0	0	0	0	0	O.K.
32	Federal Income Taxes	21,763	29	8,099	6,640	0	6,879	0	146	O.K.
33	Operating Expenses and Taxes	1,138,490	O195	289,486	287,114	3,918	496,561	52,461	8,949	O.K.
34	Uncollectibles	0	Direct	0	0	0	0	0	0	O.K.
35	Other Revenue Adjustments	0	Direct	0	0	0	0	0	0	O.K.
36										
37	Basis for Gross Receipts Tax	1,525,807	16+31+32+33	430,809	405,029	3,918	610,847	52,461	11,543	O.K.
38										
39										
40	Gross Receipts Tax	56,982	37	16,203	15,128	146	23,115	1,959	431	O.K.
41										
42										
43	TOTAL REVENUE REQUIREMENT	\$1,578,501		\$448,306	\$419,043	\$4,064	\$640,723	\$54,420	\$11,945	O.K.
44										

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 65 *****		Part 36		Common	Local	Information	Common	Billing and	Other	
IntraLATA Investment Summary		IntraLATA	Source	Line	Switching		Transport	Collection		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
13	Land and Support Assets	\$823,408	L25	\$54,040	\$359,839	\$0	\$400,102	\$0	\$9,426	O.K.
14										
15	Central Office Equipment	\$2,708,196	L70	\$226,557	\$1,508,586	\$0	\$969,160	\$0	\$3,892	O.K.
16	Info. Term./Orig. Equipment	0	L78	0	0	0	0	0	0	O.K.
17	Cable and Wire Facilities	3,324,388	L117	2,580,543	0	0	708,225	0	35,621	O.K.
18										
19	Total COE, IOT, C&WF	\$6,032,584		\$2,807,100	\$1,508,586	\$0	\$1,677,385	\$0	\$39,513	O.K.
20										
21	Total Tangible Assets	\$0	L141	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
22										
23	Total Tele. Pll. ex Intang.	\$6,855,989		\$2,861,140	\$1,868,425	\$0	\$2,077,487	\$0	\$48,938	O.K.
24	Total Intangible Assets	0	L144	0	0	0	0	0	0	O.K.
25										
26	Total Plant In Service	\$6,855,989		\$2,861,140	\$1,868,425	\$0	\$2,077,487	\$0	\$48,938	O.K.
27	Total Pll. Held Future Use	0	L147	0	0	0	0	0	0	O.K.
28	Total ST PUC	0	L163	0	0	0	0	0	0	O.K.
29	Total LT PUC	174,066	L164	72,641	47,437	0	52,745	0	1,242	O.K.
30	Total Tel. Pll. Adjust.	0	L169	0	0	0	0	0	0	O.K.
31										
32	TOTAL TELEPHONE PLANT	\$7,030,055		\$2,933,781	\$1,915,862	\$0	\$2,130,232	\$0	\$50,180	O.K.
33										
34	less:									
35	Accum. Depr., Pll. in Serv.	3,434,759	M23	1,595,844	818,988	0	993,810	0	26,117	O.K.
36	Accum. Depr. PHFU	0	M27	0	0	0	0	0	0	O.K.
37	Accum. Amort. Tangible Pll.	0	M28	0	0	0	0	0	0	O.K.
38	Accum. Amort. Intangibles	0	M29	0	0	0	0	0	0	O.K.
39	Accum. Amort. Other	0	M30	0	0	0	0	0	0	O.K.
40	Accum. Def. Inc. Taxes, Net	0	M47	0	0	0	0	0	0	O.K.
41										
42	plus:									
43	Other Assets	0	Direct	0	0	0	0	0	0	O.K.
44										
45	NET TELEPHONE PLANT	\$3,595,296		\$1,337,937	\$1,096,875	\$0	\$1,136,422	\$0	\$24,064	O.K.
46	plus:									
47	Class B RTB Stock	0	L171	0	0	0	0	0	0	O.K.
48	Materials and Supplies	28,600	L173	11,935	7,794	0	8,666	0	204	O.K.
49	Cash Working Capital	29,649	L175	12,373	8,080	0	8,984	0	212	O.K.
50	Equal Access Investment	0	L177	0	0	0	0	0	0	O.K.
51										
52	NET INVESTMENT	\$3,653,545		\$1,362,245	\$1,112,749	\$0	\$1,154,072	\$0	\$24,479	O.K.
53										

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 69 *****									
IntraLATA Investment Detail	Part 36 IntraLATA Total	Source or Apportion	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
13 LAND AND SUPPORT ASSETS:									
14									
15 Land Assets, Message	\$0	N28	0	0	0	0	0	0	O.K.
16 Land Assets, Private Line	0	N28	0	0	0	0	0	0	O.K.
17									
18 Total Land Assets	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
19									
20 Support Assets, Message	\$818,012	N28	\$53,686	\$357,482	\$0	\$397,481	\$0	\$9,363	O.K.
21 Support Assets, Private Line	5,393	N28	354	2,357	0	2,621	0	62	O.K.
22									
23 Total Support Assets	\$823,406		\$54,040	\$359,839	\$0	\$400,102	\$0	\$9,425	O.K.
24									
25 Total Land and Supp. Assets	\$823,406		\$54,040	\$359,839	\$0	\$400,102	\$0	\$9,425	O.K.
26									
27 CENTRAL OFFICE EQUIPMENT:									
28									
29 Operator Sys., DA	\$0	(F)	0	0	0	0	0	0	O.K.
30 Operator Sys., Other	0	(I)	0	0	0	0	0	0	O.K.
31									
32 Total Operator Systems	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
33									
34 Tandem Switching	\$405,114	(G)	\$0	\$0	\$0	\$405,114	\$0	\$0	O.K.
35 Tandem Assigned	0	Direct	0	0	0	0	0	0	O.K.
36									
37 Total Tandem Switching	\$405,114		\$0	\$0	\$0	\$405,114	\$0	\$0	O.K.
38									
39 Local Switching	\$1,508,586	(E)	\$0	\$1,508,586	\$0	\$0	\$0	\$0	O.K.
40 Local Assigned	0	Direct	0	0	0	0	0	0	O.K.
41									
42 Total Local Switching	\$1,508,586		\$0	\$1,508,586	\$0	\$0	\$0	\$0	O.K.
43									
44 Total Switching	\$1,913,701		\$0	\$1,508,586	\$0	\$405,114	\$0	\$0	O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

FOC PART 28 IntraLATA Investment Detail		Part 36 IntraLATA Total	Source or Apportion	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
58	COE Exch. Trunk	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
59	COE Exch. Line - Message	226,557	(D)	226,557	0	0	0	0	0	O.K.
60	COE Exch. Line - PL, etc.	2,621	(I)	0	0	0	0	0	2,621	O.K.
61	COE Exch. Line - Assigned	0	Direct	0	0	0	0	0	0	O.K.
62	COE Interexchange, Message	564,046	(G)	0	0	0	0	0	0	O.K.
63	COE Interexchange, PL	0	(I)	0	0	0	564,046	0	0	O.K.
64	COE Interexchange, Assigned	1,271	(G)	0	0	0	0	0	0	O.K.
65	COE H/R Message	0	(G)	0	0	0	0	0	1,271	O.K.
66	COE H/R Assigned	0	Direct	0	0	0	0	0	0	O.K.
67				0	0	0	0	0	0	O.K.
68	Total COE Transmission	\$794,495		\$226,557	\$0	\$0	\$564,046	\$0	\$3,892	O.K.
69										
70	Total Central Office Equip.	\$2,708,196		\$226,557	\$1,508,586	\$0	\$969,160	\$0	\$3,892	O.K.
71										
72	IOT EQUIPMENT:									
73										
74	Public Telephone	\$0	N43	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
75	Coinless Pay Phone	0	(D)	0	0	0	0	0	0	O.K.
76	Customer Premises Equipment	0	N60	0	0	0	0	0	0	O.K.
77				0	0	0	0	0	0	O.K.
78	Total IOT Equipment	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
79										
80	CABLE AND WIRE FACILITIES:									
81										
82	Exchange PL and WATS	\$29,858	(I)	\$0	\$0	\$0	\$0	\$0	\$29,858	O.K.
83	Exchange Message	2,580,543	(D)	2,580,543	0	0	0	0	0	O.K.
84	Exchange Assigned	0	Direct	0	0	0	0	0	0	O.K.
85				0	0	0	0	0	0	O.K.
86	Total Exchange Line C&WF	\$2,610,400		\$2,580,543	\$0	\$0	\$0	\$0	\$29,858	O.K.
87										
88	Exchange Trunk, Message	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
89	Exchange Trunk, PL	0	Direct	0	0	0	0	0	0	O.K.
90				0	0	0	0	0	0	O.K.
91	Total Exchange Trunk C&WF	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
92										
93	Interexchange Message	\$708,225	(G)	\$0	\$0	\$0	\$708,225	\$0	\$0	O.K.
94	Interexchange PL, WATS	0	(I)	0	0	0	0	0	0	O.K.
95	Interexchange Assigned	5,763	(G)	0	0	0	0	0	5,763	O.K.
96				0	0	0	0	0	0	O.K.
97	Total Interexchange C&WF	\$713,988		\$0	\$0	\$0	\$708,225	\$0	\$5,763	O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 69 *****									
IntraLATA Investment Detail	Part 36 IntraLATA Total	Source or Apportion	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
111 H/R C&WF, Message	\$0	(G)	\$0	\$0	\$0	\$0	\$0	\$0	\$0 O.K.
112 H/R C&WF, WATS	0	(I)	0	0	0	0	0	0	0 O.K.
113 H/R C&WF, Assigned	0	Direct	0	0	0	0	0	0	0 O.K.
114									
115 Total Host/Remote C&WF	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0 O.K.
116									
117 Total Cable and Wire Facil.	\$3,324,388		\$2,580,543	\$0	\$0	\$708,225	\$0	\$35,621	O.K.
118									
119 TANGIBLE ASSETS:									
120									
121 Land and Support Leases	\$0	N28	0	0	0	0	0	0	0 O.K.
122									
123 COE Operator Leases	\$0	32	\$0	\$0	\$0	\$0	\$0	\$0	\$0 O.K.
124 COE Tandem Switching Leases	0	34	0	0	0	0	0	0	0 O.K.
125 COE Local Switching Leases	0	39	0	0	0	0	0	0	0 O.K.
126 COE Transmission Leases	0	68	0	0	0	0	0	0	0 O.K.
127									
128 Total COE Leases	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0 O.K.
129									
130 IOT Equipment Leases	\$0	78	0	0	0	0	0	0	0 O.K.
131									
132 C&WF Leases	\$0	117	0	0	0	0	0	0	0 O.K.
133									
134 Total Capital Leases	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0 O.K.
135									
136 Leasehold Impr., Alloc.	\$0	N37	0	0	0	0	0	0	0 O.K.
137 Leasehold Impr., Direct	0	Direct	0	0	0	0	0	0	0 O.K.
138									
139 Total Leasehold Improvements	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0 O.K.
140									
141 Total Tangible Assets	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0 O.K.
142									
143									
144 TOTAL INTANGIBLE ASSETS	\$0	N37	\$0	\$0	\$0	\$0	\$0	\$0	\$0 O.K.
145									
146									
147 PROPERTY HELD FOR FUTURE US	\$0	N46	0	0	0	0	0	0	0 O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 69 ***** IntraLATA Investment Detail		Part 36 IntraLATA Total	Source or Apporion	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
161	PLANT UNDER CONSTRUCTION:									
162										
163	Short-term	\$0	N46	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
164	Long-term	174,066	N46	72,641	47,437	0	52,745	0	1,242	O.K.
165										
166	Total Plt. Under Const.	\$174,066		\$72,641	\$47,437	\$0	\$52,745	\$0	\$1,242	O.K.
167										
168										
169	TELEPHONE PLANT ADJUSTMENT	\$0	N46	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
170										
171	CLASS B RTB STOCK	\$0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
172										
173	MATERIALS AND SUPPLIES	\$28,600	N37	\$11,935	\$7,794	\$0	\$8,666	\$0	\$204	O.K.
174										
175	CASH WORKING CAPITAL	\$29,649	N37	\$12,373	\$8,080	\$0	\$8,984	\$0	\$212	O.K.
176										
177	EQUAL ACCESS INVESTMENT	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 88 *****		Part 36	Source or	Common	Local	Information	Common	Billing and	Other	
IntraLATA Reserves and Deferrals		IntraLATA Total	Apportion	Line	Switching		Transport	Collection		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
13	ACCUM. DEPRECIATION, TPIS:									
14										
15	Support Assets	\$357,423	N28	\$23,458	\$156,198	\$0	\$173,676	\$0	\$4,091	O.K.
16	COE Switching	840,774	L44	0	662,789	0	177,985	0	0	O.K.
17	COE Operator	0	L32	0	0	0	0	0	0	O.K.
18	COE Transmission	333,414	L68	95,076	0	0	236,705	0	1,633	O.K.
19	IOT Equipment	0	L78	0	0	0	0	0	0	O.K.
20	Cable and Wire Facilities	1,903,148	L117	1,477,311	0	0	405,445	0	20,392	O.K.
21	Other Plant	0	N37	0	0	0	0	0	0	O.K.
22										
23	Total Accum. Depr., TPIS	\$3,434,759		\$1,595,844	\$819,988	\$0	\$993,810	\$0	\$26,117	O.K.
24										
25	ACCUM. AMORTIZATION:									
26										
27	Accum. Depreciation, PHFU	\$0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
28	Accum. Amort., Tangible Inv.	0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
29	Accum. Amort., Intang. Inv.	0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
30	Accum. Amort., Other	0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
31										
32	Tot. Accum. Amortization	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
33										
34	Total Accum. Depr./Amort.	\$3,434,759		\$1,595,844	\$818,988	\$0	\$993,810	\$0	\$26,117	O.K.
35										
36										
37	ACCUM. DEF. INC. TAXES, NET:									
38										
39	Support Assets	\$0	N28	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
40	COE Switching	0	L44	0	0	0	0	0	0	O.K.
41	COE Operator	0	L32	0	0	0	0	0	0	O.K.
42	COE Transmission	0	L68	0	0	0	0	0	0	O.K.
43	IOT Equipment	0	L78	0	0	0	0	0	0	O.K.
44	Cable and Wire Fac.	0	L117	0	0	0	0	0	0	O.K.
45	Unclassified	0	N37	0	0	0	0	0	0	O.K.
46										
47	Total Accum. Def. Inc. Taxes	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 69 ***** Apportionment Factors		Part 36 IntraLATA Total	Source	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
13	Central Office Equipment	\$2,708,196	L70	\$226,557	\$1,508,586	\$0	\$969,160	\$0	\$3,892	O.K.
14	Info. Orig./Term. Eqpt.	0	L78	0	0	0	0	0	0	O.K.
15	C&W Facilities	3,324,388	L117	2,580,543	0	0	708,225	0	35,621	O.K.
16										
17	Total	\$6,032,584		\$2,807,100	\$1,508,586	\$0	\$1,677,385	\$0	\$39,513	O.K.
18	Factor	1.000000		0.465323	0.250073	0.000000	0.278054	0.000000	0.006550	O.K.
19										
20	Sum: Sw., Trans., Other	\$3,225,484	17	\$0	\$1,508,586	\$0	\$1,677,385	\$0	\$39,513	O.K.
21	Factor	1.000000		0.000000	0.467708	0.000000	0.520041	0.000000	0.012250	O.K.
22										
23	Central Office Equipment	\$2,708,196	L70	\$226,557	\$1,508,586	\$0	\$969,160	\$0	\$3,892	O.K.
24	Info. Orig./Term. Eqpt.	0	L78	0	0	0	0	0	0	O.K.
25	C&WF, Excl. Exch. Message	743,845	L117-83	0	0	0	708,225	0	35,621	O.K.
26										
27	Total	\$3,452,041		\$226,557	\$1,508,586	\$0	\$1,677,385	\$0	\$39,513	O.K.
28	Factor	1.000000		0.065630	0.437013	0.000000	0.485911	0.000000	0.011446	O.K.
29										
30	General Support Facilities	\$823,406	L25	\$54,040	\$359,839	\$0	\$400,102	\$0	\$9,425	O.K.
31	Central Office Equipment	2,708,196	13	226,557	1,508,586	0	969,160	0	3,892	O.K.
32	Info. Orig./Term. Eqpt.	0	14	0	0	0	0	0	0	O.K.
33	C&W Facilities	3,324,388	15	2,580,543	0	0	708,225	0	35,621	O.K.
34	Equal Access Investment	0	L177	0	0	0	0	0	0	O.K.
35										
36	Total	\$6,855,989		\$2,861,140	\$1,868,425	\$0	\$2,077,487	\$0	\$48,938	O.K.
37	Factor	1.000000		0.417320	0.272524	0.000000	0.303018	0.000000	0.007138	O.K.
38										
39	Sum: Com. Ln., Sw., Trans.	\$6,807,052	36	\$2,861,140	\$1,868,425	\$0	\$2,077,487	\$0	\$0	O.K.
40	Factor	1.000000		0.420320	0.274484	0.000000	0.305196	0.000000	0.000000	O.K.
41										
42	COE Cat. 2 Factor	1.000000	Direct	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000	O.K.
43	IOT Cat. 1 Factor	1.000000	Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
44										
45	Total TPIS	\$6,855,989	K26	\$2,861,140	\$1,868,425	\$0	\$2,077,487	\$0	\$48,938	O.K.
46	Factor	1.000000		0.417320	0.272524	0.000000	0.303018	0.000000	0.007138	O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 69 ***** Apportionment Factors		Part 36 intraLATA Total	Source	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other	
(A)		(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
60	Interstate Equip. Factor	0.000000	Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
61	Wtd. Std. Work Seconds	1.000000	Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
62										
63	"BIG THREE" Expenses	\$390,235	O171	\$68,271	\$76,885	\$2,467	\$199,979	\$38,378	\$4,255	O.K.
64	Factor	1.000000		0.174948	0.197023	0.006321	0.512457	0.098347	0.010903	0
65										
66	Net Investment	\$3,653,545	J13	\$1,362,245	\$1,112,749	\$0	\$1,154,072	\$0	\$24,479	O.K.
67	Factor	1.000000		0.372856	0.304567	0.000000	0.315877	0.000000	0.006700	O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 69 ***** Operating Expenses and Taxes	Part 36 IntraLATA Total	Apportion	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
57 NON-SPECIFIC OPER. EXP.:									
58									
59 Oth. Plt. and Equip., Alloc	\$0	N18	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
60 Oth. Plt. and Equip., Direct	0	Direct	0	0	0	0	0	0	O.K.
61									
62 Total Oth. Plt. & Equip.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
63									
64 Network Operations, Alloc.	\$32,636	N18	\$15,186	\$8,161	\$0	\$9,075	\$0	\$214	O.K.
65 Network Operations, Direct	0	Direct	0	0	0	0	0	0	O.K.
66									
67 Total Network Oper. Exp.	\$32,636		\$15,186	\$8,161	\$0	\$9,075	\$0	\$214	O.K.
68									
69 Total Access Expenses	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
70									
71 Depr., Support Assets	\$54,214	L23	\$3,558	\$23,692	\$0	\$26,343	\$0	\$621	O.K.
72 Depr., COE Switching	177,077	L44	0	139,591	0	37,486	0	0	O.K.
73 Depr., COE Operator	0	L32	0	0	0	0	0	0	O.K.
74 Depr., COE Transmission	103,256	L68	29,444	0	0	73,306	0	506	O.K.
75 Depr., IOT Equipment	0	L78	0	0	0	0	0	0	O.K.
76 Depr., C&W Facilities	187,337	L117	145,420	0	0	39,910	0	2,007	O.K.
77 Depr., PHFU	0	L147	0	0	0	0	0	0	O.K.
78									
79 Total Depreciation Expense	\$521,884		\$178,422	\$163,283	\$0	\$177,045	\$0	\$3,134	O.K.
80									
81 Amort., Tangible Assets	\$0	L141	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
82 Amort., Intangible Assets	0	L144	0	0	0	0	0	0	O.K.
83 Other Amortization	0	Direct	0	0	0	0	0	0	O.K.
84 Direct Assigned Amort.	0	Direct	0	0	0	0	0	0	O.K.
85									
86 Total Amortization Exp.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
87									
88 Total Depr. and Amort.	\$521,884		\$178,422	\$163,283	\$0	\$177,045	\$0	\$3,134	O.K.
89									
90 TOTAL NON-SPEC. OPER. EXP.	\$554,521		\$193,608	\$171,445	\$0	\$186,120	\$0	\$3,347	O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 69 ***** Operating Expenses and Taxes	Part 36 IntraLATA Total	Apportion	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
104 CUSTOMER OPERATIONS EXPENSE:									
105									
106 Marketing, Allocable	\$30,090	N37	\$12,557	\$8,200	\$0	\$9,118	\$0	\$215	O.K.
107 Marketing, Direct	0	Direct	0	0	0	0	0	0	O.K.
108									
109 Total Marketing Expense	\$30,090		\$12,557	\$8,200	\$0	\$9,118	\$0	\$215	O.K.
110									
111 Operator Service, Alloc.	\$0	N61	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
112 Operator Service, Direct	0	Direct	0	0	0	0	0	0	O.K.
113									
114 Total Operator Service	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
115									
116 Classified Directory	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
117 Alphabetical Directory	2,257	(F)	0	0	2,257	0	0	0	O.K.
118 Foreign Directory	0	Direct	0	0	0	0	0	0	O.K.
119									
120 Total Directory	\$2,257		\$0	\$0	\$2,257	\$0	\$0	\$0	O.K.
121									
122 Bus. Otc., EU Presubscription	0	N40	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
123 Bus. Otc., Reserved	0	(I)	0	0	0	0	0	0	O.K.
124 Bus. Otc., EU Access PL & All Other	2,151	(H)	0	0	0	0	0	2,151	O.K.
125 Bus. Otc., EU Message	27,839	(H)	0	0	0	0	27,839	0	O.K.
126 Bus. Otc., EU Reserved	0	(I)	0	0	0	0	0	0	O.K.
127 Bus. Otc., IX Special Access	0	(I)	0	0	0	0	0	0	O.K.
128 Bus. Otc., IX Switched Access	4,507	N40	1,895	1,237	0	1,376	0	0	O.K.
129 Bus. Otc., IX Billing and Collection	128	(H)	0	0	0	0	128	0	O.K.
130 Bus. Otc., Coin Collection & Administr	0	(D)	0	0	0	0	0	0	O.K.
131 Bus. Otc., Reserved	0	(I)	0	0	0	0	0	0	O.K.
132									
133 Total Business Office	\$34,626		\$1,895	\$1,237	\$0	\$1,376	\$27,967	\$2,151	O.K.
134									
135 Cust. Serv., Msg. Process	\$0	(H)	0	0	0	0	0	0	O.K.
136 Cust. Serv., Other B&C	7,147	(H)	0	0	0	0	7,147	0	O.K.
137 Cust. Serv., CABS	56,213	N21	0	26,291	0	29,233	0	689	O.K.
138 Cust. Serv., EU Common Line	0	(H)	0	0	0	0	0	0	O.K.
139									
140 Total Customer Service	\$63,360		\$0	\$26,291	\$0	\$29,233	\$7,147	\$689	O.K.
141									
142 Total BO, CS, OS, Dir.	\$100,243		\$1,895	\$27,529	\$2,257	\$30,609	\$35,114	\$2,840	O.K.

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.

***** FCC PART 69 *****		Part 36		Common	Local	Information	Common	Billing and	Other	
Operating Expenses and Taxes		IntraLATA	Apportion	Line	Switching		Transport	Collection		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
158	Other Cust. Serv., Alloc.	\$9,318	142	\$176	\$2,559	\$210	\$2,845	\$3,264	\$264	O.K.
159	Other Cust. Serv., Direct	0	Direct	0	0	0	0	0	0	O.K.
160										
161	Total Other Cust. Serv.	\$9,318		\$176	\$2,559	\$210	\$2,845	\$3,264	\$264	O.K.
162										
163	TOTAL CUSTOMER OPER. EXP.	\$139,651		\$14,628	\$38,288	\$2,467	\$42,572	\$38,378	\$3,318	O.K.
164										
165	"BIG-THREE" EXPENSES:									
166										
167	Total PII. Specific Exp.	\$217,948	41	\$38,457	\$30,437	\$0	\$148,332	\$0	\$722	O.K.
168	Total PII Non-specific Exp.	32,636	62 + 67 +69	15,186	8,161	0	9,075	0	214	O.K.
169	Total Customer Operations	139,651	163	14,628	38,288	2,467	42,572	38,378	3,318	O.K.
170										
171	TOTAL "BIG THREE" EXPENSES	\$390,235		\$68,271	\$76,885	\$2,467	\$199,979	\$38,378	\$4,255	O.K.
172										
173	CORPORATE OPERATIONS EXPENSE:									
174										
175	Exec. and Planning, Alloc.	\$61,488	N64	\$10,757	\$12,115	\$389	\$31,510	\$6,047	\$670	O.K.
176	Exec. and Planning, Direct	0	Direct	0	0	0	0	0	0	O.K.
177										
178	Total Exec. and Planning	\$61,488		\$10,757	\$12,115	\$389	\$31,510	\$6,047	\$670	O.K.
179										
180	Admin. & General, Allocable	\$81,703	N64	\$14,294	\$16,097	\$516	\$41,869	\$8,035	\$891	O.K.
181	Admin. & General, Direct	76,902	Direct	15,104	17,010	546	44,242	0	0	O.K.
182										
183	Total Admin. and Gen.	\$158,605		\$29,398	\$33,107	\$1,062	\$86,111	\$8,035	\$891	O.K.
184										
185	TOTAL CORPORATE OPERATIONS	\$220,093		\$40,155	\$45,222	\$1,451	\$117,621	\$14,082	\$1,561	O.K.
186										
187	NON-INCOME TAXES:									
188										
189	Non-income Taxes, Allocable	\$0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
190	Non-income Taxes, Direct	6,277	Direct	2,638	1,723	0	1,916	0	0	O.K.
191										O.K.
192										
193	Total Non-income Taxes	\$6,277		\$2,638	\$1,723	\$0	\$1,916	\$0	\$0	O.K.
194										
195	TOTAL OPER. EXP. AND TAXES	\$1,138,490		\$289,486	\$287,114	\$3,918	\$496,561	\$52,461	\$8,949	O.K.

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

COMPANY NAME: MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.
 PERIOD ADDRESSED: ENDING DECEMBER 31, 1999 WITH KNOWN & MEASURABLE CHANGES
 RUN DATE AND TIME: 24-May-2000 03:18:42 PM

NOTES: SEE SHEET "G" TO INPUT PART 36 ALLOCATION FACTORS.

***** FCC PART 36 *****	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Intrastate				TOTAL INTRASTATE	
				Message Telephone Service		Private Line			
				InterLATA	IntraLATA	InterLATA	IntraLATA		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
PLANT INVESTMENT DETAIL:									
21 Land, Allocable	0	---	---	---	---	---	---	---	---
22 Land, Direct	0	---	0	0	0	0	0	0	
23 Motor Vehicles	0	---	---	---	---	---	---	---	
24 Aircraft	0	---	---	---	---	---	---	---	
25 Special Purpose Vehicles	0	---	---	---	---	---	---	---	
26 Garage Work Equipment	0	---	---	---	---	---	---	---	
27 Other Work Equipment	2,833,760	---	---	---	---	---	---	---	
28 Buildings, Allocable	0	---	---	---	---	---	---	---	
29 Buildings, Direct	0	---	0	0	0	0	0	0	
30 Furniture	0	---	---	---	---	---	---	---	
31 Office Equipment	0	---	---	---	---	---	---	---	
32 General Purpose Computers	0	---	---	---	---	---	---	---	
33 CAT 1 Oper. Sys., TSPS	0	---	---	---	---	---	---	---	
34 CAT 1 Oper. Sys., Other TSPS	0	---	---	---	---	---	---	---	
35 CAT 1 Oper. Sys., Aux. Pos.	0	---	---	---	---	---	---	---	
36 CAT 1 Oper. Sys., Other	0	---	0	0	0	0	0	0	
37 CAT 2 Tandem Sw. Allocable	964,060	---	---	---	---	---	---	---	
38 CAT 2 Tandem Sw. Direct	0	---	0	0	0	0	0	0	
39 CAT 3 Local Sw. Allocable	4,826,889	---	---	---	---	---	---	---	
40 CAT 3 Local Sw. Direct	0	---	0	0	0	0	0	0	
41 CAT 4.12 Exchange Trunk	359,513	---	---	---	---	---	---	---	
42 CAT 4.12 Exch. Tr. Direct	0	---	0	0	0	0	0	0	
43 CAT 4.13 Exch. Ln. Msg., PL & WATS	920,084	---	---	---	---	---	---	---	
44 Reserved	0	---	---	---	---	---	---	---	
45 CAT 4.13 Direct	0	---	0	0	0	0	0	0	
46 CAT 4.23 Message, PL & WATS	1,178,839	---	---	---	---	---	---	---	
47 Reserved	0	---	---	---	---	---	---	---	
48 CAT 4.23 Direct	5,375	---	4,104	0	0	0	1,271	1,271	
49 CAT 4.3 H/R Message	0	---	---	---	---	---	---	---	
50 CAT 4.3 WATS	0	---	0	0	0	0	0	0	
51 CAT 4.3 Direct	0	---	0	0	0	0	0	0	
52 CAT 1 Other IOT Equipment	0	---	---	---	---	---	---	---	
53 CAT 1 Coinless Pay Phones	0	---	0	0	0	0	0	0	

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.
ENDING DECEMBER 31, 1999 WITH KNOWN & MEASURABLE CHANGES

***** FCC PART 36 *****	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Intrastate				TOTAL INTRASTATE
				Message Telephone Service		Private Line		
				InterLATA	IntraLATA	InterLATA	IntraLATA	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
70 CAT 2 CP Equipment	0	---						
71 Reserved	0	---	0	0	0	0	0	0
72 Reserved	0	---						
73 CAT 1.3 Joint Msg., Cat. 1.1 & 1.2 PL	10,479,989	---						
74 Other CAT 1 C&WF	0	---						
75 CAT 2 C&WF	524,768	---	0	0	0	0	0	0
76 CAT 2 C&WF, Wideband	0	---						
77 CAT 3 Joint Message & PL/WATS	1,469,047	---	0	0	0	0	0	0
78 Reserved	0	---						
79 CAT 3 Direct	32,844	---						
80 CAT 4 Message	0	---	27,081	0	0	0	5,763	5,763
81 CAT 4 WATS	0	---						
82 CAT 4 Direct	0	---	0	0	0	0	0	0
83 Allocable Support Leases	0	---	0	0	0	0	0	0
84 Direct Support Leases	0	---	0	0	0	0	0	0
85 COE Operator	0	---						
86 COE Tandem Switch	0	---						
87 COE Local Switch	0	---						
88 COE Transmission	0	---						
89 COE Direct	0	---	0	0	0	0	0	0
90 IOT Leases	0	---	0	0	0	0	0	0
91 C&WF Leases	0	---	0	0	0	0	0	0
92 Leasehold Imp. Land etc.	0	---						
93 Leasehold Imp. COE Switching	0	---						
94 Leasehold Imp. COE Operator	0	---						
95 Leasehold Imp. COE Trans.	0	---						
96 Leasehold Imp. IOT	0	---	0	0	0	0	0	0
97 Leasehold Imp. C&WF	0	---	0	0	0	0	0	0
98 Leasehold Imp. Other	0	---	0	0	0	0	0	0
99 Allocable Acct. No. 2690	0	---						
100 Direct Acct. No. 2690	0	---	0	0	0	0	0	0
101 Materials and Supplies	107,594	---						
102 RTB Stock	0	---						
103 Tele. Plt. Adjust. - Alloc.	0	---						
104 Tele. Plt. Adjust. - Direct	0	---	0	0	0	0	0	0
105 Other Assets, Net	0	---	0	0	0	0	0	0
106 Other Liab., Def. Cr., Net	0	---	0	0	0	0	0	0

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

INSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.
 ENDING DECEMBER 31, 1995 WITH KNOWN & MEASURABLE CHANGES

***** FCC PART 36 *****	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Intrastate				TOTAL INTRASTATE	
				Message Telephone Service		Private Line			
				InterLATA	IntraLATA	InterLATA	IntraLATA		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
123 TPUC -- Short Term, Alloc.	0	---	---	---	---	---	---	---	---
124 TPUC -- Short Term, Direct	0	---	0	---	0	---	0	---	0
125 TPUC -- Long Term, Alloc.	599,050	---	---	---	---	---	---	---	---
126 TPUC -- Long Term, Direct	0	---	0	0	0	---	0	---	0
127									
128 RESERVES AND DEFERRALS:									
129 Acc. Depr. Support Assets	1,230,074	---	---	---	---	---	---	---	---
130 Acc. Depr. COE Switching	2,544,223	---	---	---	---	---	---	---	---
131 Acc. Depr. COE Operator	0	---	---	---	---	---	---	---	---
132 Acc. Depr. COE Transmission	1,033,867	---	---	---	---	---	---	---	---
133 Acc. Depr. IOT Equipment	0	---	---	---	---	---	---	---	---
134 Acc. Depr. Cable and Wire Facilities	7,159,815	---	---	---	---	---	---	---	---
135 Acc. Depr. Other Plant	0	---	0	0	0	---	0	---	0
136 Accum. Amort., Tangible Inv.	0	---	---	---	---	---	---	---	---
137 Accum. Amort., Intang. Inv.	0	---	---	---	---	---	---	---	---
138 Accum. Amort., Other	0	---	0	0	0	---	0	---	0
139 Acc. Def. IT Support Assets	0	---	---	---	---	---	---	---	---
140 Acc. Def. IT COE Switching	0	---	---	---	---	---	---	---	---
141 Acc. Def. IT COE Operator	0	---	---	---	---	---	---	---	---
142 Acc. Def. IT COE Trans.	0	---	---	---	---	---	---	---	---
143 Acc. Def. IT IOT Equipment	0	---	---	---	---	---	---	---	---
144 Acc. Def. IT C&WF	0	---	---	---	---	---	---	---	---
145 Acc. Def. IT Unclassified	0	---	0	0	0	---	0	---	0
146									
147 OPERATING EXPENSES AND TAXES:									
148 Network Support, Alloc.	0	---	---	---	---	---	---	---	---
149 Network Support, Direct	0	---	0	0	0	---	0	---	0
150 General Support, Alloc.	58,690	---	---	---	---	---	---	---	---
151 General Support, Direct	0	---	0	0	0	---	0	---	0
152 Central Office Eq., Alloc.	125,762	---	---	---	---	---	---	---	---
153 Central Office Eq., Direct	0	---	0	0	0	---	0	---	0
154 Cust. Premises Equip.	0	---	---	---	---	---	---	---	---
155 Coinless Pay Phone Exp.	0	---	---	---	---	---	---	---	---
156 Other IOT	0	---	---	---	---	---	---	---	---
157 IOT Direct	0	---	0	0	0	---	0	---	0
158 Cable & Wire, Alloc.	164,229	---	---	---	---	---	---	---	---
159 Cable & Wire, Direct	231,713	---	115,733	0	115,980	---	0	---	115,980

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.
 ENDING DECEMBER 31, 1999 WITH KNOWN & MEASURABLE CHANGES

***** FCC PART 36 *****	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Intrastate				TOTAL INTRASTATE
				Message Telephone Service		Private Line		
				InterLATA	IntraLATA	InterLATA	IntraLATA	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
176 Oth. Pfl. and Equip., Alloc.	0	---	---	---	---	---	---	---
177 Oth. Pfl. and Equip., Direct	0	---	0	0	0	0	0	0
178 Network Operations, Alloc.	112,318	---	---	---	---	---	---	---
179 Network Operations, Direct	0	---	0	0	0	0	0	0
180 Total Access Expense	636,524	---	636,524	0	0	0	0	0
181 Depr., Support Assets	186,579	---	---	---	---	---	---	---
182 Depr., COE Switching	535,843	---	---	---	---	---	---	---
183 Depr., COE Operator	0	---	---	---	---	---	---	---
184 Depr., COE Transmission	320,182	---	---	---	---	---	---	---
185 Depr., IOT Equipment	0	---	---	---	---	---	---	---
186 Depr., C&W Facilities	704,779	---	---	---	---	---	---	---
187 Amort., Tangible Assets	0	---	---	---	---	---	---	---
188 Amort., Intangible Assets	0	---	---	---	---	---	---	---
189 Other Amortization	0	---	0	0	0	0	0	0
190 Direct Assigned Amort.	0	---	0	0	0	0	0	0
191 Marketing, Allocable	84,919	---	---	---	---	---	---	---
192 Marketing, Direct	0	---	0	0	0	0	0	0
193 Operator Service, Alloc.	0	---	---	---	---	---	---	---
194 Operator Service, Direct	0	---	0	0	0	0	0	0
195 Classified Directory	0	---	0	0	0	0	0	0
196 Alphabetical Directory	11,193	---	---	---	---	---	---	---
197 Foreign Directory	0	---	---	---	---	---	---	---
198 Bus. Ofc., EU Presubscription	18,093	---	---	---	---	---	---	---
199 Bus. Ofc., EU MTS & WATS	53,745	---	---	---	---	---	---	---
200 Bus. Ofc., EU Access, P/L & all Other	191,121	---	---	---	---	---	---	---
201 Bus. Ofc., IXC Special Access	219	---	---	---	---	---	---	---
202 Bus. Ofc., IXC Switched Access	10,000	---	---	---	---	---	---	---
203 Bus. Ofc., IXC B & C Services	177	---	---	---	---	---	---	---
204 Coin Collect & Admin.	0	---	---	---	---	---	---	---
205 Cust. Svc., Direct	0	---	0	0	0	0	0	0
206 Cust. Serv., Msg. Process	0	---	---	---	---	---	---	---
207 Cust. Serv., Other B&C	20,892	---	---	---	---	---	---	---
208 Cust. Serv., CABS	112,426	---	---	---	---	---	---	---
209 Cust. Serv., EU Common Line	1,100	---	1,100	0	0	0	0	0
210 Other Cust. Serv., Alloc.	33,778	---	---	---	---	---	---	---
211 Other Cust. Serv., Direct	562	---	562	0	0	0	0	0
212 Exec. and Planning, Alloc.	193,972	---	---	---	---	---	---	---
213 Exec. and Planning, Direct	0	---	0	0	0	0	0	0

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.
ENDING DECEMBER 31, 1999 WITH KNOWN & MEASURABLE CHANGES

		Intrastate										
		TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE			
***** FCC PART 36 *****					InterLATA	IntraLATA	InterLATA	IntraLATA				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)				
230	Admin. & General, Allocable	257,741	---	---	---	---	---	---	---	---	---	---
231	Admin. & General, Direct	85,474	---	8,572	0	76,902	0	0	76,902	---	---	---
232	Non-income Taxes, Allocable	0	---	---	---	---	---	---	---	---	---	---
233	Non-income Taxes, Direct	7,970	---	1,693	0	6,277	0	0	6,277	---	---	---
234												
235	OTHER INCOME STATEMENT:											
236	State Income Tax Rate	0.00%	---	---	---	---	---	---	---	---	---	---
237	Federal Income Tax Rate	8.02%	---	---	---	---	---	---	---	---	---	---
238	Gross Receipts Tax Rate	3.61%	---	---	---	---	---	---	---	---	---	---
239	Rate of Return	10.00%	---	---	---	---	---	---	---	---	---	---
240	AFUDC	(14,071)	---	---	---	---	---	---	---	---	---	---
241	ITC Amortization	0	---	---	---	---	---	---	---	---	---	---
242	Other Return Adjustments	0	---	0	0	0	0	0	0	0	0	0
243	Contributions	1,000	---	---	---	---	---	---	---	---	---	---
244	Interest Expense	377,941	---	---	---	---	---	---	---	---	---	---
245	Capital Lease Expense	0	---	---	---	---	---	---	---	---	---	---
246	Capitalized Payroll taxes	0	---	---	---	---	---	---	---	---	---	---
247	Depreciation Adjustment	0	---	---	---	---	---	---	---	---	---	---
248	Other Income Adjustments	0	---	0	0	0	0	0	0	0	0	0
249	Uncollectibles	0	---	0	0	0	0	0	0	0	0	0
250	Other Revenue Adjustments	0	---	0	0	0	0	0	0	0	0	0
251	Other Revenue Taxes	0	---	0	0	0	0	0	0	0	0	0
252												

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

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MIDSTATE TELEPHONE COMPANY & HEARTLAND COMMUNICATIONS, INC.
 ENDING DECEMBER 31, 1999 WITH KNOWN & MEASURABLE CHANGES

***** FCC PART 36 *****		TOTAL COMPANY (B)	Source/ Allocator (C)	Interstate		Intrastate		TOTAL INTRASTATE (I)
(A)				Private Line		Private Line		
				InterLATA (E)	IntraLATA (F)	InterLATA (G)	IntraLATA (H)	
		Other (D)						
271	Working Loops	4,914	--	60	0	0	0	14
272	Equivalent Interexchange Cct. Miles	55,271	--	0	0	0	0	0
273	Interexchange Circuit Terminations	1,027	--	0	0	0	0	0