

TC02-067

KC/HB

TC02-067

DOCKET NO.

In the Matter of — IN THE MATTER OF THE ESTABLISHMENT OF SWITCHED ACCESS REVENUE REQUIREMENT FOR MIDSTATE COMMUNICATIONS, INC.

Public Utilities Commission of the State of South Dakota

DATE	MEMORANDA
6/19 02	Filed and Docketed;
6/20 02	Weekly Filing;
7/5 02	MS Communications' Petition to Intervene;
7/26 02	Order Granting Petition to Intervene; Order Approving Filing Fee;
8/26 02	Notice of Appearance and Request for Service;
9/6 02	MS' Request for Access to Confidential Information;
11/26 02	Revised Cost Study;
7/11 03	Motion to Dismiss and Motion for Extension of Time to Respond to ^{Secondary Discovery Request;} Intervenor's Brief in Resistance to Motion to Dismiss and Motion for ^{Extension of Time;} Extension of Time;
7/24 03	Intervenor's Brief in Resistance to Motion to Dismiss and Motion for ^{Order Extension for Response;} Extension of Time;
8/8 03	Notice of Intent to Consider that was done for summary judgment, ^{Order for} Order for ^{Notice of Hearing} Notice of Hearing;
8/14 03	Affidavit of Les Sumption;
8/18 03	Deposition of Companies named in above Dockets to Affidavit of Les S. Sumption;
9/2 03	Revised Cost Study;
9/9 03	Final Decision and Order Granting Motion to Dismiss on Summary ^{Notice of Entry;} Disposition;
9/23 03	Order Approving Revenue Requirement;
9/23 03	Docket Closed.

June 18, 2001

Ms. Debra Elofson
Executive Director
Public Utilities Commission
State of South Dakota
500 East Capitol
Pierre, South Dakota 57501

RECEIVED

JUN 19 2002

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

Ref: SD 5248 - 1.7
2001 Intrastate Switched Access Filing

Dear Ms. Elofson:

On behalf of Midstate Communications, Inc., enclosed is their 2001 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. One (1) original and four (4) copies of the Cost Study Certification Form

and three (3) copies of the following backup (to be treated as proprietary):

4. Trial Balance Worksheet for Year Ending 12/31/01
5. Master Trial Balance (provided by the company) for Year Ending 12/31/01
6. Reclassification Entries
7. Known & Measurable Changes Entries
8. Nonregulated Removal Worksheet
9. Direct Assignments Worksheet
10. Known & Measurable Changes Detail
11. Account 6560, Depreciation Expense Worksheet
12. Account 6610, Marketing Expense
13. Account 6622, Directory Expense
14. Account 6623, Customer Service Expense
15. Summary of Account 6623 By Category
16. Account 6710, Executive and Planning Expense
17. Account 6720, General and Administrative Expense

June 18, 2002

Page 2 of 2

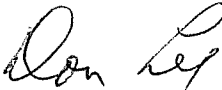
18. Land and Building Investment Worksheet
19. Central Office Equipment Worksheet
20. Outside Plant Investment Worksheet
21. Interexchange Circuit and Circuit Mile Summary
22. Loop Study Summary
23. Annual Traffic Worksheet
24. Access Minutes of Use Summary by Exchange

In accordance with FCC Order #01-162, CC Docket No. 80-286, In the Matter of Jurisdictional Separations and Referral to the Federal-State Joint Board, released May 22, 2001, this study reflects the FCC's freeze of all allocation factors.

The Intrastate Switched Access 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.

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)
Access Study Backup (3)
cc: Mark Benton, Manager

I am Don Lee. I hereby certify that I have overall responsibility for the preparation of all data in the attached 2001 Intrastate Switched Access filing for

Midstate 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.

Date: 6-11-02

Certifying Signature: Don Lee

Name: Don Lee

Title: Director of Settlements

2001 INTRASTATE SWITCHED ACCESS FILING

FOR

MIDSTATE COMMUNICATIONS, INC.

KIMBALL, SD

PREPARED BY:

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

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 *****		Part 36									
Intrastate Toll		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	\$6,199,326	\$3,645,912	\$968,705	\$0	\$1,405,930	\$0	\$1,405,930	\$0	\$178,779	
16	Rate of Return	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	
17	Return on Rate Base	\$619,933	\$364,591	\$96,870	\$0	\$140,593	\$0	\$140,593	\$0	\$17,878	
18	Return Adjustments	(81,405)	(45,045)	(15,101)	0	(19,004)	0	(19,004)	0	(2,255)	
19	Net Return on Rate Base	\$538,528	\$319,546	\$81,770	\$0	\$121,590	\$0	\$121,590	\$0	\$15,623	
20	Income Taxes	0	0	0	0	0	0	0	0	0	
21	Expenses and Other Taxes	1,261,143	470,766	236,041	12,614	450,505	64,632	450,505	64,632	26,585	
22	Total IntralATA Rev. Req.	\$1,799,671	\$790,312	\$317,810	\$12,614	\$572,095	\$64,632	\$572,095	\$64,632	\$42,208	
23											
24											
25											
26											
27											
28											
29	INTERLATA:										
30	Net Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
31	Rate of Return	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	
32	Return on Rate Base	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
33	Return Adjustments	0	0	0	0	0	0	0	0	0	
34	Net Return on Rate Base	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
35	Income Taxes	0	0	0	0	0	0	0	0	0	
36	Expenses and Other Taxes	0	0	0	0	0	0	0	0	0	
37	Total InterLATA Rev. Req.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
38											
39											
40											
41											
42											
43											
44											
45	TOTAL INTRASTATE REV. REQ.	\$1,799,671	\$790,312	\$317,810	\$12,614	\$572,095	\$64,632	\$572,095	\$64,632	\$42,208	
	ACCESS ELEMENT MINUTES OF USE		10,021,911	10,021,911	10,021,911	10,021,911		10,021,911			
	ACCESS RATE PER MINUTE	\$0.167654	\$0.078858	\$0.031712		\$0.057084		\$0.057084			

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 36 ***** Revenue Requirement Summary	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 State Income Tax Rate	0.00%	---	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
14 Federal Income Tax Rate	0.00%	---	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
15 Gross Receipts Tax Rate	4.00%	---	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
16										
17										
18 Net Investment	\$22,247,594	C68	\$16,048,268	\$0	\$6,032,669	\$0	\$166,657	\$6,199,326	O.K.	
19 Rate of Return	10.00%	---	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%		
20										
21 Return on Rate Base	\$2,224,759		\$1,604,827	\$0	\$603,267	\$0	\$16,666	\$619,933	O.K.	
22										
23 AFUDC	(288,788)	H43	-207383.338687	0	-79330.65718	0	-2074.00413255	(81,405)	O.K.	
24 ITC Amortization	0	H36	0	0	0	0	0	0	O.K.	
25 Other Return Adjustments	0	V242	0	0	0	0	0	0	O.K.	
26										
27 Net Return	\$1,935,971		\$1,397,443	\$0	\$523,936	\$0	\$14,592	\$538,528	O.K.	
28										
29 Contributions	0	H52	0	0	0	0	0	0	O.K.	
30 Interest Expense	623,099	H44	449,199	0	169,232	0	4,668	173,900	O.K.	
31 Capital Lease Expense	0	H46	0	0	0	0	0	0	O.K.	
32 Capitalized Payroll taxes	0	H36	0	0	0	0	0	0	O.K.	
33 Depreciation Adjustment	0	H36	0	0	0	0	0	0	O.K.	
34 Other Income Adjustments	0	V248	0	0	0	0	0	0	O.K.	
35										
36 After Tax Income	\$1,312,872		\$948,245	\$0	\$354,704	\$0	\$9,923	\$364,628	O.K.	
37										
38 State Income Taxes	\$0	Formula	\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
39 Federal Income Taxes	0	Formula	0	0	0	0	0	0	O.K.	
40 Operating Expenses and Taxes	4,599,520	I196	3,421,637	0	1,157,794	0	20,088	1,177,883	O.K.	
41 Uncollectibles	23,866	V249	12,593	0	11,273	0	0	11,273	O.K.	
42 Other Revenue Adjustments	0	V250	0	0	0	0	0	0	O.K.	
43										
44 Net Revenue	\$6,559,358		\$4,831,674	\$0	\$1,693,004	\$0	\$34,680	\$1,727,684	O.K.	
45 Gross Receipts Taxes	273,307	Formula	201,320	0	70,542	0	1,445	71,987	O.K.	
46 Other Revenue Taxes	0	V251	0	0	0	0	0	0	O.K.	
47										
TOTAL REVENUE REQUIREMENT	\$6,832,664		\$5,032,993	\$0	\$1,763,546	\$0	\$36,125	\$1,799,671	O.K.	

MIDSTATE COMMUNICATIONS, INC.

		Intrastate								
		TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
					InterLATA	IntraLATA	InterLATA	IntraLATA		
***** FCC PART 36 ***** Investment Summary	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
13	Land and Support Investment	\$2,801,593	D33	\$2,011,869	\$0	\$769,603	\$0	\$20,120	\$789,724	O.K.
14										
15	COE Operator Equipment	\$0	D43	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
16	COE Switching Equipment	6,579,679	D68	4,303,010	0	2,276,669	0	0	2,276,669	O.K.
17	COE Transmission Equipment	4,223,293	D85	2,959,530	0	1,238,338	0	25,425	1,263,763	O.K.
18										
19	Total COE	\$10,802,972		\$7,262,541	\$0	\$3,515,007	\$0	\$25,425	\$3,540,431	O.K.
20	Info. Orig./Term. Equipment	0	D94	0	0	0	0	0	0	O.K.
21	Cable and Wire Facilities	23,008,244	D137	17,017,841	0	5,773,004	0	217,399	5,990,403	O.K.
22										
23	Total COE, IOT, C&WF	\$33,811,216		\$24,280,382	\$0	\$9,288,011	\$0	\$242,824	\$9,530,834	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	Total Tele. Plt. In Service	\$36,612,809		\$26,292,251	\$0	\$10,057,614	\$0	\$262,944	\$10,320,558	O.K.
32										
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	793,511	D218-219	569,833	0	217,979	0	5,699	223,678	O.K.
37	Tel. Plt. Adjustment	0	D220-221	0	0	0	0	0	0	O.K.
38										
39	Total Other Tel. Plt.	\$793,511		\$569,833	\$0	\$217,979	\$0	\$5,699	\$223,678	O.K.
40										
41										
42	TOTAL TELEPHONE PLANT	\$37,406,320		\$26,862,084	\$0	\$10,275,593	\$0	\$268,643	\$10,544,236	O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 36 ***** Investment Summary	TOTAL COMPANY	Source/ Allocator	Intrastate					TOTAL INTRASTATE		
			Interstate	Message Telephone Service		Private Line				
				InterLATA	IntraLATA	InterLATA	IntraLATA			
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
56 Other Assets, Net	0	V105	0	0	0	0	0	0	0	O.K.
57 Accumulated Depr./Amort	(15,518,845)	E34	(11,083,172)	0	(4,331,016)	0	(104,657)	(4,435,673)	0	O.K.
58 Accum. Def. Inc. Taxes, Net	0	E47	0	0	0	0	0	0	0	O.K.
59 Oth. Liab. & Def. Cr., Net	0	V106	0	0	0	0	0	0	0	O.K.
60										
61 TOTAL NET PLANT	\$21,887,475		\$15,778,912	\$0	\$5,944,576	\$0	\$163,986	\$6,108,563		O.K.
62										
63 Materials and Supplies	235,576	H31	174,242	0	59,108	0	2,226	61,334		O.K.
64 Rural Tel. Bank Stock	0	H35	0	0	0	0	0	0		O.K.
65 Cash Working Capital	124,543	Formula	95,114	0	28,984	0	445	29,429		O.K.
66 Equal Access Investment	0	---	0	0	0	0	0	0		O.K.
67										
68 TOTAL NET INVESTMENT	\$22,247,594		\$16,048,268	\$0	\$6,032,669	\$0	\$166,657	\$6,199,326		O.K.
69										

***** FCC PART 36 ***** Plant Investment Detail	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 LAND AND SUPPORT ASSETS:										
14										
15 Land, Allocable	\$0	H33	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
16 Land, Direct	0	V22	0	0	0	0	0	0	0	O.K.
17										
18 Total Land	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
19										
20 Motor Vehicles	\$0	H33	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
21 Aircraft	0	H33	0	0	0	0	0	0	0	O.K.
22 Special Purpose Vehicles	0	H33	0	0	0	0	0	0	0	O.K.
23 Garage Work Equipment	0	H33	0	0	0	0	0	0	0	O.K.
24 Other Work Equipment	2,801,593	H33	2,011,869	0	769,603	0	20,120	789,724	0	O.K.
25 Buildings, Allocable	0	H33	0	0	0	0	0	0	0	O.K.
26 Buildings, Direct	0	V29	0	0	0	0	0	0	0	O.K.
27 Furniture	0	H33	0	0	0	0	0	0	0	O.K.
28 Office Equipment	0	H33	0	0	0	0	0	0	0	O.K.
29 General Purpose Computers	0	H33	0	0	0	0	0	0	0	O.K.
30										
31 Total Support Assets	\$2,801,593		\$2,011,869	\$0	\$769,603	\$0	\$20,120	\$789,724		O.K.
32										
33 Tot. Land and Support Assets	\$2,801,593		\$2,011,869	\$0	\$769,603	\$0	\$20,120	\$789,724		O.K.
34										
35										
36 CENTRAL OFFICE EQUIPMENT:										
37										
38 CAT 1 Oper. Sys., TSPS	\$0	G22	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
39 CAT 1 Oper. Sys., Other TSPS	0	G21	0	0	0	0	0	0	0	O.K.
40 CAT 1 Oper. Sys., Aux. Pos.	0	G23	0	0	0	0	0	0	0	O.K.
41 CAT 1 Oper. Sys., Other	0	V36	0	0	0	0	0	0	0	O.K.
42										
43 Total CAT 1	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
44										
45										
46 CAT 2 Tandem Sw. Allocable	\$1,611,680	G26	\$960,834	\$0	\$650,846	\$0	\$0	\$650,846		O.K.
47 CAT 2 Tandem Sw. Direct	0	V38	0	0	0	0	0	0	0	O.K.
48										
49 Total CAT 2	\$1,611,680		\$960,834	\$0	\$650,846	\$0	\$0	\$650,846		O.K.

		Intrastate								
***** FCC PART 36 ***** Plant Investment Detail		TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
63	CAT 3 Local Sw. Allocable	\$4,967,999	G15	\$3,342,177	\$0	\$1,625,822	\$0	\$0	\$1,625,822	O.K.
64	CAT 3 Local Sw. Direct	0	V40	0	0	0	0	0	0	O.K.
65										
66	Total CAT 3	\$4,967,999		\$3,342,177	\$0	\$1,625,822	\$0	\$0	\$1,625,822	O.K.
67										O.K.
68	Total COE Sw. CAT 2&3	\$6,579,679		\$4,303,010	\$0	\$2,276,669	\$0	\$0	\$2,276,669	O.K.
69										
70										
71	COE TRANSMISSION:									
72										
73	CAT 4.12 Exchange Trunk	\$456,013	123	\$456,013	\$0	\$0	\$0	\$0	\$0	O.K.
74	CAT 4.12 Exch. Tr. Direct	0	V42	0	0	0	0	0	0	O.K.
75	CAT 4.13 Exch. Ln. Message	2,134,239	G13	1,600,679	0	533,560	0	0	533,560	O.K.
76	CAT 4.13 PL, WATS, Local	69,712	F18	48,063	0	0	0	21,650	21,650	O.K.
77	CAT 4.13 Direct	0	V45	0	0	0	0	0	0	O.K.
78	CAT 4.23 Message	1,540,206	G18	835,428	0	704,778	0	0	704,778	O.K.
79	CAT 4.23 PL, WATS	0	F24	0	0	0	0	0	0	O.K.
80	CAT 4.23 Direct	23,123	V48	19,348	0	0	0	3,775	3,775	O.K.
81	CAT 4.3 H/R Message	0	G29	0	0	0	0	0	0	O.K.
82	CAT 4.3 WATS	0	V50	0	0	0	0	0	0	O.K.
83	CAT 4.3 Direct	0	V51	0	0	0	0	0	0	O.K.
84										
85	Total COE CAT 4	\$4,223,293		\$2,959,530	\$0	\$1,238,338	\$0	\$25,425	\$1,263,763	O.K.
86										
87										
88	INFORMATION ORIGATION/TERMINATION:									
89										
90	CAT 1 Other IOT Equipment	\$0	G13	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
91	CAT 1 Coinless Pay Phones	0	G18	0	0	0	0	0	0	O.K.
92	CAT 2 CP Equipment	0	V70	0	0	0	0	0	0	O.K.
93										
94	Total IOT Equipment	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
95										
96										

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 36 ***** Plant Investment Detail	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)		
111 CABLE AND WIRE FACILITIES:										
112										
113 CAT 1.1 IntraLATA PL/WATS	664,067	F31	\$457,835	\$0	\$0	\$0	\$206,232	\$206,232	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	20,330,350	G13	15,247,762	0	5,082,587	0	0	5,082,587	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	\$20,994,417		\$15,705,598	\$0	\$5,082,587	\$0	\$206,232	\$5,288,819	O.K.	
119										
120 CAT 2 C&WF	\$423,321	G28	\$423,321	\$0	\$0	\$0	\$0	\$0	O.K.	
121 CAT 2 C&WF, Wideband	0	V76	0	0	0	0	0	0	O.K.	
122										
123 Total CAT 2 C&WF	\$423,321		\$423,321	\$0	\$0	\$0	\$0	\$0	O.K.	
124										
125 CAT 3 Joint Message	1,492,476	G17	802,060	0	690,416	0	0	\$690,416	O.K.	
126 CAT 3 PL/WATS etc.	0	F36	0	0	0	0	0	0	O.K.	
127 CAT 3 Direct	98,030	V79	86,863	0	0	0	11,167	11,167	O.K.	
128										
129 Total CAT 3 C&WF	\$1,590,506		\$888,923	\$0	\$690,416	\$0	\$11,167	\$701,583	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	\$23,008,244		\$17,017,841	\$0	\$5,773,004	\$0	\$217,399	\$5,990,403	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 COMMUNICATIONS, INC.

***** FCC PART 36 ***** Plant Investment Detail	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)		
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 IMPROVEMENT	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
187										
188										
189 TPIS, EXCL. ACCT. No. 2690	\$36,612,809		\$26,292,251	\$0	\$10,057,614	\$0	\$262,944	\$10,320,558		O.K.

MIDSTATE COMMUNICATIONS, INC.

		Intrastate								
		Message Telephone Service				Private Line				
***** FCC PART 36 ***** Plant Investment Detail	TOTAL COMPANY	Source/ Allocator	Interstate and Other	InterLATA	IntraLATA	InterLATA	IntraLATA	TOTAL INTRASTATE		
(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	O.K.	
207	Direct Acct. No. 2690	0	V100	0	0	0	0	0	O.K.	
208										
209	Total Intangible Assets	\$0		\$0	\$0	\$0	\$0	\$0	O.K.	
210										
211	OTHER TELEPHONE PLANT:									
212										
213										
214	Held for Fut. Use - Alloc.	\$0	---	\$0	\$0	\$0	\$0	\$0	O.K.	
215	Held for Fut. Use - Direct	0	---	0	0	0	0	0	O.K.	
216	TPUC, Short-term - Alloc.	0	H35	0	0	0	0	0	O.K.	
217	TPUC, Short-term - Direct	0	V124	0	0	0	0	0	O.K.	
218	TPUC, Long-term - Alloc.	793,511	H35	569,833	0	217,979	0	5,699	223,678	O.K.
219	TPUC, Long-term - Direct	0	V126	0	0	0	0	0	0	O.K.
220	Tele. Pit. Adjust. - Alloc.	0	H35	0	0	0	0	0	0	O.K.
221	Tele. Pit. Adjust. - Direct	0	V104	0	0	0	0	0	0	O.K.
222										
223	Total Other Telephone Plant	\$793,511		\$569,833	\$0	\$217,979	\$0	\$5,699	\$223,678	O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 36 ***** Reserves and Deferrals	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 ACCUM. DEPRECIATION, TPIS:										
14										
15 Support Assets	\$1,366,021	H13	\$980,962	\$0	\$375,249	\$0	\$9,810	\$385,059	O.K.	
16 COE Switching	3,493,967	H19	2,285,001	0	1,208,966	0	0	1,208,966	O.K.	
17 COE Operator	0	H16	0	0	0	0	0	0	O.K.	
18 COE Transmission	1,711,008	H20	1,199,012	0	501,695	0	10,301	511,996	O.K.	
19 IOT Equipment	0	H25	0	0	0	0	0	0	O.K.	
20 Cable and Wire Facilities	8,947,849	H31	6,618,196	0	2,245,107	0	84,546	2,329,653	O.K.	
21 Other Plant	0	V135	0	0	0	0	0	0	O.K.	
22										
23 Total Accum. Depr., TPIS	\$15,518,845		\$11,083,172	\$0	\$4,331,016	\$0	\$104,657	\$4,435,673	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.	\$15,518,845		\$11,083,172	\$0	\$4,331,016	\$0	\$104,657	\$4,435,673	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.	

Private Line

	***** FCC PART 36 ***** Functional Distribution of Selected Investments	Private Line										Other (I)
		TOTAL COMPANY (B)		Joint Use Message (C)		Interstate		Intrastate		Extended Area Service (H)		
(A)		InterLATA	InterLATA	InterLATA	InterLATA	IntraLATA	IntraLATA	IntraLATA	IntraLATA	IntraLATA	IntraLATA	
13 TRANS. CCT EQUIPMENT:												
14 Working Loops	5,090	0	0	0	0	50	0	0	0	0	111	O.K.
15 Avg. Cost per Loop	433.00	433.00	433.00	433.00	433.00	433.00	433.00	433.00	433.00	433.00	433.00	
16												
17 CAT 4.13 Exch Ln. Invest.	\$2,203,951	\$0	\$0	\$0	\$0	\$21,650	\$0	\$0	\$0	\$0	\$48,063	
18												
19												
20												
21 Circuit Terminations	1,191	0	0	0	0	0	0	0	0	0	0	O.K.
22 Avg. Cost per Termination	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	
23												
24 CAT 4.23 Other IX	\$1,540,206	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
25												
26												
27 C&WF INVESTMENT:												
28 Working Loops	5,090	0	0	0	0	50	0	0	0	0	111	O.K.
29 Loops Factor	1,000,000	0.000000	0.000000	0.000000	0.000000	0.009823	0.000000	0.000000	0.000000	0.000000	0.021807	
30 CAT 1 Exchange C&WF	\$20,994,417	\$0	\$0	\$0	\$0	\$206,232	\$0	\$0	\$0	\$0	\$457,835	
31												
32												
33 Equivalent IX Circuit Miles	63,414	0	0	0	0	0	0	0	0	0	0	O.K.
34 IX Cct Miles Factor	1,000,000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	
35 CAT 3 Interexch. C&WF	\$1,492,476	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
36												

		Intrastate								
		TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
***** FCC PART 36 ***** Physical Allocation Factors					InterLATA	IntraLATA	InterLATA	IntraLATA		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
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	0.672741	0.000000	0.327259	0.000000	0.000000	0.327259	O.K.
16										
17	Conversation Minute-Miles	1.000000	CMM	0.537402	0.000000	0.462598	0.000000	0.000000	0.462598	O.K.
18	Conversation Minutes	1.000000	CM	0.542413	0.000000	0.457587	0.000000	0.000000	0.457587	O.K.
19	Subscriber Minutes (SLU)	1.000000	SLU	0.818978	0.000000	0.181022	0.000000	0.000000	0.181022	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	Wtd. Stand. Work Sec., Toll	0.000000	WST	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
23	Wtd. Stand. Work Sec., Aux.	0.000000	WSA	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
24	Wtd. 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	0.596169	0.000000	0.403831	0.000000	0.000000	0.403831	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	0.761009	0.000000	0.233871	0.000000	0.005120	0.238991	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	0.439662	0.000000	0.560338	0.000000	0.000000	0.560338	O.K.
38	EU Access, P/L and All Other Factor	1.000000	EPLO	0.991419	0.000000	0.006492	0.000000	0.002089	0.008581	O.K.
39	IX Special Access Factor	1.000000	ISPA	0.960000	0.000000	0.000000	0.000000	0.040000	0.040000	O.K.
40	IX Switched Access Factor	1.000000	ISWA	0.641505	0.000000	0.358495	0.000000	0.000000	0.358495	O.K.
41	IX Billing & Collection Services Factor	1.000000	IBC	0.343750	0.000000	0.656250	0.000000	0.000000	0.656250	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	0.209879	0.000000	0.790121	0.000000	0.000000	0.790121	O.K.
44	Relative Users Percent	1.000000	RUP	0.670508	0.000000	0.328892	0.000000	0.000600	0.329492	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.

ENDING DECEMBER 31, 2001 WITH KNOWN & MEASURABLE CHANGES

MIDSTATE COMMUNICATIONS, INC.

	(A)	TOTAL COMPANY (B)	Source/ Allocator (C)	Interstate and Other (D)	Intrastate				TOTAL INTRASTATE (I)	
					Message Telephone Service		Private Line			
					InterLATA (E)	IntraLATA (F)	InterLATA (G)	IntraLATA (H)		
13	Support Assets	1,000,000	D31	0.718116	0.274702	0.000000	0.000000	0.007182	0.281884	O.K.
14	Land and Support Assets	1,000,000	D33	0.718116	0.274702	0.000000	0.000000	0.007182	0.281884	O.K.
15	COE Operator	0.000000	D43	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
16	COE Tandem Switching	1,000,000	D49	0.596169	0.403831	0.000000	0.000000	0.000000	0.403831	O.K.
17	COE Local Switching	1,000,000	D66	0.672741	0.327259	0.000000	0.000000	0.000000	0.327259	O.K.
18	COE Total Switching	1,000,000	D68	0.653985	0.346015	0.000000	0.000000	0.000000	0.346015	O.K.
19	COE Transmission	1,000,000	D85	0.700764	0.293216	0.000000	0.000000	0.006020	0.299236	O.K.
20	Total COE	1,000,000	C19	0.672272	0.325374	0.000000	0.000000	0.002354	0.327728	O.K.
21	Info. Orig./Term. CAT 1	0.000000	D90	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
22	Info. Orig./Term. CAT 2	0.000000	D92	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
23	Total IOT	0.000000	D94	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
24	C&WF CAT 1	1,000,000	D118	0.748084	0.242092	0.000000	0.000000	0.009823	0.251916	O.K.
25	C&WF CAT 2	1,000,000	D120	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
26	C&WF CAT 3	1,000,000	D129	0.558893	0.434086	0.000000	0.000000	0.007021	0.441107	O.K.
27	C&WF CAT 4	0.000000	D135	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
28	Total C&WF	1,000,000	D137	0.739641	0.250910	0.000000	0.000000	0.009449	0.260359	O.K.
29	Total Equipment	1,000,000	C23	0.718116	0.274702	0.000000	0.000000	0.007182	0.281884	O.K.
30	TPIS	1,000,000	C32	0.718116	0.274702	0.000000	0.000000	0.007182	0.281884	O.K.
31	TPIS, excl. Acct. No. 2690	1,000,000	D189	0.718116	0.274702	0.000000	0.000000	0.007182	0.281884	O.K.
32	Plt. Held, Fut. Use	0.000000	D215	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
33	Total Tangible Assets	0.000000	C25	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
34	Total Intangible Assets	0.000000	C29	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
35	Long-term PUC	1,000,000	C36	0.718116	0.274702	0.000000	0.000000	0.007182	0.281884	O.K.
36	Net Telephone Plant	1,000,000	C61	0.720911	0.271597	0.000000	0.000000	0.007492	0.279089	O.K.
37	Total Net Investment	1,000,000	C68	0.721348	0.271161	0.000000	0.000000	0.007491	0.278652	O.K.
38	Capital Leases	0.000000	D173	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
39	Tot. Bus. Ofc., Cust. Serv.	1,000,000	I141	0.822862	0.175920	0.000000	0.000000	0.001218	0.177138	O.K.
40	Total "BIG THREE" Expenses	1,000,000	I170	0.715354	0.281183	0.000000	0.000000	0.003464	0.284646	O.K.
41	Corporate Operations Expense	1,000,000	I185	0.640923	0.356075	0.000000	0.000000	0.003002	0.359077	O.K.

***** 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.	\$63,204	H14	\$45,388	\$0	\$17,362	\$0	\$454	\$17,816	\$17,816	O.K.
21 General Support, Direct	0	V151	0	0	0	0	0	0	0	O.K.
22										
23 Total General Support Exp.	\$63,204		\$45,388	\$0	\$17,362	\$0	\$454	\$17,816	\$17,816	O.K.
24										
25 Central Office Eq., Alloc.	\$159,435	H21	\$107,184	\$0	\$51,876	\$0	\$375	\$52,251	\$52,251	O.K.
26 Central Office Eq., Direct	0	V153	0	0	0	0	0	0	0	O.K.
27										
28 Total COE Exp.	\$159,435		\$107,184	\$0	\$51,876	\$0	\$375	\$52,251	\$52,251	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.	\$263,474	H31	\$194,876	\$0	\$66,108	\$0	\$2,489	\$68,598	\$68,598	O.K.
38 Cable & Wire, Direct	266,719	V159	147,492	0	119,227	0	0	119,227	119,227	O.K.
39										
40 Total C&WF Exp.	\$530,193		\$342,368	\$0	\$185,335	\$0	\$2,489	\$187,825	\$187,825	O.K.
41										
42 TOTAL PLT. SPEC. OPER. EXP.	\$752,832		\$494,940	\$0	\$254,574	\$0	\$3,319	\$257,892	\$257,892	O.K.
43										
44 TOTAL PLT. SPEC., ex SUPPORT	\$689,628		\$449,552	\$0	\$237,211	\$0	\$2,865	\$240,076	\$240,076	O.K.

MIDSTATE 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)		
58 NON-SPECIFIC OPER. EXP.:										
59										
60 Oth. Plt. and Equip., Alloc.	\$0	H36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
61 Oth. Plt. and Equip., Direct	0	V177	0	0	0	0	0	0	0	O.K.
62										
63 Total Oth. Plt. & Equip.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
64										
65 Network Operations, Alloc.	\$80,552	H33	\$57,846	\$0	\$22,128	\$0	\$579	\$22,706	\$22,706	O.K.
66 Network Operations, Direct	0	V179	0	0	0	0	0	0	0	O.K.
67										
68 Total Network Oper. Exp.	\$80,552		\$57,846	\$0	\$22,128	\$0	\$579	\$22,706	\$22,706	O.K.
69										
70 Total Access Expenses	\$631,635	V180	\$631,635	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
71										
72 Depr., Support Assets	\$198,784	H13	\$142,750	\$0	\$54,606	\$0	\$1,428	\$56,034	\$56,034	O.K.
73 Depr., COE Switching	552,300	H19	361,196	0	191,104	0	0	191,104	191,104	O.K.
74 Depr., COE Operator	0	H16	0	0	0	0	0	0	0	O.K.
75 Depr., COE Transmission	317,296	H20	222,350	0	93,036	0	1,910	94,946	94,946	O.K.
76 Depr., IOT Equipment	0	H25	0	0	0	0	0	0	0	O.K.
77 Depr., C&W Facilities	1,121,195	H31	829,282	0	281,319	0	10,594	291,913	291,913	O.K.
78 Depr., PHFU	0	H38	0	0	0	0	0	0	0	O.K.
79										
80 Total Depreciation Expense	\$2,189,575		\$1,555,577	\$0	\$620,066	\$0	\$13,932	\$633,998	\$633,998	O.K.
81										
82 Amort., Tangible Assets	\$0	H40	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
83 Amort., Intangible Assets	0	H41	0	0	0	0	0	0	0	O.K.
84 Other Amortization	0	V189	0	0	0	0	0	0	0	O.K.
85 Direct Assigned Amort.	0	V190	0	0	0	0	0	0	0	O.K.
86										
87 Total Amortization Exp.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
88										
89 Total Depr. and Amort.	\$2,189,575		\$1,555,577	\$0	\$620,066	\$0	\$13,932	\$633,998	\$633,998	O.K.
90										
91 TOTAL NON-SPEC. OPER. EXP.	\$2,901,762		\$2,245,058	\$0	\$642,194	\$0	\$14,510	\$656,704	\$656,704	O.K.

MIDSTATE COMMUNICATIONS, INC.

Intrastate										
***** FCC PART 36 ***** Operating Expenses and Taxes	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)		
105	CUSTOMER OPERATIONS EXPENSE:									
106										
107	Marketing, Allocable	\$70,883	G35	\$53,943	\$0	\$16,577	\$0	\$363	\$16,940	O.K.
108	Marketing, Direct	0	V192	0	0	0	0	0	0	O.K.
109										
110	Total Marketing Expense	\$70,883		\$53,943	\$0	\$16,577	\$0	\$363	\$16,940	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	40,128	G19	32,864	0	7,264	0	0	7,264	O.K.
119	Foreign Directory	0	G46	0	0	0	0	0	0	O.K.
120										
121	Total Directory	\$40,128		\$32,864	\$0	\$7,264	\$0	\$0	\$7,264	O.K.
122										
123	Bus. Ofc., EU Presubscription	\$21,872	G36	\$21,872	\$0	\$0	\$0	\$0	\$0	O.K.
124	Bus. Ofc., EU MTS & WATS	41,409	G37	18,206	0	23,203	0	0	23,203	O.K.
125	Bus. Ofc., EU Access, P/L & all Other	156,356	G38	155,014	0	1,015	0	327	1,342	O.K.
126	Bus. Ofc., IXC Special Access	118	G39	113	0	0	0	5	5	O.K.
127	Bus. Ofc., IXC Switched Access	2,401	G40	1,540	0	861	0	0	861	O.K.
128	Bus. Ofc., IXC B & C Services	89	G41	31	0	58	0	0	58	O.K.
129	Coin Collect & Admin.	0	G42	0	0	0	0	0	0	O.K.
130										
131	Total Business Office	\$222,245		\$196,776	\$0	\$25,137	\$0	\$331	\$25,469	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	57,532	G44	38,576	0	18,922	0	35	18,956	O.K.
136	Cust. Serv., CABS	17,565	G45	8,783	0	8,783	0	0	8,783	O.K.
137	Cust. Serv., EU Common Line	3,030	V209	3,030	0	0	0	0	0	O.K.
138										
139	Total Customer Service	\$78,127		\$50,388	\$0	\$27,704	\$0	\$35	\$27,739	O.K.
140										
141	Total Bus. Ofc., Cust. Serv.	\$300,372		\$247,165	\$0	\$52,842	\$0	\$366	\$53,207	O.K.
142										

	(A)	(B)	(C)	(D)	Message Telephone Service			Private Line			TOTAL	
					Interstate and Other	InterLATA	IntraLATA	InterLATA	IntraLATA	InterLATA		IntraLATA
***** FCC PART 36 ***** Operating Expenses and Taxes												
156 Other Cust. Serv., Alloc.		\$34,771	H48	\$28,612	\$0	\$6,117	\$0	\$0	\$42	\$6,159	O.K.	
157 Other Cust. Serv., Direct		451	V211	451	0	0	0	0	0	0	O.K.	
158 Total Other Cust. Serv.		\$35,222		\$29,063	\$0	\$6,117	\$0	\$0	\$42	\$6,159	O.K.	
160 TOTAL CUSTOMER OPER. EXP.		\$446,605		\$363,034	\$0	\$82,800	\$0	\$0	\$771	\$83,571	O.K.	
162												
163												
164 "BIG-THREE" EXPENSES:												
165 Total Plt. Spec., ex Support		\$689,628	44	\$449,552	\$0	\$237,211	\$0	\$0	\$2,865	\$240,076	O.K.	
166 Total Network Oper. Exp.		80,552	68	57,846	0	22,128	0	0	579	22,706	O.K.	
167 Total Customer Operations		446,605	161	363,034	0	82,800	0	0	771	83,571	O.K.	
169 TOTAL "BIG THREE" EXPENSES		\$1,216,785		\$870,431	\$0	\$342,139	\$0	\$0	\$4,214	\$346,354	O.K.	
170												
171												
172 CORPORATE OPERATIONS EXPENSE:												
173												
174												
175 Exec. and Planning, Alloc.		\$184,595	H50	\$132,051	\$0	\$51,905	\$0	\$0	\$639	\$52,544	O.K.	
176 Exec. and Planning, Direct		0	V213	0	0	0	0	0	0	0	O.K.	
177 Total Exec. and Planning		\$184,595		\$132,051	\$0	\$51,905	\$0	\$0	\$639	\$52,544	O.K.	
179 Admin. & General, Allocable		\$245,174	H50	\$175,386	\$0	\$68,939	\$0	\$0	\$849	\$69,788	O.K.	
180 Admin. & General, Direct		66,064	V231	10,354	0	55,710	0	0	0	55,710	O.K.	
182 Total Admin. and Gen.		\$311,238		\$185,740	\$0	\$124,649	\$0	\$0	\$849	\$125,498	O.K.	
184 TOTAL CORPORATE OPERATIONS		\$495,833		\$317,791	\$0	\$176,554	\$0	\$0	\$1,489	\$178,042	O.K.	
186												
187 NON-INCOME TAXES:												
188												
189 Non-income Taxes, Allocable		\$0	H36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
190 Non-income Taxes, Direct		2,488	V233	815	0	1,673	0	0	0	1,673	O.K.	
192 Total Non-income Taxes		\$2,488		\$815	\$0	\$1,673	\$0	\$0	\$0	\$1,673	O.K.	
194												
195 TOTAL OPER. EXP. AND TAXES		\$4,599,520		\$3,421,637	\$0	\$1,157,794	\$0	\$0	\$20,088	\$1,177,883	O.K.	
196												

MIDSTATE COMMUNICATIONS, INC.

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	IntraLATA Revenue Requirement Summary	Part 36 IntraLATA Total	Source	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other
13	Net Investment	\$6,199,326	K52	\$3,645,912	\$968,705	\$0	\$1,405,930	\$0	\$178,779
14	Rate of Return	10.00%	B19	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
15	Return on Rate Base	\$619,933		\$364,591	\$96,870	\$0	\$140,593	\$0	\$17,878
17	AFUDC	(81,405)	N37	(45,045)	(15,101)	0	(19,004)	0	(2,255)
18	ITC Amortization	0	N37	0	0	0	0	0	0
19	Other Return Adjustments	0	Direct	0	0	0	0	0	0
21	Net Return	\$538,528		\$319,546	\$81,770	\$0	\$121,590	\$0	\$15,623
23	Interest Expense	173,900	N67	102,273	27,174	0	39,438	0	5,015
24	Capitalized Payroll Taxes	0	N37	0	0	0	0	0	0
25	Depreciation Adjustment	0	N37	0	0	0	0	0	0
26	Other Income Adjustments	0	Direct	0	0	0	0	0	0
27	After Tax Income	\$364,628		\$217,273	\$54,596	\$0	\$82,151	\$0	\$10,608
28	State Income Taxes	\$0	29	0	0	0	0	0	0
29	Federal Income Taxes	0	29	0	0	0	0	0	0
30	Operating Expenses and Taxes	1,177,883	O195	434,090	220,490	12,128	424,168	62,144	24,873
31	Uncollectibles	11,273	Direct	4,696	2,843	0	3,734	0	0
32	Other Revenue Adjustments	0	Direct	0	0	0	0	0	0
33	Basis for Gross Receipts Tax	1,797,816	16+31+32+33	798,682	317,360	12,128	564,751	62,144	42,751
34	Gross Receipts Tax	71,987	37	31,980	12,708	486	22,613	2,488	1,712
35	TOTAL REVENUE REQUIREMENT	\$1,799,671		\$790,312	\$317,810	\$12,614	\$572,095	\$64,632	\$42,208

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 ***** IntraLATA Investment 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 Land and Support Assets	\$789,724	L25	\$94,726	\$288,642	\$0	\$363,246	\$0	\$43,110	O.K.	
14										
15 Central Office Equipment	\$3,540,431	L70	\$533,560	\$1,625,822	\$0	\$1,355,625	\$0	\$25,425	O.K.	
16 Info. Term./Orig. Equipment	0	L78	0	0	0	0	0	0	O.K.	
17 Cable and Wire Facilities	5,990,403	L117	5,082,587	0	0	690,416	0	217,399	O.K.	
18										
19 Total COE, IOT, C&WF	\$9,530,834		\$5,616,147	\$1,625,822	\$0	\$2,046,041	\$0	\$242,824	O.K.	
20										
21 Total Tangible Assets	\$0	L141	\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
22										
23 Total Tele. Plt. ex Intang.	\$10,320,558		\$5,710,873	\$1,914,464	\$0	\$2,409,287	\$0	\$285,934	O.K.	
24 Total Intangible Assets	0	L144	0	0	0	0	0	0	O.K.	
25										
26 Total Plant In Service	\$10,320,558		\$5,710,873	\$1,914,464	\$0	\$2,409,287	\$0	\$285,934	O.K.	
27 Total Plt. 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	223,678	L164	123,772	41,492	0	52,217	0	6,197	O.K.	
30 Total Tel. Plt. Adjust.	0	L169	0	0	0	0	0	0	O.K.	
31										
32 TOTAL TELEPHONE PLANT	\$10,544,236		\$5,834,645	\$1,955,957	\$0	\$2,461,503	\$0	\$292,131	O.K.	
33										
34 less:										
35 Accum. Depr., Plt. in Serv.	4,435,673	M23	2,238,957	1,004,089	0	1,076,761	0	115,866	O.K.	
36 Accum. Depr. PHFU	0	M27	0	0	0	0	0	0	O.K.	
37 Accum. Amort. Tangible Plt.	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	\$6,108,563		\$3,595,688	\$951,868	\$0	\$1,384,742	\$0	\$176,265	O.K.	
46 plus:										
47 Class B RTB Stock	0	L171	0	0	0	0	0	0	O.K.	
48 Materials and Supplies	61,334	L173	33,939	11,378	0	14,318	0	1,699	O.K.	
49 Cash Working Capital	29,429	L175	16,285	5,459	0	6,870	0	815	O.K.	
50 Equal Access Investment	0	L177	0	0	0	0	0	0	O.K.	
51										
52 NET INVESTMENT	\$6,199,326		\$3,645,912	\$968,705	\$0	\$1,405,930	\$0	\$178,779	O.K.	
53										

MIDSTATE 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	\$769,603	N28	\$92,313	\$281,288	\$0	\$353,991	\$0	\$42,012	O.K.
21 Support Assets, Private Line	20,120	N28	2,413	7,354	0	9,255	0	1,098	O.K.
22									
23 Total Support Assets	\$789,724		\$94,726	\$288,642	\$0	\$363,246	\$0	\$43,110	O.K.
24									
25 Total Land and Supp. Assets	\$789,724		\$94,726	\$288,642	\$0	\$363,246	\$0	\$43,110	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	\$650,846	(G)	\$0	\$0	\$0	\$650,846	\$0	\$0	O.K.
35 Tandem Assigned	0	Direct	0	0	0	0	0	0	O.K.
36									
37 Total Tandem Switching	\$650,846		\$0	\$0	\$0	\$650,846	\$0	\$0	O.K.
38									
39 Local Switching	\$1,625,822	(E)	\$0	\$1,625,822	\$0	\$0	\$0	\$0	O.K.
40 Local Assigned	0	Direct	0	0	0	0	0	0	O.K.
41									
42 Total Local Switching	\$1,625,822		\$0	\$1,625,822	\$0	\$0	\$0	\$0	O.K.
43									
44 Total Switching	\$2,276,669		\$0	\$1,625,822	\$0	\$650,846	\$0	\$0	O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 *****		Part 36	Source or	Common	Local	Information	Common	Billing and	Other	
IntraLATA Investment		IntraLATA	Apportion	Line	Switching		Transport	Collection		
Detail		Total								
(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	533,560	(D)	533,560	0	0	0	0	0	O.K.
60	COE Exch. Line - PL etc.	21,650	(I)	0	0	0	0	0	21,650	O.K.
61	COE Exch. Line - Assigned	0	Direct	0	0	0	0	0	0	O.K.
62	COE Interexchange, Message	704,778	(G)	0	0	0	704,778	0	0	O.K.
63	COE Interexchange, PL	0	(I)	0	0	0	0	0	0	O.K.
64	COE Interexchange, Assigned	3,775	(G)	0	0	0	0	0	3,775	O.K.
65	COE H/R Message	0	(G)	0	0	0	0	0	0	O.K.
66	COE H/R Assigned	0	Direct	0	0	0	0	0	0	O.K.
67										
68	Total COE Transmission	\$1,263,763		\$533,560	\$0	\$0	\$704,778	\$0	\$25,425	O.K.
69										
70	Total Central Office Equip.	\$3,540,431		\$533,560	\$1,625,822	\$0	\$1,355,625	\$0	\$25,425	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										
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	\$206,232	(I)	\$0	\$0	\$0	\$0	\$0	\$206,232	O.K.
83	Exchange Message	5,082,587	(D)	5,082,587	0	0	0	0	0	O.K.
84	Exchange Assigned	0	Direct	0	0	0	0	0	0	O.K.
85										
86	Total Exchange Line C&WF	\$5,288,819		\$5,082,587	\$0	\$0	\$0	\$0	\$206,232	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										
91	Total Exchange Trunk C&WF	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
92										
93	Interexchange Message	\$690,416	(G)	\$0	\$0	\$0	\$690,416	\$0	\$0	O.K.
94	Interexchange PL, WATS	0	(I)	0	0	0	0	0	0	O.K.
95	Interexchange Assigned	11,167	(G)	0	0	0	0	0	11,167	O.K.
96										
97	Total Interexchange C&WF	\$701,583		\$0	\$0	\$0	\$690,416	\$0	\$11,167	O.K.

MIDSTATE 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	O.K.
112 H/R C&WF, WATS	0	(I)	0	0	0	0	0	0	O.K.
113 H/R C&WF, Assigned	0	Direct	0	0	0	0	0	0	O.K.
114									
115 Total Host/Remote C&WF	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
116									
117 Total Cable and Wire Facil.	\$5,990,403		\$5,082,587	\$0	\$0	\$690,416	\$0	\$217,399	O.K.
118									
119 TANGIBLE ASSETS:									
120									
121 Land and Support Leases	\$0	N28	0	0	0	0	0	0	O.K.
122									
123 COE Operator Leases	\$0	32	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
124 COE Tandem Switching Leases	0	34	0	0	0	0	0	0	O.K.
125 COE Local Switching Leases	0	39	0	0	0	0	0	0	O.K.
126 COE Transmission Leases	0	68	0	0	0	0	0	0	O.K.
127									
128 Total COE Leases	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
129									
130 IOT Equipment Leases	\$0	78	0	0	0	0	0	0	O.K.
131									
132 C&WF Leases	\$0	117	0	0	0	0	0	0	O.K.
133									
134 Total Capital Leases	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
135									
136 Leasehold Impr., Alloc.	\$0	N37	0	0	0	0	0	0	O.K.
137 Leasehold Impr., Direct	0	Direct	0	0	0	0	0	0	O.K.
138									
139 Total Leasehold Improvementsa	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
140									
141 Total Tangible Assets	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
142									
143									
144 TOTAL INTANGIBLE ASSETS	\$0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
145									
146									
147 PROPERTY HELD FOR FUTURE US	\$0	N46	0	0	0	0	0	0	O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 *****									
IntraLATA Investment Detail									
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
	Part 36 IntraLATA Total	Source or Apportion	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other	
161	PLANT UNDER CONSTRUCTION:								
162									
163	\$0	N46	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
164	223,678	N46	123,772	41,492	0	52,217	0	6,197	O.K.
165									
166	Total Plt. Under Const.		\$223,678	\$123,772	\$41,492	\$0	\$52,217	\$0	\$6,197 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	\$61,334	N37	\$33,939	\$11,378	\$0	\$14,318	\$0	\$1,699 O.K.
174									
175	CASH WORKING CAPITAL	\$29,429	N37	\$16,285	\$5,459	\$0	\$6,870	\$0	\$815 O.K.
176									
177	EQUAL ACCESS INVESTMENT	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0 O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 *****									
IntraLATA Reserves and Deferrals	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 ACCUM. DEPRECIATION, TPIS:									
14									
15 Support Assets	\$385,059	N28	\$46,187	\$140,738	\$0	\$177,114	\$0	\$21,020	O.K.
16 COE Switching	1,208,966	L44	0	863,351	0	345,615	0	0	O.K.
17 COE Operator	0	L32	0	0	0	0	0	0	O.K.
18 COE Transmission	511,996	L68	216,164	0	0	285,531	0	10,301	O.K.
19 IOT Equipment	0	L78	0	0	0	0	0	0	O.K.
20 Cable and Wire Facilities	2,329,653	L117	1,976,606	0	0	268,501	0	84,546	O.K.
21 Other Plant	0	N37	0	0	0	0	0	0	O.K.
22									
23 Total Accum. Depr., TPIS	\$4,435,673		\$2,238,957	\$1,004,089	\$0	\$1,076,761	\$0	\$115,866	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.	\$4,435,673		\$2,238,957	\$1,004,089	\$0	\$1,076,761	\$0	\$115,866	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 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	\$3,540,431	L70	\$533,560	\$1,625,822	\$0	\$1,355,625	\$0	\$25,425	O.K.
14	Info. Orig./Term. Eqpt.	0	L78	0	0	0	0	0	0	O.K.
15	C&W Facilities	5,990,403	L117	5,082,587	0	0	690,416	0	217,399	O.K.
16										
17	Total	\$9,530,834		\$5,616,147	\$1,625,822	\$0	\$2,046,041	\$0	\$242,824	O.K.
18	Factor	1.000000		0.589261	0.170586	0.000000	0.214676	0.000000	0.025478	O.K.
19										
20	Sum: Sw., Trans., Other	\$3,914,687	17	\$0	\$1,625,822	\$0	\$2,046,041	\$0	\$242,824	O.K.
21	Factor	1.000000		0.000000	0.415313	0.000000	0.522658	0.000000	0.062029	O.K.
22										
23	Central Office Equipment	\$3,540,431	L70	\$533,560	\$1,625,822	\$0	\$1,355,625	\$0	\$25,425	O.K.
24	Info. Orig./Term. Eqpt.	0	L78	0	0	0	0	0	0	O.K.
25	C&WF, Excl. Exch. Message	907,815	L117-83	0	0	0	690,416	0	217,399	O.K.
26										
27	Total	\$4,448,247		\$533,560	\$1,625,822	\$0	\$2,046,041	\$0	\$242,824	O.K.
28	Factor	1.000000		0.119948	0.365497	0.000000	0.459966	0.000000	0.054589	O.K.
29										
30	General Support Facilities	\$789,724	L25	\$94,726	\$288,642	\$0	\$363,246	\$0	\$43,110	O.K.
31	Central Office Equipment	3,540,431	13	533,560	1,625,822	0	1,355,625	0	25,425	O.K.
32	Info. Orig./Term. Eqpt.	0	14	0	0	0	0	0	0	O.K.
33	C&W Facilities	5,990,403	15	5,082,587	0	0	690,416	0	217,399	O.K.
34	Equal Access Investment	0	L177	0	0	0	0	0	0	O.K.
35										
36	Total	\$10,320,558		\$5,710,873	\$1,914,464	\$0	\$2,409,287	\$0	\$285,934	O.K.
37	Factor	1.000000		0.553349	0.185500	0.000000	0.233445	0.000000	0.027705	O.K.
38										
39	Sum: Com. Ln., Sw., Trans.	\$10,034,624	36	\$5,710,873	\$1,914,464	\$0	\$2,409,287	\$0	\$0	O.K.
40	Factor	1.000000		0.569117	0.190786	0.000000	0.240097	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	\$10,320,558	K26	\$5,710,873	\$1,914,464	\$0	\$2,409,287	\$0	\$285,934	O.K.
46	Factor	1.000000		0.553349	0.185500	0.000000	0.233445	0.000000	0.027705	O.K.

MIDSTATE COMMUNICATIONS, INC.

	(A) ***** FCC PART 69 ***** Apportionment Factors	(B) Part 36 IntraLATA Total	(C) Source	(D) Common Line	(E) Local Switching	(F) Information	(G) Common Transport	(H) Billing and Collection	(I) Other
60	Interstate Equiv. Factor	0.000000	Direct	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	O.K.
62		\$364,170	O171	\$91,507	\$41,722	\$8,004	\$169,449	\$46,518	O.K.
63	"BIG THREE" Expenses	1.000000		0.251277	0.114567	0.021979	0.465302	0.127737	0.019138
64	Factor								
65	Net Investment	\$6,199,326	J13	\$3,645,912	\$988,705	\$0	\$1,405,930	\$0	\$178,779
66	Factor	1.000000		0.588114	0.156260	0.000000	0.226788	0.000000	0.028838
67									0

MIDSTATE 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)	Total	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
13 PLANT SPEC. OPER. EXPENSE:									
14									
15 Network Support, Alloc.	\$0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
16 Network Support, Direct	0	Direct	0	0	0	0	0	0	O.K.
17									
18 Total Network Support Exp.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
19									
20 General Support, Alloc.	\$17,816	N30	\$2,137	\$6,512	\$0	\$8,195	\$0	\$973	O.K.
21 General Support, Direct	0	Direct	0	0	0	0	0	0	O.K.
22									
23 Total General Support Exp.	\$17,816		\$2,137	\$6,512	\$0	\$8,195	\$0	\$973	O.K.
24									
25 Central Office Eq., Alloc.	\$52,251	N31	\$7,875	\$23,995	\$0	\$20,007	\$0	\$375	O.K.
26 Central Office Eq., Direct	0	Direct	0	0	0	0	0	0	O.K.
27									
28 Total COE Exp.	\$52,251		\$7,875	\$23,995	\$0	\$20,007	\$0	\$375	O.K.
29									
30 Cust. Premises Equip.	\$0	L76	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
31 Other IOT	0	N43	0	0	0	0	0	0	O.K.
32 IOT Direct	0	Direct	0	0	0	0	0	0	O.K.
33									
34 Total IOT Exp.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
35									
36 Cable & Wire, Alloc.	\$68,598	N33	\$58,202	\$0	\$0	\$7,906	\$0	\$2,489	O.K.
37 Cable & Wire, Direct	119,227	Direct	0	0	0	119,227	0	0	O.K.
38									
39 Total C&WF Exp.	\$187,825		\$58,202	\$0	\$0	\$127,133	\$0	\$2,489	O.K.
40									
41 TOTAL PLT. SPEC. OPER. EXP.	\$257,892		\$68,214	\$30,506	\$0	\$155,335	\$0	\$3,837	O.K.
42									
43 TOTAL PLT. SPEC., ex SUPPORT	\$240,076		\$66,077	\$23,995	\$0	\$147,140	\$0	\$2,865	O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 ***** Operating Expenses and Taxes	Part 36	Apportion	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other	
	IntraLATA Total								
(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.	\$22,706	N18	\$13,380	\$3,873	\$0	\$4,874	\$0	\$579	O.K.
65 Network Operations, Direct	0	Direct	0	0	0	0	0	0	O.K.
66									
67 Total Network Oper. Exp.	\$22,706		\$13,380	\$3,873	\$0	\$4,874	\$0	\$579	O.K.
68									
69 Total Access Expenses	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
70									
71 Depr., Support Assets	\$56,034	L23	\$6,721	\$20,480	\$0	\$25,774	\$0	\$3,059	O.K.
72 Depr., COE Switching	191,104	L44	0	136,472	0	54,632	0	0	O.K.
73 Depr., COE Operator	0	L32	0	0	0	0	0	0	O.K.
74 Depr., COE Transmission	94,946	L68	40,086	0	0	52,950	0	1,910	O.K.
75 Depr., IOT Equipment	0	L78	0	0	0	0	0	0	O.K.
76 Depr., C&W Facilities	291,913	L117	247,675	0	0	33,644	0	10,594	O.K.
77 Depr., PHFU	0	L147	0	0	0	0	0	0	O.K.
78									
79 Total Depreciation Expense	\$633,998		\$294,483	\$156,952	\$0	\$167,000	\$0	\$15,563	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.	\$633,998		\$294,483	\$156,952	\$0	\$167,000	\$0	\$15,563	O.K.
89									
90 TOTAL NON-SPEC. OPER. EXP.	\$656,704		\$307,863	\$160,826	\$0	\$171,875	\$0	\$16,141	O.K.

MIDSTATE 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	\$16,940	N37	\$9,374	\$3,142	\$0	\$3,955	\$0	\$469	O.K.
107 Marketing, Direct	0	Direct	0	0	0	0	0	0	O.K.
108									
109 Total Marketing Expense	\$16,940		\$9,374	\$3,142	\$0	\$3,955	\$0	\$469	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	7,264	(F)	0	0	7,264	0	0	0	O.K.
118 Foreign Directory	0	Direct	0	0	0	0	0	0	O.K.
119									
120 Total Directory	\$7,264		\$0	\$0	\$7,264	\$0	\$0	\$0	O.K.
121									
122 Bus. Ofc., EU Presubscription	0	N40	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
123 Bus. Ofc., Reserved	0	(I)	0	0	0	0	0	0	O.K.
124 Bus. Ofc., EU Access PL & All Other	1,342	(H)	0	0	0	0	0	1,342	O.K.
125 Bus. Ofc., EU Message	23,203	(H)	0	0	0	0	23,203	0	O.K.
126 Bus. Ofc., EU Reserved	0	(I)	0	0	0	0	0	0	O.K.
127 Bus. Ofc., IX Special Access	5	(I)	0	0	0	0	0	5	O.K.
128 Bus. Ofc., IX Switched Access	861	N40	490	164	0	207	0	0	O.K.
129 Bus. Ofc., IX Billing and Collection	58	(H)	0	0	0	0	58	0	O.K.
130 Bus. Ofc., Coin Collection & Administr.	0	(D)	0	0	0	0	0	0	O.K.
131 Bus. Ofc., Reserved	0	(I)	0	0	0	0	0	0	O.K.
132									
133 Total Business Office	\$25,469		\$490	\$164	\$0	\$207	\$23,261	\$1,346	O.K.
134									
135 Cust. Serv., Msg. Process	\$0	(H)	0	0	0	0	0	0	O.K.
136 Cust. Serv., Other B&C	18,956	(H)	0	0	0	0	18,956	0	O.K.
137 Cust. Serv., CABS	8,783	N21	0	3,647	0	4,590	0	545	O.K.
138 Cust. Serv., EU Common Line	0	(H)	0	0	0	0	0	0	O.K.
139									
140 Total Customer Service	\$27,739		\$0	\$3,647	\$0	\$4,590	\$18,956	\$545	O.K.
141									
142 Total BO, CS, OS, Dir.	\$60,471		\$490	\$3,812	\$7,264	\$4,797	\$42,218	\$1,891	O.K.

MIDSTATE 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)		
158 Other Cust. Serv., Alloc.	\$6,159	142	\$50	\$388	\$740	\$489	\$4,300	\$193		O.K.
159 Other Cust. Serv., Direct	0	Direct	0	0	0	0	0	0		O.K.
160										
161 Total Other Cust. Serv.	\$6,159		\$50	\$388	\$740	\$489	\$4,300	\$193		O.K.
162										
163 TOTAL CUSTOMER OPER. EXP.	\$83,571		\$9,914	\$7,342	\$8,004	\$9,240	\$46,518	\$2,553		O.K.
164										
165 "BIG-THREE" EXPENSES:										
166										
167 Total Plt. Specific Exp.	\$257,892	41	\$68,214	\$30,506	\$0	\$155,335	\$0	\$3,837		O.K.
168 Total Plt Non-specific Exp.	22,706	62 + 67 +69	13,380	3,873	0	4,874	0	579		O.K.
169 Total Customer Operations	83,571	163	9,914	7,342	8,004	9,240	46,518	2,553		O.K.
170										
171 TOTAL "BIG THREE" EXPENSES	\$364,170		\$91,507	\$41,722	\$8,004	\$169,449	\$46,518	\$6,969		O.K.
172										
173 CORPORATE OPERATIONS EXPENSE:										
174										
175 Exec. and Planning, Alloc.	\$52,544	N64	\$13,203	\$6,020	\$1,155	\$24,449	\$6,712	\$1,006		O.K.
176 Exec. and Planning, Direct	0	Direct	0	0	0	0	0	0		O.K.
177										
178 Total Exec. and Planning	\$52,544		\$13,203	\$6,020	\$1,155	\$24,449	\$6,712	\$1,006		O.K.
179										
180 Admin. & General, Allocable	\$69,788	N64	\$17,536	\$7,995	\$1,534	\$32,472	\$8,914	\$1,336		O.K.
181 Admin. & General, Direct	55,710	Direct	16,409	7,481	1,435	30,385	0	0		O.K.
182										
183 Total Admin. and Gen.	\$125,498		\$33,945	\$15,476	\$2,969	\$62,857	\$8,914	\$1,336		O.K.
184										
185 TOTAL CORPORATE OPERATIONS	\$178,042		\$47,148	\$21,496	\$4,124	\$87,306	\$15,626	\$2,341		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	1,673	Direct	952	319	0	402	0	0		O.K.
191										O.K.
192										
193 Total Non-income Taxes	\$1,673		\$952	\$319	\$0	\$402	\$0	\$0		O.K.
194										
195 TOTAL OPER. EXP. AND TAXES	\$1,177,883		\$434,090	\$220,490	\$12,128	\$424,158	\$62,144	\$24,873		O.K.

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

COMPANY NAME MIDSTATE COMMUNICATIONS, INC.
 PERIOD ADDRESSED ENDING DECEMBER 31,2001 WITH KNOWN & MEASURABLE CHANGES
 RUN DATE AND TIME 17-Jun-2002 10:04:36 AM

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

***** FCC PART 36 *****	Intrastate											
	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)				
PLANT INVESTMENT DETAIL:												
21 Land, Allocable	0	---	---	---	---	---	---	---	---	---	---	---
22 Land, Direct	0	---	0	0	0	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	2,801,593	---	---	---	---	---	---	---	---	---	---	---
28 Buildings, Allocable	0	---	---	---	---	---	---	---	---	---	---	---
29 Buildings, Direct	0	---	0	0	0	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	0	0	0	0
37 CAT 2 Tandem Sw. Allocable	1,611,680	---	---	---	---	---	---	---	---	---	---	---
38 CAT 2 Tandem Sw. Direct	0	---	0	0	0	0	0	0	0	0	0	0
39 CAT 3 Local Sw. Allocable	4,967,999	---	---	---	---	---	---	---	---	---	---	---
40 CAT 3 Local Sw. Direct	0	---	0	0	0	0	0	0	0	0	0	0
41 CAT 4.12 Exchange Trunk	456,013	---	---	---	---	---	---	---	---	---	---	---
42 CAT 4.12 Exch. Tr. Direct	0	---	0	0	0	0	0	0	0	0	0	0
43 CAT 4.13 Exch. Ln. Msg., PL & WATS	2,203,951	---	---	---	---	---	---	---	---	---	---	---
44 Reserved	0	---	---	---	---	---	---	---	---	---	---	---
45 CAT 4.13 Direct	0	---	0	0	0	0	0	0	0	0	0	0
46 CAT 4.23 Message, PL & WATS	1,540,206	---	---	---	---	---	---	---	---	---	---	---
47 Reserved	0	---	---	---	---	---	---	---	---	---	---	---
48 CAT 4.23 Direct	23,123	---	19,348	0	0	0	0	3,775	3,775	3,775	3,775	3,775
49 CAT 4.3 H/R Message	0	---	---	---	---	---	---	---	---	---	---	---
50 CAT 4.3 WATS	0	---	0	0	0	0	0	0	0	0	0	0
51 CAT 4.3 Direct	0	---	0	0	0	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	0	0	0	0

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE COMMUNICATIONS, INC.
 ENDING DECEMBER 31,2001 WITH KNOWN & MEASURABLE CHANGES

***** FCC PART 36 *****		TOTAL COMPANY	Source/ Allocator	Intrastate						TOTAL INTRASTATE
				Interstate and Other	Message Telephone Service		Private Line			
					InterLATA	IntraLATA	InterLATA	IntraLATA		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
70	CAT 2 CP Equipment	0	---	0	0	0	0	0	0	
71	Reserved	0	---	---	---	---	---	---	---	
72	Reserved	0	---	---	---	---	---	---	---	
73	CAT 1.3 Joint Msg., Cat. 1.1 & 1.2 PL	20,994,417	---	---	---	---	---	---	---	
74	Other CAT 1 C&WF	0	---	0	0	0	0	0	0	
75	CAT 2 C&WF	423,321	---	---	---	---	---	---	---	
76	CAT 2 C&WF, Wideband	0	---	0	0	0	0	0	0	
77	CAT 3 Joint Message & PL/WATS	1,492,476	---	---	---	---	---	---	---	
78	Reserved	0	---	---	---	---	---	---	---	
79	CAT 3 Direct	98,030	---	86,863	0	0	0	11,167	11,167	
80	CAT 4 Message	0	---	---	---	---	---	---	---	
81	CAT 4 WATS	0	---	0	0	0	0	0	0	
82	CAT 4 Direct	0	---	0	0	0	0	0	0	
83	Allocable Support Leases	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	235,576	---	---	---	---	---	---	---	
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

MIDSTATE COMMUNICATIONS, INC.
 ENDING DECEMBER 31,2001 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	0	0	
125 TPUC -- Long Term, Alloc.	793,511	---	---	---	---	---	---	---	
126 TPUC -- Long Term, Direct	0	---	0	0	0	0	0	0	
127									
128 RESERVES AND DEFERRALS:									
129 Acc. Depr. Support Assets	1,366,021	---	---	---	---	---	---	---	
130 Acc. Depr. COE Switching	3,493,967	---	---	---	---	---	---	---	
131 Acc. Depr. COE Operator	0	---	---	---	---	---	---	---	
132 Acc. Depr. COE Transmission	1,711,008	---	---	---	---	---	---	---	
133 Acc. Depr. IOT Equipment	0	---	---	---	---	---	---	---	
134 Acc. Depr. Cable and Wire Facilities	8,947,849	---	---	---	---	---	---	---	
135 Acc. Depr. Other Plant	0	---	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	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	0	
146									
147 OPERATING EXPENSES AND TAXES:									
148 Network Support, Alloc.	0	---	---	---	---	---	---	---	
149 Network Support, Direct	0	---	0	0	0	0	0	0	
150 General Support, Alloc.	63,204	---	---	---	---	---	---	---	
151 General Support, Direct	0	---	0	0	0	0	0	0	
152 Central Office Eq., Alloc.	159,435	---	---	---	---	---	---	---	
153 Central Office Eq., Direct	0	---	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	0	
158 Cable & Wire, Alloc.	263,474	---	---	---	---	---	---	---	
159 Cable & Wire, Direct	266,719	---	147,492	0	119,227	0	0	119,227	

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE COMMUNICATIONS, INC.
 ENDING DECEMBER 31,2001 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. Plt. and Equip., Alloc.	0	---	---	---	---	---	---	---
177	Oth. Plt. and Equip., Direct	0	---	0	0	0	0	0	0
178	Network Operations, Alloc.	80,552	---	---	---	---	---	---	---
179	Network Operations, Direct	0	---	0	0	0	0	0	0
180	Total Access Expense	631,635	---	631,635	0	0	0	0	0
181	Depr., Support Assets	198,784	---	---	---	---	---	---	---
182	Depr., COE Switching	552,300	---	---	---	---	---	---	---
183	Depr., COE Operator	0	---	---	---	---	---	---	---
184	Depr., COE Transmission	317,296	---	---	---	---	---	---	---
185	Depr., IOT Equipment	0	---	---	---	---	---	---	---
186	Depr., C&W Facilities	1,121,195	---	---	---	---	---	---	---
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	70,883	---	---	---	---	---	---	---
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	40,128	---	---	---	---	---	---	---
197	Foreign Directory	0	---	---	---	---	---	---	---
198	Bus. Ofc., EU Presubscription	21,872	---	---	---	---	---	---	---
199	Bus. Ofc., EU MTS & WATS	41,409	---	---	---	---	---	---	---
200	Bus. Ofc., EU Access, P/L & all Other	156,356	---	---	---	---	---	---	---
201	Bus. Ofc., IXC Special Access	118	---	---	---	---	---	---	---
202	Bus. Ofc., IXC Switched Access	2,401	---	---	---	---	---	---	---
203	Bus. Ofc., IXC B & C Services	89	---	---	---	---	---	---	---
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	57,532	---	---	---	---	---	---	---
208	Cust. Serv., CABS	17,565	---	---	---	---	---	---	---
209	Cust. Serv., EU Common Line	3,030	---	3,030	0	0	0	0	0
210	Other Cust. Serv., Alloc.	34,771	---	---	---	---	---	---	---
211	Other Cust. Serv., Direct	451	---	451	0	0	0	0	0
212	Exec. and Planning, Alloc.	184,595	---	---	---	---	---	---	---
213	Exec. and Planning, Direct	0	---	0	0	0	0	0	0

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE COMMUNICATIONS, INC.
 ENDING DECEMBER 31,2001 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	245,174	---	---	---	---	---	---	---	
231	Admin. & General, Direct	66,064	---	10,354	0	55,710	0	0	55,710	
232	Non-income Taxes, Allocable	0	---	---	---	---	---	---	---	
233	Non-income Taxes, Direct	2,488	---	815	0	1,673	0	0	1,673	
234										
235	OTHER INCOME STATEMENT:									
236	State Income Tax Rate	0.00%	---	---	---	---	---	---	---	
237	Federal Income Tax Rate	0.00%	---	---	---	---	---	---	---	
238	Gross Receipts Tax Rate	4.00%	---	---	---	---	---	---	---	
239	Rate of Return	10.00%	---	---	---	---	---	---	---	
240	AFUDC	(288,788)	---	---	---	---	---	---	---	
241	ITC Amortization	0	---	---	---	---	---	---	---	
242	Other Return Adjustments	0	---	0	0	0	0	0	0	
243	Contributions	0	---	---	---	---	---	---	---	
244	Interest Expense	623,099	---	---	---	---	---	---	---	
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	
249	Uncollectibles	23,866	---	12,593	0	11,273	0	0	11,273	
250	Other Revenue Adjustments	0	---	0	0	0	0	0	0	
251	Other Revenue Taxes	0	---	0	0	0	0	0	0	
252										

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

 MIDSTATE COMMUNICATIONS, INC.
 ENDING DECEMBER 31, 2001 WITH KNOWN & MEASURABLE CHANGES

	TOTAL COMPANY (B)	Source/ Allocator (C)	Other (D)	Interstate		Private Line		TOTAL INTRASTATE	
				Interstate		Private Line		TOTAL INTRASTATE	
				InterLATA (E)	IntraLATA (F)	InterLATA (G)	IntraLATA (H)	InterLATA (I)	IntraLATA (J)
271 Working Loops	5,090	---	111	0	0	0	0	0	50
272 Equivalent Interexchange Cct. Miles	63,414	---	0	0	0	0	0	0	0
273 Interexchange Circuit Terminations	1,191	---	0	0	0	0	0	0	0

CONFIDENTIAL

|

South Dakota Public Utilities Commission
WEEKLY FILINGS
For the Period of June 13, 2002 through June 19, 2002

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact
Delaine Kolbo within five business days of this report. Phone: 605-773-3705 Fax: 605-773-3809

CONSUMER COMPLAINTS

CT02-019 In the Matter of the Complaint filed by Eileen Nelson, Sioux Falls, South Dakota,
against McLeodUSA Telecommunications Services, Inc. Regarding a Billing Dispute.

Complainant states that she signed up for McLeod service but the service was not connected in a timely manner and she was billed for monthly service when McLeod was not her provider. McLeod informed her that she would be receiving a \$20.00 check for the connection fee. Complainant never received the check. Complainant also states that her long distance rates are incorrect. Complainant feels McLeod owes her compensation for all the stress she has had to endure over this situation and that she has not been compensated for the billing mistakes.

Staff Analyst: Mary Healy
Staff Attorney: Kelly Frazier
Date Docketed: 06/14/02
Intervention Deadline: N/A

CT02-020 In the Matter of the Complaint filed by Bruce Olson, Rapid City, South Dakota,
against AT&T Communications of the Midwest, Inc. Regarding Unauthorized Billing
for Services.

Complainant states that he is being billed for collect calls that were not accepted in his home. Complainant requests that all charges be removed and that he receive a letter of apology from AT&T admitting to the billing error.

Staff Analyst: Mary Healy
Staff Attorney: Karen Cremer
Date Docketed: 06/14/02
Intervention Deadline: N/A

CT02-021 In the Matter of the Complaint filed by Christopher A. Cutler on behalf of
Recreational Adventures Co., Hill City, South Dakota, against AT&T
Communications of the Midwest, Inc. Regarding Failure to Provide Service.

Christopher Cutler states that in March 2002, Complainant entered into an agreement with AT&T to receive Fragmented T1 service. On more than one occasion, the AT&T representative assured the Complainant that AT&T could provide this service. Complainant has now been informed that AT&T can not provide the Fragmented T1 service. Complainant states that they have invested more than \$150,000.00 in their business to utilize the Fragmented T1 service. Complainant requests that AT&T provide the Fragmented T1 service that it stated it could provide. If the service cannot be provided, Complainant would be willing to negotiate a settlement with AT&T for the expenses the Complainant has incurred. Complainant feels that AT&T should put forth some form of effort to resolve this complaint.

Staff Analyst: Mary Healy
Staff Attorney: Karen Cremer
Date Docketed: 06/17/02
Intervention Deadline: N/A

CT02-022 In the Matter of the Complaint filed by Mark & Sue Cichos, Pierre, South Dakota,
against UKI Communications, Inc. Regarding Unauthorized Switching of Services.

Complainant states that service was never authorized. Complainant feels that as a provider of service in South Dakota, UKI should be aware of the laws and rules regarding switching a consumer's telephone service. Complainant requests \$1,000.00 as allowed by SD Law 49-31-93.

Staff Analyst: Mary Healy
Staff Attorney: Karen Cremer
Date Docketed: 06/19/02
Intervention Deadline: N/A

TELECOMMUNICATIONS

TC01-163 In the Matter of the Application of BAK Communications, LLC for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

BAK Communications, LLC was issued a Certificate of Authority January 31, 2002, with restrictions from offering prepaid calling cards. BAK Communications, LLC is requesting that the restrictions be removed from its Certificate of Authority. The company has submitted a \$25,000 surety bond in lieu of the restrictions.

Staff Analyst: Michele Farris
Staff Attorney: Kelly Frazier
Date Filed: 06/14/02
Intervention Deadline: 07/05/02

TC02-059 In the Matter of the Application of Wholesale Carrier Services, Inc. for a Certificate of Authority to Provide Interexchange Telecommunications Services in South Dakota.

Wholesale Carrier Services, Inc. has filed an application with the South Dakota Public Utilities Commission for a Certificate of Authority to provide interexchange service in South Dakota. The applicant intends to provide resold interexchange services, including 1+ and 101XXXX outbound dialing, 800/888 toll-free inbound dialing, directory assistance, data services, travel card service, and prepaid calling card service throughout South Dakota.

Staff Analyst: Michele Farris
Staff Attorney: Kelly Frazier
Date Docketed: 06/13/02
Intervention Deadline: 07/05/02

TC02-060 In the Matter of the Filing for Approval of an Agreement for Terms and Conditions for Interconnection, Unbundled Network Elements, Ancillary Services and Resale of Telecommunications Services between Qwest Corporation and Level 3 Communications, LLC

On June 17, 2002, the Commission received for approval a filing of an Agreement for Terms and Conditions for Interconnection, Unbundled Network Elements, Ancillary Services and Resale of Telecommunications Services between Qwest Corporation (Qwest) and Level 3 Communications, LLC (Level 3). According to the parties, the agreement is a negotiated agreement which sets forth the terms, conditions and prices under which Qwest will offer and provide to any requesting CLEC network interconnection, access to unbundled network elements, ancillary services and telecommunications services available for resale. The Agreement is limited to the geographical areas in which Qwest is the incumbent local exchange carrier within the State of South Dakota for purposes of providing local telecommunications services. Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than July 8, 2002. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier
Date Docketed: 06/17/02
Initial Comments Due: 07/08/02

TC02-061 In the Matter of the Filing for Approval of a Resale Agreement between Qwest Corporation and Houlton Enterprises, Inc. d/b/a Guaranteed Phone Service

On June 17, 2002, the Commission received a filing for approval of a Resale Agreement between Qwest Corporation (Qwest) and Houlton Enterprises, Inc. d/b/a Guaranteed Phone Service. According to the parties, the Agreement is a negotiate agreement which sets forth the terms, conditions and prices under which Qwest agrees to provide unbundled network element platform and/or services for resale to Guaranteed Phone Service for the sole purpose of providing telecommunications services. Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than July 8, 2002. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier
Date Docketed: 06/17/02
Initial Comments Due: 07/08/02

TC02-062 In the Matter of the Petition of Dakota Community Telephone, Inc. and McLeodUSA Telecom Development, Inc. for Approval of the Transfer of its Stock to PrairieWave Communications, Inc.

On June 17, 2002, Dakota Community Telephone, Inc. and McLeodUSA Telecom Development, Inc. (collectively, Petitioners), request Commission approval of a transaction whereby the stock of the Petitioners will be acquired by PrairieWave Communications, Inc. Contemporaneous with the closing of this transaction, Petitioners will file with the Secretary of State to change the names of Dakota Community Telephone, Inc. to PrairieWave Community Telephone, Inc. and McLeodUSA Telecom Development, Inc. to PrairieWave Telecommunications, Inc.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 06/17/02
Intervention Deadline: 07/05/02

TC02-063 In the Matter of the Filing by Essex Communications, Inc. d/b/a eLEC Communications for Approval of Relief of Certification Requirement to Post Surety Bond.

In an Order dated January 10, 2001, the Commission granted Essex Communications, Inc. d/b/a eLEC Communications (Essex) authority to provided interexchange and local exchange telecommunications services in South Dakota, subject to a continuous \$25,000 surety bond. On June 18, 2002, the Commission received a filing from Essex requesting relief from the Commission's bond requirement.

Staff Analyst: Keith Senger
Staff Attorney: Kelly Frazier
Date Docketed: 06/18/02
Intervention Deadline: 07/05/02

TC02-064 In the Matter of the Establishment of Switched Access Revenue Requirement for Sully Buttes Telephone Cooperative, Inc.

On June 18, 2002, Sully Buttes Telephone Cooperative, Inc., filed a switched access cost study developing a revenue requirement and minutes of use that are included in the revenue requirement and minutes of use used to determine the switched access rates for the Local Exchange Carrier Association.

Staff Analyst: Heather Forney
Staff Attorney: Karen Cremer
Date Docketed: 06/18/02
Intervention Deadline: 07/05/02

TC02-065 In the Matter of the Establishment of Switched Access Revenue Requirement for Splitrock Properties, Inc.

Splitrock Properties, Inc., Garretson, South Dakota, filed a switched access cost study developing a revenue requirement and minutes of use that are included in the revenue requirement and minutes of use used to determine the switched access rates for the Local Exchange Carrier Association.

Staff Analyst: Keith Senger
Staff Attorney: Karen Cremer
Date Docketed: 06/18/02
Intervention Deadline: 07/05/02

TC02-066 In the Matter of the Establishment of Switched Access Revenue Requirement for Splitrock Telecom Cooperative, Inc.

Splitrock Telecom Cooperative, Inc., Garretson, South Dakota, filed a switched access cost study developing a revenue requirement and minutes of use that are included in the revenue requirement and minutes of use used to determine the switched access rates for the Local Exchange Carrier Association.

Staff Analyst: Keith Senger
Staff Attorney: Karen Cremer
Date Docketed: 06/18/02
Intervention Deadline: 07/05/02

TC02-067 In the Matter of the Establishment of Switched Access Revenue Requirement for Midstate Communications, Inc.

On June 19, 2002, Midstate Communications, Inc., Kimball, South Dakota, filed a switched access cost study developing a revenue requirement and minutes of use that are included in the revenue requirement and minutes of use used to determine the switched access rates for the Local Exchange Carrier Association.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 06/19/02
Intervention Deadline: 07/05/02

TC02-068 In the Matter of the Establishment of Switched Access Revenue Requirement for McCook Cooperative Telephone Company.

On June 19, 2002, McCook Cooperative Telephone Company filed a switched access cost study developing a revenue requirement and minutes of use that are included in the revenue requirement and minutes of use used to determine the switched access rates for the Local Exchange Carrier Association.

Staff Analyst: Heather Forney
Staff Attorney: Karen Cremer
Date Docketed: 06/19/02
Intervention Deadline: 07/05/02

BARKER WILSON REYNOLDS & BURKE
L A W Y E R S

4200 BEACH DRIVE
P.O. BOX 9335
RAPID CITY, SD 57709-9335
605.343.6400 • FAX: 605.343.4841

117 5TH AVENUE
P.O. BOX 100
BELLE FOURCHE, SD 57717-0100
605.892.2743 • FAX: 605.892.4273

REPLY TO: BELLE FOURCHE OFFICE

July 3, 2002

VIA OVERNIGHT MAIL

RECEIVED

JUL 05 2002

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

Debra Elofson
Executive Director
Public Utilities Commission
State Capitol
500 East Capitol
Pierre, SD 57501

Re: S&S Communciations v. Sully Buttes Telephone Cooperative, Inc. TC02-064
S&S Communications v. Splitrock Properties, Inc. TC02-065
S&S Communications v. Splitrock Telecom Cooperative, Inc. TC02-066
S&S Communications v. Midstate Communications, Inc. TC02-067
S&S Communications v. McCook Cooperative Telephone Company TC02-068

Dear Debra:

Enclosed please find the original and ten copies of each of the following listed documents for filing in the above-referenced matters:

1. In the Matter of the Establishment of Switched Access Revenue Requirement for Sully Buttes Telephone Cooperative, Inc. - S&S Communications' Petition to Intervene;
2. In the Matter of the Establishment of Switched Access Revenue Requirement for Splitrock Properties, Inc. - S&S Communications' Petition to Intervene;
3. In the Matter of the Establishment of Switched Access Revenue Requirement for Splitrock Telecom Cooperative, Inc. - S&S Communications' Petition to Intervene;
4. In the Matter of the Establishment of Switched Access Revenue Requirement for Midstate Communications, Inc. - S&S Communications' Petition to Intervene;
and,
5. In the Matter of the Establishment of Switched Access Revenue Requirement for McCook Cooperative Telephone Company - S&S Communications' Petition to Intervene.

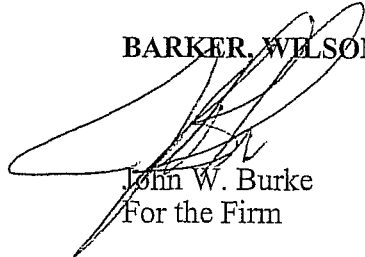
By copies of this letter, copies of the same are being served upon the opposing parties via first class mail.

If you have any questions, please feel free to give me a call at any time.

Best regards.

Sincerely,

BARKER, WILSON, REYNOLDS & BURKE, L.L.P.

A handwritten signature in black ink, appearing to read "John W. Burke", is written over the typed name. The signature is stylized and somewhat cursive.

John W. Burke
For the Firm

JWB/bb

Enclosures

cc: S&S Communications
Don Lee
Randy Houdek
Don Snyders
Mark Benton
Brian Roth

RECEIVED

JUL 05 2002

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

TC02-067

**IN THE MATTER OF THE ESTABLISHMENT OF
SWITCHED ACCESS REVENUE REQUIREMENT
FOR MIDSTATE COMMUNICATIONS, INC.**

)
)
)
)
)
)
)
)

**S&S COMMUNICATIONS'
PETITION TO INTERVENE**

COMES NOW S&S Communications, by and through its attorney, John W. Burke, and, in accordance with A.R.S.D. 20:10:01:15.02, hereby moves the Commission for leave to intervene in the above-captioned matter. This Petition is based upon the following.

1. S&S Communications is a switch-based interexchange carrier located in Aberdeen, South Dakota. S&S Communications provides both intra and interstate message telecommunications services to its subscribers.

2. To provide intrastate message telecommunications services to its subscribers, S&S Communications requires the following switched access services from the Rural Local Exchange Carriers in South Dakota ("RLECs"): (1) Carrier Common Line Access Service (originating and terminating); (2) Local Switching (originating and terminating); and (3) Local Transport (originating and terminating). The RLECs necessarily includes Midstate Communications, Inc.

3. Because S&S Communications purchases switched access services from Midstate Communications, Inc., any increase in the rates of such services will directly and immediately affect the pecuniary interests of S&S Communications as it will naturally affect S&S Communications' operating expenses.

4. Tariff filings, including charges for switched access services, always raise important and complex issues which should not be resolved without a careful and thorough

investigation. For example, there may be certain costs included that are ineligible because they have already been recovered, or are being recovered through other mechanisms.

5. In addition to the fact that the Commission's decision will directly and immediately affect the pecuniary interests of S&S Communications, the Commission's decision will directly and immediately affect the customers of switched access services in general.

WHEREFORE, S&S Communications respectfully requests leave to intervene in the above-captioned matter.

Dated this 3rd day of July, 2002.

BARKER, WILSON, REYNOLDS & BURKE, L.L.P.
Attorneys for S&S Communications

By: 

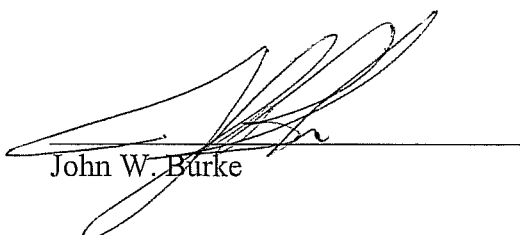
John W. Burke
117 5th Avenue
P.O. Box 100
Belle Fourche, SD 57717-0100
Tel: (605) 723-8000
Fax: (605) 723-8010

CERTIFICATE OF SERVICE

I, John W. Burke, hereby certify that on the 3rd day of July, 2002, I caused a copy of the foregoing **S&S COMMUNICATIONS' PETITION TO INTERVENE** to be served upon:

Don Lee, Director of Settlements
Martin Group, Inc.
1515 North Sanborn Boulevard
Mitchell, SD 57301-1021

Mark Benton, Manager
Midstate Communications, Inc.
P.O. Box 48
Kimball, SD 57355


John W. Burke

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE ESTABLISHMENT)	ORDER GRANTING
OF SWITCHED ACCESS REVENUE)	PETITION TO INTERVENE;
REQUIREMENT FOR MIDSTATE)	ORDER ASSESSING FILING
COMMUNICATIONS, INC.)	FEE
)	TC02-067

On June 19, 2002, Midstate Communications, Inc. (Midstate) filed for approval by the Public Utilities Commission (Commission) its 2001 Intrastate Switched Access Cost Study.

On June 20, 2002, the Commission electronically transmitted notice of the filing and the intervention deadline of July 5, 2002, to interested individuals and entities. On July 5, 2002, the Commission received a Petition to Intervene from S&S Communications (S&S).

SDCL 49-31-12.6 authorizes the Commission to require a deposit of up to one hundred thousand dollars (\$100,000) in the South Dakota Public Utilities Commission's (SDPUC) regulatory assessment fee fund to defray Commission expenses incident to analyzing and ruling upon this type of filing.

The Commission has jurisdiction over this matter pursuant to SDCL 1-26-17.1, 49-1A-9, 49-31-12.6, 49-31-18, 49-31-19 and ARSD 20:10:01:15.02, 20:10:01:15.05, 20:10:27:07 and 20:10:27:08.

On July 9, 2002, at its regularly scheduled meeting, the Commission found that S&S' Petition to Intervene was timely filed and demonstrates good cause to grant intervention. Further, the Commission, pursuant to SDCL 49-31-12.6, unanimously voted to assess Midstate a \$1,000 filing fee, subject to additional amounts as requested by the Executive Director up to the statutory limit of \$100,000. It is therefore

ORDERED, that S&S' Petition to Intervene is granted; and it is further

ORDERED, that Midstate shall deposit an initial assessment of \$1,000 in the SDPUC regulatory assessment fee fund and shall deposit any additional amounts as requested by the Executive Director up to the statutory limit of \$100,000.

Dated at Pierre, South Dakota, this 26th day of July, 2002.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u><i>Neelaine Kaelbo</i></u>
Date: <u><i>8/1/02</i></u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Robert K. Sahr
ROBERT K. SAHR, Commissioner

August 9, 2002

RECEIVED
AUG 12 2002
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Ms. Deb Elofson
Executive Director
Public Utilities Commission
State of South Dakota
500 East Capitol
Pierre, SD 57501

Dear Ms. Elofson:

On behalf of Midstate Communications, Inc., Martin Group, Inc. requests confidentiality for any and all information provided to the South Dakota Public Utilities Commission (PUC) pertaining to Docket TC02-067.

In accordance with rules ARSD 20:10:01:39 through 20:10:01:45(1), we request all information filed concerning Docket TC02-067 be considered confidential including, but not limited to, the following:

- The actual Part 36/69 separations run, which reflects revenue requirements as well as access rates, including tariff exhibit.
- Trial balance – financial information.
- General ledger – including detail of each account analysis.
- All cost study plant and expense summary pages, including adjustments and associated work papers.
- All plant facility information and analysis including central office equipment, cable and wire facilities, loop and circuit counts.
- Any depreciation expense analysis.
- Any commercial expense analysis.
- Access minutes of use information.
- Development of traffic allocation factors.
- Any correspondence transmittal letters which include responses to questions concerning the filing, which are directed to the South Dakota Public Utilities Commission with reference to the Midstate Communications, Inc. TC02-067, tariff filing.
- Any and all responses to PUC staff data requests.

This request applies to any previously sent information provided to the South Dakota Public Utilities Commission as well as any forthcoming information to be provided to the South Dakota Public Utilities Commission which pertains to this particular filing.

In accordance with rule ARSD 20:10:01:41(2)

It is requested that the aforementioned information maintain confidentiality status for a five-year time frame.

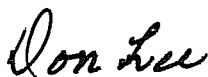
In accordance with rule ARSD 20:10:01:41(3)

The contact for the confidentiality request is as follows:

Don Lee
General Manager, Business Services
Martin Group, Inc.
1515 North Sanborn Boulevard
Mitchell, SD 57301
(605) 995-2573

If you should have any questions regarding the information provided, please feel free to contact me at (605) 995-2573.

Sincerely,
Martin Group, Inc.



Don Lee *by DLS*
General Manager, Business Services

DL/JH

cc: Mr. Harlan Best, Utility Analyst, South Dakota Public Utilities Commission
Ms. Heather Forney, Utility Analyst, South Dakota Public Utilities Commission
Mr. Keith Senger, Utility Analyst, South Dakota Public Utilities Commission
Mr. Mark Benton, Manager, Midstate Communications, Inc.

RECEIVED

AUG 26 2002

BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF SOUTH DAKOTA

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

IN THE MATTER OF THE ESTABLISH-
MENT OF SWITCHED ACCESS REVE-
NUE REQUIREMENT FOR MIDSTATE
COMMUNICATIONS, INC.

Docket No. TC02-067

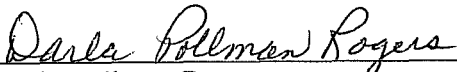
NOTICE OF APPEARANCE AND
REQUEST FOR SERVICE

NOTICE OF APPEARANCE AND
REQUEST FOR SERVICE OF DOCUMENTS

NOTICE IS HEREBY GIVEN that Darla Pollman Rogers, of Meyer & Rogers, P. O. Box 1117, Pierre, South Dakota 57501, hereby appears on behalf of MID-STATE COMMUNICATIONS, INC. in the above-entitled docket for all purposes allowed by the rules.

You are requested to serve copies of any and all documents filed in said docket on the undersigned.

DATED this 26th day of August, 2002.



Darla Pollman Rogers
Meyer & Rogers
P. O. Box 1117
Pierre, South Dakota 57501
Attorney for MIDSTATE

RECEIVED

SEP 06 2002

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

TC02-0687

IN THE MATTER OF THE ESTABLISHMENT OF
SWITCHED ACCESS REVENUE REQUIREMENT
FOR MIDSTATE COMMUNICATIONS INC.

)
)
)
)
)
)
)
)
)
)

**S&S COMMUNICATIONS'
REQUEST FOR ACCESS
TO CONFIDENTIAL
INFORMATION**

COMES NOW S&S Communications, by and through its attorney, John W. Burke, and,
in accordance with A.R.S.D. 20:10:01:43, hereby requests access to confidential information.

This request is based upon the following.

1. The South Dakota Public Utilities Commission granted S&S Communications' request to intervene in the above-captioned matter.

2. On July 26, 2002, S&S Communications served Intervenor's Discovery Requests, which included requests for the following:

REQUEST NO. 1: Please provide copies, as well as an electronic version of, any and all documents that you submitted and/or provided to the South Dakota Public Utilities Commission in connection with this matter, including, but not limited to, any switched access cost study(ies).

REQUEST NO. 2: Please provide copies, as well as an electronic version of, any and all documents that support and/or provide foundation for, any switched access cost study that you submitted and/or provided to the South Dakota Public Utilities Commission in connection with this matter.

REQUEST NO. 3: Please provide copies, as well as an electronic version of, any and all documents that you submitted and/or provided to the South Dakota Public Utilities Commission in response to any and all data requests issued by the South Dakota Public Utilities Commission subsequent to the commencement of this matter.

3. Thirty-one days after the above-referenced Requests had been served, Midstate Communications, Inc. responded to the above Requests as follows:

(Response to REQUEST NO. 1):

Midstate objects to this Request. Reasons for Objection: Midstate objects to providing the requested information to Intervenor at this time because said information has been submitted to the Commission as proprietary in nature and constituting trade secrets of the company, pursuant to the Commission's confidentiality rules. Accordingly, said information is not subject to discovery outside of the procedures set forth in said rules.

(Response to REQUEST NO. 2):

Midstate objects to this request. Reasons for Objection: (1) The request is overly broad, vague, and production as requested would be unduly burdensome and work a hardship on Midstate; (2) the information requested goes beyond what is of record in this docket; and (3) some or all of the documents that support the switched access cost study may be proprietary in nature and constitute trade secrets of Midstate, and there is no protective order in place to protect the proprietary nature of these documents. Prior to discovery of such information, the Commission's confidentiality rules would need to be followed.

(Response to REQUEST NO. 3):

Midstate objects to this request. Reasons for Objection: Midstate objects to providing the requested information to Intervenor at this time because said information has been submitted to the Commission as proprietary in nature and constituting trade secrets of the company, pursuant to the Commission's confidentiality rules. Accordingly, said information is not subject to discovery outside of the procedures set forth in said rules.

4. Any increase of the rates charged for switched access services will directly and immediately affect the pecuniary interests of S&S Communications as it will naturally affect S&S Communications' operating expenses. However, without access to the above-described documents, S&S Communications cannot meaningfully participate in this important proceeding.

WHEREFORE, S&S Communications respectfully requests access to the above-described documents which are claimed to be confidential information.

Dated this 4th day of September, 2002.

BARKER, WILSON, REYNOLDS & BURKE, L.L.P.
Attorneys for S&S Communications

By: 

John W. Burke
117 5th Avenue
P.O. Box 100
Belle Fourche, SD 57717-0100
Tel: (605) 723-8000
Fax: (605) 723-8010

CERTIFICATE OF SERVICE

I, John W. Burke, hereby certify that on the 4th day of September, 2002, I caused a copy of the foregoing **S&S COMMUNICATIONS' REQUEST FOR ACCESS TO CONFIDENTIAL INFORMATION** to be served upon:

Darla Pollman Rogers
Meyer & Rogers
P.O. Box 1117
Pierre, SD 57501


John W. Burke

BARKER WILSON REYNOLDS & BURKE
LAWYERS

www.courtroomcounselors.com

4200 BEACH DRIVE
P.O. Box 9335
RAPID CITY, SD 57709-9335
605.718.8000 • FAX: 605.718.8010

211 ZINNIA STREET
P.O. Box 100
BELLE FOURCHE, SD 57717-0100
605.723.8000 • FAX: 605.723.8010

REPLY TO: BELLE FOURCHE OFFICE

September 4, 2002

RECEIVED

SEP 06 2002

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

Debra Elofson
Executive Director
Public Utilities Commission
State Capitol
500 East Capitol
Pierre, SD 57501

Re: S&S Communciations' Request for Access to Confidential Information

Dear Debra:

Enclosed please find the original and ten copies of each of *S&S Communications' Request for Access to Confidential Information* regarding the following for filing in the above-referenced matter.

1. In the Matter of the Establishment of Switched Access Revenue Requirement for Baltic Telecom Cooperative - TC02-071;
2. In the Matter of the Establishment of Switched Access Revenue Requirement for Beresford Municipal Telephone Company - TC02-080;
3. In the Matter of the Establishment of Switched Access Revenue Requirement for Bridgewater-Canistota Independent Telephone Company - TC02-078;
4. In the Matter of the Establishment of Switched Access Revenue Requirement for Brookings Municipal Telephone Company- TC02-076;
5. In the Matter of the Establishment of Switched Access Revenue Requirement for East Plains Telecom, Inc. - TC02-072;
6. In the Matter of the Establishment of Switched Access Revenue Requirement for Fort Randall Telephone Company and Mt. Rushmore Telephone Company - TC02-086;
7. In the Matter of the Establishment of Switched Access Revenue Requirement for Interstate Telecommunication Cooperative, Inc. - TC02-053;
8. In the Matter of the Establishment of Switched Access Revenue Requirement for Kennebec Telephone Company - TC02-079;
9. In the Matter of the Establishment of Switched Access Revenue Requirement for Local Exchange Carriers Association - TC02-090;
10. In the Matter of the Establishment of Switched Access Revenue Requirement for McCook Cooperative Telephone Company - TC02-068;
11. In the Matter of the Establishment of Switched Access Revenue Requirement for Midstate Communications, Inc. - TC02-067;

12. In the Matter of the Establishment of Switched Access Revenue Requirement for Sanborn Telephone Cooperative and SANCOM, Inc. - TC02-073;
13. In the Matter of the Establishment of Switched Access Revenue Requirement for Sioux Valley Telephone Company - TC02-058;
14. In the Matter of the Establishment of Switched Access Revenue Requirement for South Dakota Network, L.L.C. - TC02-091;
15. In the Matter of the Establishment of Switched Access Revenue Requirement for Splitrock Properties, Inc. - TC02-065;
16. In the Matter of the Establishment of Switched Access Revenue Requirement for Splitrock Telecom Cooperative, Inc. - TC02-066;
17. In the Matter of the Establishment of Switched Access Revenue Requirement for Sully Buttes Telephone Cooperative, Inc. - TC02-064;
18. In the Matter of the Establishment of Switched Access Revenue Requirement for Tri-County Telcom, Inc. - TC02-089;
19. In the Matter of the Establishment of Switched Access Revenue Requirement for Union Telephone Company - TC02-077;
20. In the Matter of the Establishment of Switched Access Revenue Requirement for Valley Telecommunications Cooperative Association - TC02-074;
21. In the Matter of the Establishment of Switched Access Revenue Requirement for Vivian Telephone Company - TC02-054;
22. In the Matter of the Establishment of Switched Access Revenue Requirement for West River Cooperative Telephone Company - TC02-052.

By copies of this letter, copies of the same are being served upon the opposing parties via first class mail.

By this letter, I would also request that I be advised that if any of the above entities did not request confidential treatment of their submissions as required by A.R.S.D. 20:10:01:41.

If you have any questions, please feel free to give me a call at any time.

Best regards.

Sincerely,

BARKER, WILSON, REYNOLDS & BURKE, L.L.P.



John W. Burke
For the Firm

JWB/bb

Enclosures

cc: S&S Communications
Darla Pollman Rogers
Michael Bradley (Fort Randall documents only)
Richard Helsing (Brookings documents only)

November 25, 2002

Mr. Harlan Best
Utility Analyst
Public Utilities Commission
State of South Dakota
500 East Capitol
Pierre, South Dakota 57501

RECEIVED
NOV 26 2002
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Ref: SD 5248 - 1.7
Revised 2001 Intrastate Switched Access Filing

Dear Mr. Best:

This letter is in response to your request for revised traffic factors for Midstate Communications, Inc. 2001 Intrastate Switched Access Study filed under Docket Number TC02-67.

The following documentation is included:

1. Five (5) hard copies of the PUC Summary Forms
2. One (1) copy of the program disk

and five (5) copies of the following backup (to be treated as proprietary):

3. Summary of Account 6623 By Category
4. Local Business Office Expense Summary
5. Account 6623, Customer Service
6. Annual Traffic Worksheets
7. Marketing Allocation Factor Worksheet
8. Relative User Percent (RUP) Worksheet

The Intrastate Switched Access 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.

November 25, 2002

Page 2 of 2

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

Sincerely,
Martin Group, Inc.

Don Lee
Don Lee *By JKS*

DIL/bkk

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

cc: Mark Benton, Manager

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 *****									
Intrastate Toll Revenue Requirement Summary									
(A)	Part 36 Total (B)	Source (C)	Common Line (D)	Local Switching (E)	Information (F)	Common Transport (G)	Billing and Collection (H)	Other (I)	
INTRALATA:									
15	Net Investment		\$3,650,390	\$870,236	\$0	\$1,219,593	\$0	\$180,304	O.K.
16	Rate of Return	J13	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	
17									
18	Return on Rate Base		\$365,039	\$87,024	\$0	\$121,959	\$0	\$18,030	O.K.
19	Return Adjustments	J18-20	(45,092)	(13,550)	0	(16,505)	0	(2,277)	O.K.
20									
21	Net Return on Rate Base		\$319,947	\$73,473	\$0	\$105,454	\$0	\$15,754	O.K.
22	Income Taxes	J31-32	0	0	0	0	0	0	O.K.
23	Expenses and Other Taxes	J33-35, 40	470,258	212,487	10,314	418,491	60,496	26,849	O.K.
24									
25	Total IntraLATA Rev. Req.		\$790,205	\$285,960	\$10,314	\$523,945	\$60,496	\$42,603	O.K.
26									
27									
28									
29	INTERLATA:								
30									
31	Net Investment	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%	
33									
34	Return on Rate Base		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
35	Return Adjustments	P18-20	0	0	0	0	0	0	O.K.
36									
37	Net Return on Rate Base		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
38	Income Taxes	P31-32	0	0	0	0	0	0	O.K.
39	Expenses and Other Taxes	P33-35, 40	0	0	0	0	0	0	O.K.
40									
41	Total InterLATA Rev. Req.		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
42									
43									
44									
45	TOTAL INTRASTATE REV. REQ.		\$1,713,522	\$285,960	\$10,314	\$523,945	\$60,496	\$42,603	
	ACCESS ELEMENT MINUTES OF USE		10,021,911	10,021,911	10,021,911	10,021,911			
	ACCESS RATE PER MINUTE		\$0.159661	\$0.078848	\$0.028533	\$0.052280			

RECEIVED
 NOV 26 2002
 SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

		Intrastate								
		Message Telephone Service				Private Line		TOTAL		
***** FCC PART 36 ***** Revenue Requirement Summary	TOTAL COMPANY	Source/ Allocator	Interstate and Other	InterLATA	IntraLATA	InterLATA	IntraLATA	INTRASTATE		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
13	State Income Tax Rate	0.00%	---	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
14	Federal Income Tax Rate	0.00%	---	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
15	Gross Receipts Tax Rate	4.00%	---	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
16										
17										
18	Net Investment	\$22,247,594	C68	\$16,327,072	\$0	\$5,753,872	\$0	\$166,651	\$5,920,523	O.K.
19	Rate of Return	10.00%	---	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	
20										
21	Return on Rate Base	\$2,224,759		\$1,632,707	\$0	\$575,387	\$0	\$16,665	\$592,052	O.K.
22										
23	AFUDC	(288,788)	H43	-211363.685754	0	-75350.3101133	0	-2074.00413255	(77,424)	O.K.
24	ITC Amortization	0	H36	0	0	0	0	0	0	O.K.
25	Other Return Adjustments	0	V242	0	0	0	0	0	0	O.K.
26										
27	Net Return	\$1,935,971		\$1,421,343	\$0	\$500,037	\$0	\$14,591	\$514,628	O.K.
28										
29	Contributions	0	H52	0	0	0	0	0	0	O.K.
30	Interest Expense	623,099	H44	457,071	0	161,359	0	4,668	166,028	O.K.
31	Capital Lease Expense	0	H46	0	0	0	0	0	0	O.K.
32	Capitalized Payroll taxes	0	H36	0	0	0	0	0	0	O.K.
33	Depreciation Adjustment	0	H36	0	0	0	0	0	0	O.K.
34	Other Income Adjustments	0	V248	0	0	0	0	0	0	O.K.
35										
36	After Tax Income	\$1,312,872		\$964,272	\$0	\$338,678	\$0	\$9,923	\$348,600	O.K.
37										
38	State Income Taxes	\$0	Formula	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
39	Federal Income Taxes	0	Formula	0	0	0	0	0	0	O.K.
40	Operating Expenses and Taxes	4,599,520	I196	3,480,440	0	1,099,137	0	19,943	1,119,080	O.K.
41	Uncollectibles	23,866	V249	12,593	0	11,273	0	0	11,273	O.K.
42	Other Revenue Adjustments	0	V250	0	0	0	0	0	0	O.K.
43										
44	Net Revenue	\$6,559,358		\$4,914,377	\$0	\$1,610,447	\$0	\$34,534	\$1,644,981	O.K.
45	Gross Receipts Taxes	273,307	Formula	204,766	0	67,102	0	1,439	68,541	O.K.
46	Other Revenue Taxes	0	V251	0	0	0	0	0	0	O.K.
47										
	TOTAL REVENUE REQUIREMENT	\$6,832,664		\$5,119,142	\$0	\$1,677,549	\$0	\$35,973	\$1,713,522	O.K.

	Intrastate										TOTAL INTRASTATE (I)
	***** FCC PART 36 Investment Summary (A)	TOTAL COMPANY (B)	Source/ Allocator (C)	Interstate and Other (D)	Message Telephone Service			Private Line			
					InterLATA (E)	IntraLATA (F)	InterLATA (G)	IntraLATA (H)	InterLATA (I)		
13 Land and Support Investment	\$2,801,593	D33	\$2,050,483	\$0	\$730,989	\$0	\$20,120	\$0	\$0	\$751,110	O.K.
14 COE Operator Equipment	\$0	D43	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
15 COE Switching Equipment	6,579,679	D68	4,565,684	0	2,013,995	0	0	0	0	2,013,995	O.K.
16 COE Transmission Equipment	4,223,293	D85	3,059,947	0	1,137,921	0	25,425	0	0	1,163,346	O.K.
17											
18											
19 Total COE	\$10,802,972		\$7,625,631	\$0	\$3,151,916	\$0	\$25,425	\$0	\$0	\$3,177,341	O.K.
20 Info. Orig./Term. Equipment	0	D94	0	0	0	0	0	0	0	0	O.K.
21 Cable and Wire Facilities	23,008,244	D137	17,120,768	0	5,670,077	0	217,399	0	0	5,887,476	O.K.
22											
23 Total COE, IOT, C&WF	\$33,811,216		\$24,746,400	\$0	\$8,821,993	\$0	\$242,824	\$0	\$0	\$9,064,816	O.K.
24											
25 Total Capital Leases	\$0	D173	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
26											
27 Leasehold Improvements	\$0	D186	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
28											
29 Intangible Assets	\$0	D209	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
30											
31											
32 Total Tele. Plt. In Service	\$36,612,809		\$26,796,883	\$0	\$9,552,982	\$0	\$262,944	\$0	\$0	\$9,815,926	O.K.
33											
34 Plant Held, Future Use	\$0	D214-215	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
35 TPUC, Short-term	0	D216-217	0	0	0	0	0	0	0	0	O.K.
36 TPUC, Long-term	793,511	D218-219	580,770	0	207,042	0	5,699	0	0	212,741	O.K.
37 Tel. Plt. Adjustment	0	D220-221	0	0	0	0	0	0	0	0	O.K.
38											
39 Total Other Tel. Plt.	\$793,511		\$580,770	\$0	\$207,042	\$0	\$5,699	\$0	\$0	\$212,741	O.K.
40											
41											
42 TOTAL TELEPHONE PLANT	\$37,406,320		\$27,377,653	\$0	\$9,760,024	\$0	\$268,643	\$0	\$0	\$10,028,667	O.K.

MIDSTATE COMMUNICATIONS, INC.

		Intrastate								
		Message Telephone Service			Private Line					
***** FCC PART 36 ***** Investment Summary	TOTAL COMPANY	Source/ Allocator	Interstate	InterLATA	IntraLATA	InterLATA	IntraLATA	TOTAL INTRASTATE		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
56 Other Assets, Net	0	V105	0	0	0	0	0	0	0	O.K.
57 Accumulated Depr./Amort	(15,518,845)	E34	(11,322,196)	0	(4,091,992)	0	(104,657)	(4,196,649)	0	O.K.
58 Accum. Def. Inc. Taxes, Net	0	E47	0	0	0	0	0	0	0	O.K.
59 Oth. Liab. & Def. Cr., Net	0	V106	0	0	0	0	0	0	0	O.K.
60										
61 TOTAL NET PLANT	\$21,887,475		\$16,055,457	\$0	\$5,668,032	\$0	\$163,986	\$5,832,018		O.K.
62										
63 Materials and Supplies	235,576	H31	175,296	0	58,055	0	2,226	60,280		O.K.
64 Rural Tel. Bank Stock	0	H35	0	0	0	0	0	0		O.K.
65 Cash Working Capital	124,543	Formula	96,319	0	27,785	0	439	28,224		O.K.
66 Equal Access Investment	0	---	0	0	0	0	0	0		O.K.
67										
68 TOTAL NET INVESTMENT	\$22,247,594		\$16,327,072	\$0	\$5,753,872	\$0	\$166,651	\$5,920,523		O.K.
69										

MIDSTATE 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		
(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	2,801,593	H33	2,050,483	0	730,989	0	20,120	751,110	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	\$2,801,593		\$2,050,483	\$0	\$730,989	\$0	\$20,120	\$751,110	O.K.
32									
33 Tot. Land and Support Assets	\$2,801,593		\$2,050,483	\$0	\$730,989	\$0	\$20,120	\$751,110	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	\$1,663,734	G26	\$1,095,066	\$0	\$568,668	\$0	\$0	\$568,668	O.K.
47 CAT 2 Tandem Sw. Direct	0	V38	0	0	0	0	0	0	O.K.
48									
49 Total CAT 2	\$1,663,734		\$1,095,066	\$0	\$568,668	\$0	\$0	\$568,668	O.K.

		Intrastate								
		TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
					InterLATA	IntraLATA	InterLATA	IntraLATA		
***** FCC PART 36 ***** Plant Investment Detail	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
63	CAT 3 Local Sw. Allocable	\$4,915,945	G15	\$3,470,618	\$0	\$1,445,327	\$0	\$0	\$1,445,327	O.K.
64	CAT 3 Local Sw. Direct	0	V40	0	0	0	0	0	0	O.K.
65										
66	Total CAT 3	\$4,915,945		\$3,470,618	\$0	\$1,445,327	\$0	\$0	\$1,445,327	O.K.
67										O.K.
68	Total COE Sw. CAT 2&3	\$6,579,679		\$4,565,684	\$0	\$2,013,995	\$0	\$0	\$2,013,995	O.K.
69										
70										
71	COE TRANSMISSION:									
72										
73	CAT 4.12 Exchange Trunk	\$456,013	123	\$456,013	\$0	\$0	\$0	\$0	\$0	O.K.
74	CAT 4.12 Exch. Tr. Direct	0	V42	0	0	0	0	0	0	O.K.
75	CAT 4.13 Exch. Ln. Message	2,134,239	G13	1,600,679	0	533,560	0	0	533,560	O.K.
76	CAT 4.13 PL, WATS, Local	69,712	F18	48,063	0	0	0	21,650	21,650	O.K.
77	CAT 4.13 Direct	0	V45	0	0	0	0	0	0	O.K.
78	CAT 4.23 Message	1,540,206	G18	935,845	0	604,361	0	0	604,361	O.K.
79	CAT 4.23 PL, WATS	0	F24	0	0	0	0	0	0	O.K.
80	CAT 4.23 Direct	23,123	V48	19,348	0	0	0	3,775	3,775	O.K.
81	CAT 4.3 H/R Message	0	G29	0	0	0	0	0	0	O.K.
82	CAT 4.3 WATS	0	V50	0	0	0	0	0	0	O.K.
83	CAT 4.3 Direct	0	V51	0	0	0	0	0	0	O.K.
84										
85	Total COE CAT 4	\$4,223,293		\$3,059,947	\$0	\$1,137,921	\$0	\$25,425	\$1,163,346	O.K.
86										
87										
88	INFORMATION ORIGINATION/TERMINATION:									
89										
90	CAT 1 Other IOT Equipment	\$0	G13	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
91	CAT 1 Coinless Pay Phones	0	G18	0	0	0	0	0	0	O.K.
92	CAT 2 CP Equipment	0	V70	0	0	0	0	0	0	O.K.
93										
94	Total IOT Equipment	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
95										
96										

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 36 ***** Plant Investment Detail	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)		
111 CABLE AND WIRE FACILITIES:										
112										
113 CAT 1.1 IntraLATA PL/WATS	664,067	F31	\$457,835	\$0	\$0	\$0	\$206,232	\$206,232	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	20,330,350	G13	15,247,762	0	5,082,587	0	0	5,082,587	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	\$20,994,417		\$15,705,598	\$0	\$5,082,587	\$0	\$206,232	\$5,288,819	O.K.	
119										
120 CAT 2 C&WF	\$423,321	G28	\$423,321	\$0	\$0	\$0	\$0	\$0	O.K.	
121 CAT 2 C&WF, Wideband	0	V76	0	0	0	0	0	0	O.K.	
122										
123 Total CAT 2 C&WF	\$423,321		\$423,321	\$0	\$0	\$0	\$0	\$0	O.K.	
124										
125 CAT 3 Joint Message	1,492,476	G17	904,987	0	587,489	0	0	\$587,489	O.K.	
126 CAT 3 PL/WATS etc.	0	F36	0	0	0	0	0	0	O.K.	
127 CAT 3 Direct	98,030	V79	86,863	0	0	0	11,167	11,167	O.K.	
128										
129 Total CAT 3 C&WF	\$1,590,506		\$991,850	\$0	\$587,489	\$0	\$11,167	\$598,656	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	\$23,008,244		\$17,120,768	\$0	\$5,670,077	\$0	\$217,399	\$5,887,476	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 COMMUNICATIONS, INC.

***** FCC PART 36 ***** Plant Investment Detail	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)		
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 IMPROVEMENT	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
187										
188										
189 TPIS, EXCL. ACCT. No. 2690	\$36,612,809		\$26,796,883	\$0	\$9,552,982	\$0	\$262,944	\$9,815,926		O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 36 ***** Plant Investment Detail	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)		
204 INTANGIBLE ASSETS:										
205										
206 Allocable Acct. No. 2690	\$0	H36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
207 Direct Acct. No. 2690	0	V100	0	0	0	0	0	0	0	O.K.
208										
209 Total Intangible Assets	\$0		\$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	\$0	O.K.
215 Held for Fut. Use - Direct	0	---	0	0	0	0	0	0	0	O.K.
216 TPUC, Short-term - Alloc.	0	H35	0	0	0	0	0	0	0	O.K.
217 TPUC, Short-term - Direct	0	V124	0	0	0	0	0	0	0	O.K.
218 TPUC, Long-term - Alloc.	793,511	H35	580,770	0	207,042	0	5,699	212,741	212,741	O.K.
219 TPUC, Long-term - Direct	0	V126	0	0	0	0	0	0	0	O.K.
220 Tele. Plt. Adjust. - Alloc.	0	H35	0	0	0	0	0	0	0	O.K.
221 Tele. Plt. Adjust. - Direct	0	V104	0	0	0	0	0	0	0	O.K.
222										
223 Total Other Telephone Plant	\$793,511		\$580,770	\$0	\$207,042	\$0	\$5,699	\$212,741	\$212,741	O.K.

MIDSTATE COMMUNICATIONS, INC.

Intrastate

***** FCC PART 36 ***** Reserves and Deferrals	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 ACCUM. DEPRECIATION, TPIS:									
14									
15 Support Assets	\$1,366,021	H13	\$999,790	\$0	\$356,421	\$0	\$9,810	\$366,231	O.K.
16 COE Switching	3,493,967	H19	2,424,488	0	1,069,479	0	0	1,069,479	O.K.
17 COE Operator	0	H16	0	0	0	0	0	0	O.K.
18 COE Transmission	1,711,008	H20	1,239,695	0	461,013	0	10,301	471,313	O.K.
19 IOT Equipment	0	H25	0	0	0	0	0	0	O.K.
20 Cable and Wire Facilities	8,947,849	H31	6,658,224	0	2,205,079	0	84,546	2,289,625	O.K.
21 Other Plant	0	V135	0	0	0	0	0	0	O.K.
22									
23 Total Accum. Depr., TPIS	\$15,518,845		\$11,322,196	\$0	\$4,091,992	\$0	\$104,657	\$4,196,649	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.	\$15,518,845		\$11,322,196	\$0	\$4,091,992	\$0	\$104,657	\$4,196,649	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 COMMUNICATIONS, INC.

		Private Line								
***** FCC PART 36 ***** Functional Distribution of Selected Investments		TOTAL COMPANY	Joint Use Message	Interstate		Intrastate		Extended Area Service	Other	
(A)	(B)	(C)	InterLATA	IntraLATA	InterLATA	IntraLATA	(H)	(I)		
13	TRANS. CCT EQUIPMENT:									
14										
15	Working Loops	5,090	4,929	0	0	0	50	0	111	O.K.
16	Avg. Cost per Loop	433.00	433.00	433.00	433.00	433.00	433.00	433.00	433.00	
17										
18	CAT 4.13 Exch Ln. Invest.	\$2,203,951	\$2,134,239	\$0	\$0	\$0	\$21,650	\$0	\$48,063	
19										
20										
21	Circuit Terminations	1,191	1,191	0	0	0	0	0	0	O.K.
22	Avg. Cost per Termination	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	
23										
24	CAT 4.23 Other IX	\$1,540,206	\$1,540,206	\$0	\$0	\$0	\$0	\$0	\$0	
25										
26										
27	C&WF INVESTMENT:									
28										
29	Working Loops	5,090	4,929	0	0	0	50	0	111	
30	Loops Factor	1.000000	0.968369	0.000000	0.000000	0.000000	0.009823	0.000000	0.021807	
31	CAT 1 Exchange C&WF	\$20,994,417	\$20,330,350	\$0	\$0	\$0	\$206,232	\$0	\$457,835	O.K.
32										
33										
34	Equivalent IX Circuit Miles	63,414	63,414	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	\$1,492,476	\$1,492,476	\$0	\$0	\$0	\$0	\$0	\$0	

Intrastate

***** FCC PART 36 ***** Physical Allocation Factors	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 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	0.705992	0.000000	0.294008	0.000000	0.000000	0.294008	O.K.
16									
17 Conversation Minute-Miles	1.000000	CMM	0.606366	0.000000	0.393634	0.000000	0.000000	0.393634	O.K.
18 Conversation Minutes	1.000000	CM	0.607610	0.000000	0.392390	0.000000	0.000000	0.392390	O.K.
19 Subscriber Minutes (SLU)	1.000000	SLU	0.852996	0.000000	0.147004	0.000000	0.000000	0.147004	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 Wtd. Stand. Work Sec., Toll	0.000000	WST	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
23 Wtd. Stand. Work Sec., Aux.	0.000000	WSA	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
24 Wtd. 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	0.658198	0.000000	0.341802	0.000000	0.000000	0.341802	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	0.803877	0.000000	0.191930	0.000000	0.004193	0.196123	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	0.446434	0.000000	0.553566	0.000000	0.000000	0.553566	O.K.
38 EU Access, P/L and All Other Factor	1.000000	EPLO	0.991892	0.000000	0.006316	0.000000	0.001792	0.008108	O.K.
39 IX Special Access Factor	1.000000	ISPA	0.968750	0.000000	0.000000	0.000000	0.031250	0.031250	O.K.
40 IX Switched Access Factor	1.000000	ISWA	0.643107	0.000000	0.356893	0.000000	0.000000	0.356893	O.K.
41 IX Billing & Collection Services Factor	1.000000	IBC	0.317308	0.000000	0.682692	0.000000	0.000000	0.682692	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	0.210373	0.000000	0.789627	0.000000	0.000000	0.789627	O.K.
44 Relative Users Percent	1.000000	RUP	0.672280	0.000000	0.327105	0.000000	0.000615	0.327720	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.

	Intrastate										TOTAL INTRASTATE
	Message Telephone Service					Private Line					
(A) Internal Allocation Factors	(B) TOTAL COMPANY	(C) Source/ Allocator	(D) Interstate and Other	(E) InterLATA	(F) IntraLATA	(G) InterLATA	(H) IntraLATA	(I) InterLATA	(J) IntraLATA	(K) TOTAL INTRASTATE	
13 Support Assets	1,000,000	D31	0.731899	0.000000	0.260919	0.000000	0.000000	0.000000	0.007182	0.268101	O.K.
14 Land and Support Assets	1,000,000	D33	0.731899	0.000000	0.260919	0.000000	0.000000	0.000000	0.007182	0.268101	O.K.
15											
16 COE Operator	0.000000	D43	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
17 COE Tandem Switching	1,000,000	D49	0.658198	0.000000	0.341802	0.000000	0.000000	0.000000	0.000000	0.341802	O.K.
18 COE Local Switching	1,000,000	D66	0.705992	0.000000	0.294008	0.000000	0.000000	0.000000	0.000000	0.294008	O.K.
19 COE Total Switching	1,000,000	D68	0.693907	0.000000	0.306093	0.000000	0.000000	0.000000	0.000000	0.306093	O.K.
20 COE Transmission	1,000,000	D85	0.724541	0.000000	0.269459	0.000000	0.000000	0.000000	0.000000	0.269459	O.K.
21 Total COE	1,000,000	C19	0.705883	0.000000	0.291764	0.000000	0.000000	0.000000	0.002354	0.294117	O.K.
22											
23 Info. Orig./Term. CAT 1	0.000000	D90	0.000000	0.000000	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	0.000000	0.000000	O.K.
25 Total IOT	0.000000	D94	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
26											
27 C&WF CAT 1	1,000,000	D118	0.748084	0.000000	0.242092	0.000000	0.000000	0.000000	0.009823	0.251916	O.K.
28 C&WF CAT 2	1,000,000	D120	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
29 C&WF CAT 3	1,000,000	D129	0.623606	0.000000	0.369373	0.000000	0.000000	0.000000	0.007021	0.376394	O.K.
30 C&WF CAT 4	0.000000	D135	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
31 Total C&WF	1,000,000	D137	0.744115	0.000000	0.246437	0.000000	0.000000	0.000000	0.009449	0.255885	O.K.
32											
33 Total Equipment	1,000,000	C23	0.731899	0.000000	0.260919	0.000000	0.000000	0.000000	0.007182	0.268101	O.K.
34											
35 TPIS	1,000,000	C32	0.731899	0.000000	0.260919	0.000000	0.000000	0.000000	0.007182	0.268101	O.K.
36 TPIS, excl. Acct. No. 2690	1,000,000	D189	0.731899	0.000000	0.260919	0.000000	0.000000	0.000000	0.007182	0.268101	O.K.
37											
38 Plt. Held, Fut. Use	0.000000	D215	0.000000	0.000000	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	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	0.000000	0.000000	O.K.
42											
43 Long-term PUC	1,000,000	C36	0.731899	0.000000	0.260919	0.000000	0.000000	0.000000	0.007182	0.268101	O.K.
44 Net Telephone Plant	1,000,000	C61	0.733545	0.000000	0.259962	0.000000	0.000000	0.000000	0.007492	0.266455	O.K.
45 Total Net Investment	1,000,000	C68	0.733880	0.000000	0.258629	0.000000	0.000000	0.000000	0.007491	0.266120	O.K.
46 Capital Leases	0.000000	D173	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
47											
48 Tot. Bus. Ofc., Cust. Serv.	1,000,000	I141	0.832289	0.000000	0.166618	0.000000	0.000000	0.000000	0.001093	0.167711	O.K.
49											
50 Total "BIG THREE" Expenses	1,000,000	I170	0.727854	0.000000	0.268771	0.000000	0.000000	0.000000	0.003375	0.272146	O.K.
51											
52 Corporate Operations Expense	1,000,000	I185	0.651758	0.000000	0.345316	0.000000	0.000000	0.000000	0.002925	0.348242	O.K.

MIDSTATE COMMUNICATIONS, INC.

Intrastate

***** FCC PART 36 ***** Operating Expenses and Taxes	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 PLANT SPEC. OPER. EXPENSE:									
14									
15 Network Support, Alloc.	\$0	H14	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
16 Network Support, Direct	0	V149	0	0	0	0	0	0	O.K.
17									
18 Total Network Support Exp.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
19									
20 General Support, Alloc.	\$63,204	H14	\$46,259	\$0	\$16,491	\$0	\$454	\$16,945	O.K.
21 General Support, Direct	0	V151	0	0	0	0	0	0	O.K.
22									
23 Total General Support Exp.	\$63,204		\$46,259	\$0	\$16,491	\$0	\$454	\$16,945	O.K.
24									
25 Central Office Eq., Alloc.	\$159,435	H21	\$112,542	\$0	\$46,517	\$0	\$375	\$46,893	O.K.
26 Central Office Eq., Direct	0	V153	0	0	0	0	0	0	O.K.
27									
28 Total COE Exp.	\$159,435		\$112,542	\$0	\$46,517	\$0	\$375	\$46,893	O.K.
29									
30 Cust. Premises Equip.	\$0	H24	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
31 Coinless Pay Phone	0	G18	0	0	0	0	0	0	O.K.
32 Other IOT	0	H23	0	0	0	0	0	0	O.K.
33 IOT Direct	0	V157	0	0	0	0	0	0	O.K.
34									
35 Total IOT Exp.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
36									
37 Cable & Wire, Alloc.	\$263,474	H31	\$196,055	\$0	\$64,930	\$0	\$2,489	\$67,419	O.K.
38 Cable & Wire, Direct	266,719	V159	147,492	0	119,227	0	0	119,227	O.K.
39									
40 Total C&WF Exp.	\$530,193		\$343,547	\$0	\$184,157	\$0	\$2,489	\$186,646	O.K.
41									
42 TOTAL PLT. SPEC. OPER. EXP.	\$752,832		\$502,348	\$0	\$247,165	\$0	\$3,319	\$250,484	O.K.
43									
44 TOTAL PLT. SPEC., ex SUPPORT	\$689,628		\$456,089	\$0	\$230,674	\$0	\$2,865	\$233,539	O.K.

MIDSTATE COMMUNICATIONS, INC.

Intrastate

***** FCC PART 36 ***** Operating Expenses and Taxes	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service				TOTAL INTRASTATE		
				Private Line		InterLATA				
				InterLATA	IntraLATA	InterLATA	IntraLATA			
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
58 NON-SPECIFIC OPER. EXP.:										
59										
60 Oth. Plt. and Equip., Alloc.	\$0	H36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
61 Oth. Plt. and Equip., Direct	0	V177	0	0	0	0	0	0	0	O.K.
62										
63 Total Oth. Plt. & Equip.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
64										
65 Network Operations, Alloc.	\$80,552	H33	\$58,956	\$0	\$21,018	\$0	\$579	\$21,596	\$21,596	O.K.
66 Network Operations, Direct	0	V179	0	0	0	0	0	0	0	O.K.
67										
68 Total Network Oper. Exp.	\$80,552		\$58,956	\$0	\$21,018	\$0	\$579	\$21,596	\$21,596	O.K.
69										
70 Total Access Expenses	\$631,635	V180	\$631,635	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
71										
72 Depr., Support Assets	\$198,784	H13	\$145,490	\$0	\$51,867	\$0	\$1,428	\$53,294	\$53,294	O.K.
73 Depr., COE Switching	552,300	H19	383,245	0	169,055	0	0	169,055	169,055	O.K.
74 Depr., COE Operator	0	H16	0	0	0	0	0	0	0	O.K.
75 Depr., COE Transmission	317,296	H20	229,894	0	85,492	0	1,910	87,402	87,402	O.K.
76 Depr., IOT Equipment	0	H25	0	0	0	0	0	0	0	O.K.
77 Depr., C&W Facilities	1,121,195	H31	834,297	0	276,304	0	10,594	286,898	286,898	O.K.
78 Depr., PHFU	0	H38	0	0	0	0	0	0	0	O.K.
79										
80 Total Depreciation Expense	\$2,189,575		\$1,592,926	\$0	\$582,717	\$0	\$13,932	\$596,649	\$596,649	O.K.
81										
82 Amort., Tangible Assets	\$0	H40	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
83 Amort., Intangible Assets	0	H41	0	0	0	0	0	0	0	O.K.
84 Other Amortization	0	V189	0	0	0	0	0	0	0	O.K.
85 Direct Assigned Amort.	0	V190	0	0	0	0	0	0	0	O.K.
86										
87 Total Amortization Exp.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
88										
89 Total Depr. and Amort.	\$2,189,575		\$1,592,926	\$0	\$582,717	\$0	\$13,932	\$596,649	\$596,649	O.K.
90										
91 TOTAL NON-SPEC. OPER. EXP.	\$2,901,762		\$2,283,517	\$0	\$603,735	\$0	\$14,510	\$618,245	\$618,245	O.K.

MIDSTATE COMMUNICATIONS, INC.

									Intrastate					
									Message Telephone Service		Private Line			
***** FCC PART 36 ***** Operating Expenses and Taxes	TOTAL COMPANY	Source/ Allocator	Interstate and Other	InterLATA	IntraLATA	InterLATA	IntraLATA	TOTAL INTRASTATE						
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)						
105	CUSTOMER OPERATIONS EXPENSE:													
106														
107	Marketing, Allocable	G35	\$56,981	\$0	\$13,605	\$0	\$297	\$13,902	O.K.					
108	Marketing, Direct	V192	0	0	0	0	0	0	O.K.					
109														
110	Total Marketing Expense		\$56,981	\$0	\$13,605	\$0	\$297	\$13,902	O.K.					
111														
112	Operator Service, Alloc.	G24	\$0	\$0	\$0	\$0	\$0	\$0	O.K.					
113	Operator Service, Direct	V194	0	0	0	0	0	0	O.K.					
114														
115	Total Operator Service		\$0	\$0	\$0	\$0	\$0	\$0	O.K.					
116														
117	Classified Directory	V195	\$0	\$0	\$0	\$0	\$0	\$0	O.K.					
118	Alphabetical Directory	G19	34,229	0	5,899	0	0	5,899	O.K.					
119	Foreign Directory	G46	0	0	0	0	0	0	O.K.					
120														
121	Total Directory		\$34,229	\$0	\$5,899	\$0	\$0	\$5,899	O.K.					
122														
123	Bus. Ofc., EU Presubscription	G36	\$21,873	\$0	\$0	\$0	\$0	\$0	O.K.					
124	Bus. Ofc., EU MTS & WATS	G37	37,076	16,552	20,524	0	0	20,524	O.K.					
125	Bus. Ofc., EU Access, P/L & all Other	G38	160,691	159,388	1,015	0	288	1,303	O.K.					
126	Bus. Ofc., IXC Special Access	G39	160	155	0	0	5	5	O.K.					
127	Bus. Ofc., IXC Switched Access	G40	2,343	1,507	836	0	0	836	O.K.					
128	Bus. Ofc., IXC B & C Services	G41	104	33	71	0	0	71	O.K.					
129	Coin Collect & Admin.	G42	0	0	0	0	0	0	O.K.					
130														
131	Total Business Office		\$222,247	\$199,508	\$0	\$22,446	\$0	\$293	\$22,739	O.K.				
132														
133	Cust. Svc., Direct	V205	\$0	\$0	\$0	\$0	\$0	\$0	O.K.					
134	Cust. Serv., Msg. Process	G43	0	0	0	0	0	0	O.K.					
135	Cust. Serv., Other B&C	G44	57,531	38,677	0	18,819	0	35	18,854	O.K.				
136	Cust. Serv., CABS	G45	17,565	8,783	0	8,783	0	0	8,783	O.K.				
137	Cust. Serv., EU Common Line	V209	3,028	3,028	0	0	0	0	0	O.K.				
138														
139	Total Customer Service		\$78,124	\$50,487	\$0	\$27,601	\$0	\$35	\$27,637	O.K.				
140														
141	Total Bus. Ofc., Cust. Serv.		\$300,371	\$249,995	\$0	\$50,047	\$0	\$328	\$50,376	O.K.				
142														

MIDSTATE COMMUNICATIONS, INC.

Intrastate

***** FCC PART 36 ***** Operating Expenses and Taxes	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)	
156 Other Cust. Serv., Alloc.	\$34,772	H48	\$28,940	\$0	\$5,794	\$0	\$38	\$5,832	O.K.
157 Other Cust. Serv., Direct	451	V211	451	0	0	0	0	0	O.K.
158									
159 Total Other Cust. Serv.	\$35,223		\$29,391	\$0	\$5,794	\$0	\$38	\$5,832	O.K.
160									
161 TOTAL CUSTOMER OPER. EXP.	\$446,605		\$370,597	\$0	\$75,345	\$0	\$664	\$76,008	O.K.
162									
163									
164 "BIG-THREE" EXPENSES:									
165									
166 Total Plt. Spec., ex Support	\$689,628	44	\$456,089	\$0	\$230,674	\$0	\$2,865	\$233,539	O.K.
167 Total Network Oper. Exp.	80,552	68	58,956	0	21,018	0	579	21,596	O.K.
168 Total Customer Operations	446,605	161	370,597	0	75,345	0	664	76,008	O.K.
169									
170 TOTAL "BIG THREE" EXPENSES	\$1,216,785		\$885,642	\$0	\$327,036	\$0	\$4,107	\$331,143	O.K.
171									
172									
173 CORPORATE OPERATIONS EXPENSE:									
174									
175 Exec. and Planning, Alloc.	\$184,595	H50	\$134,358	\$0	\$49,614	\$0	\$623	\$50,237	O.K.
176 Exec. and Planning, Direct	0	V213	0	0	0	0	0	0	O.K.
177									
178 Total Exec. and Planning	\$184,595		\$134,358	\$0	\$49,614	\$0	\$623	\$50,237	O.K.
179									
180 Admin. & General, Allocable	\$245,174	H50	\$178,451	\$0	\$65,896	\$0	\$827	\$66,723	O.K.
181 Admin. & General, Direct	66,064	V231	10,354	0	55,710	0	0	55,710	O.K.
182									
183 Total Admin. and Gen.	\$311,238		\$188,805	\$0	\$121,606	\$0	\$827	\$122,433	O.K.
184									
185 TOTAL CORPORATE OPERATIONS	\$495,833		\$323,163	\$0	\$171,219	\$0	\$1,451	\$172,670	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	2,488	V233	815	0	1,673	0	0	1,673	O.K.
192									
193 Total Non-income Taxes	\$2,488		\$815	\$0	\$1,673	\$0	\$0	\$1,673	O.K.
194									
195									
196 TOTAL OPER. EXP. AND TAXES	\$4,599,520		\$3,480,440	\$0	\$1,099,137	\$0	\$19,943	\$1,119,080	O.K.

MIDSTATE 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	\$5,920,523	K52	\$3,650,390	\$870,236	\$0	\$1,219,593	\$0	\$180,304	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	\$592,052		\$365,039	\$87,024	\$0	\$121,959	\$0	\$18,030	O.K.
17										
18	AFUDC	(77,424)	N37	(45,092)	(13,550)	0	(16,505)	0	(2,277)	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	\$514,628		\$319,947	\$73,473	\$0	\$105,454	\$0	\$15,754	O.K.
23										
24	Interest Expense	166,028	N67	102,367	24,404	0	34,201	0	5,056	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	\$348,600		\$217,580	\$49,069	\$0	\$71,253	\$0	\$10,698	O.K.
30										
31	State Income Taxes	\$0	29	0	0	0	0	0	0	O.K.
32	Federal Income Taxes	0	29	0	0	0	0	0	0	O.K.
33	Operating Expenses and Taxes	1,119,080	O195	433,573	198,218	9,917	394,086	58,166	25,121	O.K.
34	Uncollectibles	11,273	Direct	4,696	2,843	0	3,734	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	1,711,132	16+31+32+33	798,612	285,241	9,917	516,045	58,166	43,151	O.K.
38										
39										
40	Gross Receipts Tax	68,541	37	31,989	11,426	397	20,671	2,330	1,728	O.K.
41										
42										
43	TOTAL REVENUE REQUIREMENT	\$1,713,522		\$790,205	\$285,960	\$10,314	\$523,945	\$60,496	\$42,603	O.K.
44										

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 *****											
IntraLATA Investment 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	Land and Support Assets		\$751,110	L25	\$100,638	\$272,611	\$0	\$332,061	\$0	\$45,800	O.K.
14											
15	Central Office Equipment		\$3,177,341	L70	\$533,560	\$1,445,327	\$0	\$1,173,029	\$0	\$25,425	O.K.
16	Info. Term./Orig. Equipment		0	L78	0	0	0	0	0	0	O.K.
17	Cable and Wire Facilities		5,887,476	L117	5,082,587	0	0	587,489	0	217,399	O.K.
18											
19	Total COE, IOT, C&WF		\$9,064,816		\$5,616,147	\$1,445,327	\$0	\$1,760,518	\$0	\$242,824	O.K.
20											
21	Total Tangible Assets		\$0	L141	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
22											
23	Total Tele. Plt. ex Intang.		\$9,815,926		\$5,716,785	\$1,717,938	\$0	\$2,092,579	\$0	\$288,624	O.K.
24	Total Intangible Assets		0	L144	0	0	0	0	0	0	O.K.
25											
26	Total Plant in Service		\$9,815,926		\$5,716,785	\$1,717,938	\$0	\$2,092,579	\$0	\$288,624	O.K.
27	Total Plt. 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		212,741	L164	123,900	37,233	0	45,353	0	6,255	O.K.
30	Total Tel. Plt. Adjust.		0	L169	0	0	0	0	0	0	O.K.
31											
32	TOTAL TELEPHONE PLANT		\$10,028,667		\$5,840,685	\$1,755,171	\$0	\$2,137,932	\$0	\$294,879	O.K.
33											
34	less:										
35	Accum. Depr., Plt. in Serv.		4,196,649	M23	2,241,839	900,425	0	937,206	0	117,178	O.K.
36	Accum. Depr. PHFU		0	M27	0	0	0	0	0	0	O.K.
37	Accum. Amort. Tangible Plt.		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		\$5,832,018		\$3,598,845	\$854,746	\$0	\$1,200,725	\$0	\$177,701	O.K.
46	plus:										
47	Class B RTB Stock		0	L171	0	0	0	0	0	0	O.K.
48	Materials and Supplies		60,280	L173	35,107	10,550	0	12,851	0	1,772	O.K.
49	Cash Working Capital		28,224	L175	16,438	4,940	0	6,017	0	830	O.K.
50	Equal Access Investment		0	L177	0	0	0	0	0	0	O.K.
51											
52	NET INVESTMENT		\$5,920,523		\$3,650,390	\$870,236	\$0	\$1,219,593	\$0	\$180,304	O.K.
53											

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 *****		Part 36																
IntraLATA Investment Detail		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)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	
LAND AND SUPPORT ASSETS:																		
13	Land Assets, Message	\$0	N28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	O.K.
14	Land Assets, Private Line	0	N28	0	0	0	0	0	0	0	0	0	0	0	0	0	0	O.K.
15	Total Land Assets	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
16	Support Assets, Message	\$730,989	N28	\$97,942	\$265,308	\$0	\$0	\$323,166	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
17	Support Assets, Private Line	20,120	N28	2,896	7,303	0	0	8,895	0	0	0	0	0	0	0	0	0	O.K.
18	Total Support Assets	\$751,110		\$100,638	\$272,611	\$0	\$0	\$332,061	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
19	Total Land and Supp. Assets	\$751,110		\$100,638	\$272,611	\$0	\$0	\$332,061	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
CENTRAL OFFICE EQUIPMENT:																		
20	Operator Sys., DA	\$0	(F)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	O.K.
21	Operator Sys., Other	0	(I)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	O.K.
22	Total Operator Systems	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
23	Tandem Switching	\$568,668	(G)	\$0	\$0	\$0	\$0	\$568,668	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
24	Tandem Assigned	0	Direct	0	0	0	0	0	0	0	0	0	0	0	0	0	0	O.K.
25	Total Tandem Switching	\$568,668		\$0	\$0	\$0	\$0	\$568,668	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
26	Local Switching	\$1,445,327	(E)	\$0	\$1,445,327	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
27	Local Assigned	0	Direct	0	0	0	0	0	0	0	0	0	0	0	0	0	0	O.K.
28	Total Local Switching	\$1,445,327		\$0	\$1,445,327	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
29	Total Local Switching	\$1,445,327		\$0	\$1,445,327	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
30	Total Switching	\$2,013,995		\$0	\$1,445,327	\$0	\$0	\$568,668	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 *****									
IntraLATA Investment									
Detail									
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	Other	
IntraLATA Total	Source or Apportion	Common Line	Local Switching	Information	Common Transport	Billing and Collection	(I)		
58 COE Exch. Trunk	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
59 COE Exch. Line - Message	533,560	(D)	533,560	0	0	0	0	0	O.K.
60 COE Exch. Line - PL etc.	21,650	(I)	0	0	0	0	0	21,650	O.K.
61 COE Exch. Line - Assigned	0	Direct	0	0	0	0	0	0	O.K.
62 COE Interexchange. Message	604,361	(G)	0	0	0	604,361	0	0	O.K.
63 COE Interexchange. PL	0	(I)	0	0	0	0	0	0	O.K.
64 COE Interexchange. Assigned	3,775	(G)	0	0	0	0	0	3,775	O.K.
65 COE H/R Message	0	(G)	0	0	0	0	0	0	O.K.
66 COE H/R Assigned	0	Direct	0	0	0	0	0	0	O.K.
67 Total COE Transmission	\$1,163,346		\$533,560	\$0	\$0	\$604,361	\$0	\$25,425	O.K.
68 Total Central Office Equip.	\$3,177,341		\$533,560	\$1,445,327	\$0	\$1,173,029	\$0	\$25,425	O.K.
72 IOT EQUIPMENT:									
73 Public Telephone	\$0	N43	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
74 Coinless Pay Phone	0	(D)	0	0	0	0	0	0	O.K.
75 Customer Premises Equipment	0	N60	0	0	0	0	0	0	O.K.
76 Total IOT Equipment	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
80 CABLE AND WIRE FACILITIES:									
81 Exchange PL and WATS	\$206,232	(I)	\$0	\$0	\$0	\$0	\$0	\$206,232	O.K.
82 Exchange Message	5,082,587	(D)	5,082,587	0	0	0	0	0	O.K.
83 Exchange Assigned	0	Direct	0	0	0	0	0	0	O.K.
84 Total Exchange Line C&WF	\$5,288,819		\$5,082,587	\$0	\$0	\$0	\$0	\$206,232	O.K.
85 Exchange Trunk, Message	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
86 Exchange Trunk, PL	0	Direct	0	0	0	0	0	0	O.K.
87 Total Exchange Trunk C&WF	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
88 Interexchange Message	\$587,489	(G)	\$0	\$0	\$0	\$587,489	\$0	\$0	O.K.
89 Interexchange PL, WATS	0	(I)	0	0	0	0	0	0	O.K.
90 Interexchange Assigned	11,167	(G)	0	0	0	0	0	11,167	O.K.
91 Total Interexchange C&WF	\$598,656		\$0	\$0	\$0	\$587,489	\$0	\$11,167	O.K.

MIDSTATE 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.	\$5,887,476		\$5,082,587	\$0	\$0	\$587,489	\$0	\$217,399		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 Improvementsa	\$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 COMMUNICATIONS, INC.

***** FCC PART 69 *****		Part 36	Source or	Common	Local	Information	Common	Billing and	Other	
IntraLATA Investment		IntraLATA	Apportion	Line	Switching		Transport	Collection		
Detail		Total								
-----		-----	-----	-----	-----	-----	-----	-----	-----	-----
(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	212,741	N46	123,900	37,233	0	45,353	0	6,255	O.K.
165		-----		-----	-----	-----	-----	-----	-----	
166	Total Pl. Under Const.	\$212,741		\$123,900	\$37,233	\$0	\$45,353	\$0	\$6,255	O.K.
167										
168	TELEPHONE PLANT ADJUSTMENT	\$0	N46	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
169										
170	CLASS B RTB STOCK	\$0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
171										
172	MATERIALS AND SUPPLIES	\$60,280	N37	\$35,107	\$10,550	\$0	\$12,851	\$0	\$1,772	O.K.
173										
174	CASH WORKING CAPITAL	\$28,224	N37	\$16,438	\$4,940	\$0	\$6,017	\$0	\$830	O.K.
175										
176	EQUAL ACCESS INVESTMENT	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
177										

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 *****		MIDSTATE COMMUNICATIONS, INC.								
Part 36 IntraLATA Reserves and Deferrals		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
		IntraLATA Total	Source or Apportion	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other	
13	ACCUM. DEPRECIATION, TPIS:									
14	Support Assets	\$366,231	N28	\$49,070	\$132,922	\$0	\$161,909	\$0	\$22,332	O.K.
15	COE Switching	1,069,479	L44	0	767,503	0	301,976	0	0	O.K.
16	COE Operator	0	L32	0	0	0	0	0	0	O.K.
17	COE Transmission	471,313	L68	216,164	0	0	244,849	0	10,301	O.K.
18	IOT Equipment	0	L78	0	0	0	0	0	0	O.K.
19	Cable and Wire Facilities	2,289,625	L117	1,976,606	0	0	228,473	0	84,546	O.K.
20	Other Plant	0	N37	0	0	0	0	0	0	O.K.
21	Total Accum. Depr., TPIS	\$4,196,649		\$2,241,839	\$900,425	\$0	\$937,206	\$0	\$117,178	O.K.
22										
23	ACCUM. AMORTIZATION:									
24	Accum. Depreciation, PHFU	\$0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
25	Accum. Amort., Tangible Inv.	0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
26	Accum. Amort., Intang. Inv.	0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
27	Accum. Amort., Other	0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
28	Tot. Accum. Amortization	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
29	Total Accum. Depr./Amort.	\$4,196,649		\$2,241,839	\$900,425	\$0	\$937,206	\$0	\$117,178	O.K.
30										
31	ACCUM. DEF. INC. TAXES, NET:									
32	Support Assets	\$0	N28	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
33	COE Switching	0	L44	0	0	0	0	0	0	O.K.
34	COE Operator	0	L32	0	0	0	0	0	0	O.K.
35	COE Transmission	0	L68	0	0	0	0	0	0	O.K.
36	IOT Equipment	0	L78	0	0	0	0	0	0	O.K.
37	Cable and Wire Fac.	0	L117	0	0	0	0	0	0	O.K.
38	Unclassified	0	N37	0	0	0	0	0	0	O.K.
39	Total Accum. Def. Inc. Taxes	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.

MIDSTATE 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	\$3,177,341	L70	\$533,560	\$1,445,327	\$0	\$1,173,029	\$0	\$25,425	O.K.
14	Info. Orig./Term. Eqpt.	0	L78	0	0	0	0	0	0	O.K.
15	C&W Facilities	5,887,476	L117	5,082,587	0	0	587,489	0	217,399	O.K.
16										
17	Total	\$9,064,816		\$5,616,147	\$1,445,327	\$0	\$1,760,518	\$0	\$242,824	O.K.
18	Factor	1.000000		0.619554	0.159444	0.000000	0.194214	0.000000	0.026788	O.K.
19										
20	Sum: Sw., Trans., Other	\$3,448,669	17	\$0	\$1,445,327	\$0	\$1,760,518	\$0	\$242,824	O.K.
21	Factor	1.000000		0.000000	0.419097	0.000000	0.510492	0.000000	0.070411	O.K.
22										
23	Central Office Equipment	\$3,177,341	L70	\$533,560	\$1,445,327	\$0	\$1,173,029	\$0	\$25,425	O.K.
24	Info. Orig./Term. Eqpt.	0	L78	0	0	0	0	0	0	O.K.
25	C&WF, Excl. Exch. Message	804,888	L117-83	0	0	0	587,489	0	217,399	O.K.
26										
27	Total	\$3,982,229		\$533,560	\$1,445,327	\$0	\$1,760,518	\$0	\$242,824	O.K.
28	Factor	1.000000		0.133985	0.362944	0.000000	0.442094	0.000000	0.060977	O.K.
29										
30	General Support Facilities	\$751,110	L25	\$100,638	\$272,611	\$0	\$332,061	\$0	\$45,800	O.K.
31	Central Office Equipment	3,177,341	13	533,560	1,445,327	0	1,173,029	0	25,425	O.K.
32	Info. Orig./Term. Eqpt.	0	14	0	0	0	0	0	0	O.K.
33	C&W Facilities	5,887,476	15	5,082,587	0	0	587,489	0	217,399	O.K.
34	Equal Access Investment	0	L177	0	0	0	0	0	0	O.K.
35										
36	Total	\$9,815,926		\$5,716,785	\$1,717,938	\$0	\$2,092,579	\$0	\$288,624	O.K.
37	Factor	1.000000		0.582399	0.175015	0.000000	0.213182	0.000000	0.029404	O.K.
38										
39	Sum: Com. Ln., Sw., Trans.	\$9,527,302	36	\$5,716,785	\$1,717,938	\$0	\$2,092,579	\$0	\$0	O.K.
40	Factor	1.000000		0.600042	0.180317	0.000000	0.219640	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	\$9,815,926	K26	\$5,716,785	\$1,717,938	\$0	\$2,092,579	\$0	\$288,624	O.K.
46	Factor	1.000000		0.582399	0.175015	0.000000	0.213182	0.000000	0.029404	O.K.

MIDSTATE 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 Equiv. 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	\$348,088	O171	\$90,377	\$37,585	\$6,510	\$163,066	\$43,537	\$7,012	O.K.
64	Factor	1.000000		0.259639	0.107977	0.018703	0.468463	0.125075	0.020143	0
65										
66	Net Investment	\$5,920,523	J13	\$3,650,390	\$870,236	\$0	\$1,219,593	\$0	\$180,304	O.K.
67	Factor	1.000000		0.616566	0.146986	0.000000	0.205994	0.000000	0.030454	O.K.

MIDSTATE COMMUNICATIONS, INC.

Part 36		IntraLATA																							
***** FCC PART 69 *****		Operating Expenses and Taxes																							
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)																	
	Total	Apportion	Common Line	Local Switching	Information	Common Transport	Billing and Collection	Other																	
13																									
14																									
15																									
16																									
17																									
18																									
19																									
20																									
21																									
22																									
23																									
24																									
25																									
26																									
27																									
28																									
29																									
30																									
31																									
32																									
33																									
34																									
35																									
36																									
37																									
38																									
39																									
40																									
41																									
42																									
43																									

MIDSTATE 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.	\$21,596	N18	\$13,380	\$3,443	\$0	\$4,194	\$0	\$579	O.K.
65 Network Operations, Direct	0	Direct	0	0	0	0	0	0	O.K.
66									
67 Total Network Oper. Exp.	\$21,596		\$13,380	\$3,443	\$0	\$4,194	\$0	\$579	O.K.
68									
69 Total Access Expenses	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
70									
71 Depr., Support Assets	\$53,294	L23	\$7,141	\$19,343	\$0	\$23,561	\$0	\$3,250	O.K.
72 Depr., COE Switching	169,055	L44	0	121,321	0	47,734	0	0	O.K.
73 Depr., COE Operator	0	L32	0	0	0	0	0	0	O.K.
74 Depr., COE Transmission	87,402	L68	40,086	0	0	45,406	0	1,910	O.K.
75 Depr., IOT Equipment	0	L78	0	0	0	0	0	0	O.K.
76 Depr., C&W Facilities	286,898	L117	247,675	0	0	28,628	0	10,594	O.K.
77 Depr., PHFU	0	L147	0	0	0	0	0	0	O.K.
78									
79 Total Depreciation Expense	\$596,649		\$294,902	\$140,664	\$0	\$145,329	\$0	\$15,754	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.	\$596,649		\$294,902	\$140,664	\$0	\$145,329	\$0	\$15,754	O.K.
89									
90 TOTAL NON-SPEC. OPER. EXP.	\$618,245		\$308,282	\$144,107	\$0	\$149,524	\$0	\$16,332	O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 *****		Part 36	Common	Local	Information	Common	Billing and	Other	
Operating Expenses and Taxes		IntraLATA	Line	Switching		Transport	Collection		
(A)	(B)	Apportion	(D)	(E)	(F)	(G)	(H)	(I)	
104	CUSTOMER OPERATIONS EXPENSE:								
105									
106	Marketing, Allocable		\$8,096	\$2,433	\$0	\$2,964	\$0	\$409	O.K.
107	Marketing, Direct	N37 Direct	0	0	0	0	0	0	O.K.
108									
109	Total Marketing Expense		\$8,096	\$2,433	\$0	\$2,964	\$0	\$409	O.K.
110									
111	Operator Service, Alloc.		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
112	Operator Service, Direct	N61 Direct	0	0	0	0	0	0	O.K.
113									
114	Total Operator Service		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
115									
116	Classified Directory		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
117	Alphabetical Directory	Direct (F)	5,899	0	5,899	0	0	0	O.K.
118	Foreign Directory	Direct	0	0	0	0	0	0	O.K.
119									
120	Total Directory		\$5,899	\$0	\$5,899	\$0	\$0	\$0	O.K.
121									
122	Bus. Ofc., EU Presubscription	N40	0	\$0	\$0	\$0	\$0	\$0	O.K.
123	Bus. Ofc., Reserved	(I)	0	0	0	0	0	0	O.K.
124	Bus. Ofc., EU Access PL & All Other	(H)	1,303	0	0	0	0	1,303	O.K.
125	Bus. Ofc., EU Message	(H)	20,524	0	0	0	20,524	0	O.K.
126	Bus. Ofc., EU Reserved	(I)	0	0	0	0	0	0	O.K.
127	Bus. Ofc., IX Special Access	(I)	5	0	0	0	0	5	O.K.
128	Bus. Ofc., IX Switched Access	N40	836	502	151	184	0	0	O.K.
129	Bus. Ofc., IX Billing and Collection	(H)	71	0	0	0	71	0	O.K.
130	Bus. Ofc., Coin Collection & Administr.	(D)	0	0	0	0	0	0	O.K.
131	Bus. Ofc., Reserved	(I)	0	0	0	0	0	0	O.K.
132									
133	Total Business Office		\$22,739	\$502	\$151	\$184	\$20,595	\$1,308	O.K.
134									
135	Cust. Serv., Msg. Process	(H)	\$0	0	0	0	0	0	O.K.
136	Cust. Serv., Other B&C	(H)	18,854	0	0	0	18,854	0	O.K.
137	Cust. Serv., CABS	N21	8,783	0	3,681	4,483	0	618	O.K.
138	Cust. Serv., EU Common Line	(H)	0	0	0	0	0	0	O.K.
139									
140	Total Customer Service		\$27,637	\$0	\$3,681	\$4,483	\$18,854	\$618	O.K.
141									
142	Total BO, CS, OS, Dir.		\$56,275	\$502	\$3,832	\$5,899	\$39,449	\$1,926	O.K.

MIDSTATE 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)		
158 Other Cust. Serv., Alloc.	\$5,832	142	\$52	\$397	\$611	\$484	\$4,088	\$200	O.K.	
159 Other Cust. Serv., Direct	0	Direct	0	0	0	0	0	0	O.K.	
161 Total Other Cust. Serv.	\$5,832		\$52	\$397	\$611	\$484	\$4,088	\$200	O.K.	
163 TOTAL CUSTOMER OPER. EXP.	\$76,008		\$8,650	\$6,662	\$6,510	\$8,114	\$43,537	\$2,535	O.K.	
165 "BIG-THREE" EXPENSES:										
167 Total Plt. Specific Exp.	\$250,484	41	\$68,347	\$27,481	\$0	\$150,758	\$0	\$3,898	O.K.	
168 Total Plt Non-specific Exp.	21,596	62 + 67 + 69	13,380	3,443	0	4,194	0	579	O.K.	
169 Total Customer Operations	76,008	163	8,650	6,662	6,510	8,114	43,537	2,535	O.K.	
171 TOTAL "BIG THREE" EXPENSES	\$348,088		\$90,377	\$37,585	\$6,510	\$163,066	\$43,537	\$7,012	O.K.	
173 CORPORATE OPERATIONS EXPENSE:										
175 Exec. and Planning, Alloc.	\$50,237	N64	\$13,043	\$5,424	\$940	\$23,534	\$6,283	\$1,012	O.K.	
176 Exec. and Planning, Direct	0	Direct	0	0	0	0	0	0	O.K.	
177 Total Exec. and Planning	\$50,237		\$13,043	\$5,424	\$940	\$23,534	\$6,283	\$1,012	O.K.	
180 Admin. & General, Allocable	\$66,723	N64	\$17,324	\$7,205	\$1,248	\$31,257	\$8,345	\$1,344	O.K.	
181 Admin. & General, Direct	55,710	Direct	16,922	7,037	1,219	30,532	0	0	O.K.	
183 Total Admin. and Gen.	\$122,433		\$34,246	\$14,242	\$2,467	\$61,789	\$8,345	\$1,344	O.K.	
185 TOTAL CORPORATE OPERATIONS	\$172,670		\$47,289	\$19,666	\$3,406	\$85,323	\$14,629	\$2,356	O.K.	
187 NON-INCOME TAXES:										
189 Non-income Taxes, Allocable	\$0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
190 Non-income Taxes, Direct	1,673	Direct	1,004	302	0	367	0	0	O.K.	
193 Total Non-income Taxes	\$1,673		\$1,004	\$302	\$0	\$367	\$0	\$0	O.K.	
195 TOTAL OPER. EXP. AND TAXES	\$1,119,080		\$433,573	\$198,218	\$9,917	\$394,086	\$58,166	\$25,121	O.K.	

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

COMPANY NAME MIDSTATE COMMUNICATIONS, INC.
 PERIOD ADDRESSED ENDING DECEMBER 31,2001 WITH KNOWN & MEASURABLE CHANGES
 RUN DATE AND TIME 31-Oct-2002 01:41:59 PM

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

Intrastate

***** FCC PART 36 ***** ----- (A)	TOTAL COMPANY (B)	Source/ Allocater (C)	Interstate and Other (D)	Message Telephone Service		Private Line		TOTAL INTRASTATE (I)
				InterLATA	IntraLATA	InterLATA	IntraLATA	
				(E)	(F)	(G)	(H)	
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	2,801,593	---	---	---	---	---	---	---
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	1,663,734	---	---	---	---	---	---	---
38 CAT 2 Tandem Sw. Direct	0	---	0	0	0	0	0	0
39 CAT 3 Local Sw. Allocable	4,915,945	---	---	---	---	---	---	---
40 CAT 3 Local Sw. Direct	0	---	0	0	0	0	0	0
41 CAT 4.12 Exchange Trunk	456,013	---	---	---	---	---	---	---
42 CAT 4.12 Exch. Tr. Direct	0	---	0	0	0	0	0	0
43 CAT 4.13 Exch. Ln. Msg., PL & WATS	2,203,951	---	---	---	---	---	---	---
44 Reserved	0	---	---	---	---	---	---	---
45 CAT 4.13 Direct	0	---	0	0	0	0	0	0
46 CAT 4.23 Message, PL & WATS	1,540,206	---	---	---	---	---	---	---
47 Reserved	0	---	---	---	---	---	---	---
48 CAT 4.23 Direct	23,123	---	19,348	0	0	0	3,775	3,775
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 COMMUNICATIONS, INC.
 ENDING DECEMBER 31,2001 WITH KNOWN & MEASURABLE CHANGES

		Intrastate								
		TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
***** FCC PART 36 *****	(A)				(B)	(C)	(D)	InterLATA		IntraLATA
70	CAT 2 CP Equipment	0	---	0	0	0	0	0	0	0
71	Reserved	0	---	---	---	---	---	---	---	---
72	Reserved	0	---	---	---	---	---	---	---	---
73	CAT 1.3 Joint Msg., Cat. 1.1 & 1.2 PL	20,994,417	---	---	---	---	---	---	---	---
74	Other CAT 1 C&WF	0	---	0	0	0	0	0	0	0
75	CAT 2 C&WF	423,321	---	---	---	---	---	---	---	---
76	CAT 2 C&WF, Wideband	0	---	0	0	0	0	0	0	0
77	CAT 3 Joint Message & PL/WATS	1,492,476	---	---	---	---	---	---	---	---
78	Reserved	0	---	---	---	---	---	---	---	---
79	CAT 3 Direct	98,030	---	86,863	0	0	0	11,167	11,167	11,167
80	CAT 4 Message	0	---	---	---	---	---	---	---	---
81	CAT 4 WATS	0	---	0	0	0	0	0	0	0
82	CAT 4 Direct	0	---	0	0	0	0	0	0	0
83	Allocable Support Leases	0	---	---	---	---	---	---	---	---
84	Direct Support Leases	0	---	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	0
90	IOT Leases	0	---	0	0	0	0	0	0	0
91	C&WF Leases	0	---	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	0
97	Leasehold Imp. C&WF	0	---	0	0	0	0	0	0	0
98	Leasehold Imp. Other	0	---	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	0
101	Materials and Supplies	235,576	---	---	---	---	---	---	---	---
102	RTB Stock	0	---	---	---	---	---	---	---	---
103	Tele. Plt. Adjust. - Alloc.	0	---	---	---	---	---	---	---	---
104	Tele. Plt. Adjust. - Direct	0	---	0	0	0	0	0	0	0
105	Other Assets, Net	0	---	0	0	0	0	0	0	0
106	Other Liab., Def. Cr., Net	0	---	0	0	0	0	0	0	0

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE COMMUNICATIONS, INC.
 ENDING DECEMBER 31, 2001 WITH KNOWN & MEASURABLE CHANGES

	(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)	InterLATA (I)			
123 TPUC -- Short Term, Alloc.		0										
124 TPUC -- Short Term, Direct		0										
125 TPUC -- Long Term, Alloc.		793,511										
126 TPUC -- Long Term, Direct		0										
127												
128 RESERVES AND DEFERRALS:												
129 Acc. Depr. Support Assets		1,366,021										
130 Acc. Depr. COE Switching		3,493,967										
131 Acc. Depr. COE Operator		0										
132 Acc. Depr. COE Transmission		1,711,008										
133 Acc. Depr. IOT Equipment		0										
134 Acc. Depr. Cable and Wire Facilities		8,947,849										
135 Acc. Depr. Other Plant		0										
136 Accum. Amort., Tangible Inv.		0										
137 Accum. Amort., Intang. Inv.		0										
138 Accum. Amort., Other		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										
146												
147 OPERATING EXPENSES AND TAXES:												
148 Network Support, Alloc.		0										
149 Network Support, Direct		0										
150 General Support, Alloc.		63,204										
151 General Support, Direct		0										
152 Central Office Eq., Alloc.		159,435										
153 Central Office Eq., Direct		0										
154 Cust. Premises Equip.		0										
155 Coinless Pay Phone Exp.		0										
156 Other IOT		0										
157 IOT Direct		0										
158 Cable & Wire, Alloc.		263,474										
159 Cable & Wire, Direct		266,719		147,492			119,227					119,227

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE COMMUNICATIONS, INC.
ENDING DECEMBER 31,2001 WITH KNOWN & MEASURABLE CHANGES

Intrastate

***** FCC PART 36 *****	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)
176 Oth. Plt. and Equip., Alloc.	0	---	---	---	---	---	---	---
177 Oth. Plt. and Equip., Direct	0	---	0	0	0	0	0	0
178 Network Operations, Alloc.	80,552	---	---	---	---	---	---	---
179 Network Operations, Direct	0	---	0	0	0	0	0	0
180 Total Access Expense	631,635	---	631,635	0	0	0	0	0
181 Depr., Support Assets	198,784	---	---	---	---	---	---	---
182 Depr., COE Switching	552,300	---	---	---	---	---	---	---
183 Depr., COE Operator	0	---	---	---	---	---	---	---
184 Depr., COE Transmission	317,296	---	---	---	---	---	---	---
185 Depr., IOT Equipment	0	---	---	---	---	---	---	---
186 Depr., C&W Facilities	1,121,195	---	---	---	---	---	---	---
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	70,883	---	---	---	---	---	---	---
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	40,128	---	---	---	---	---	---	---
197 Foreign Directory	0	---	---	---	---	---	---	---
198 Bus. Ofc., EU Presubscription	21,873	---	---	---	---	---	---	---
199 Bus. Ofc., EU MTS & WATS	37,076	---	---	---	---	---	---	---
200 Bus. Ofc., EU Access, P/L & all Other	160,691	---	---	---	---	---	---	---
201 Bus. Ofc., IXC Special Access	160	---	---	---	---	---	---	---
202 Bus. Ofc., IXC Switched Access	2,343	---	---	---	---	---	---	---
203 Bus. Ofc., IXC B & C Services	104	---	---	---	---	---	---	---
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	57,531	---	---	---	---	---	---	---
208 Cust. Serv., CABS	17,565	---	---	---	---	---	---	---
209 Cust. Serv., EU Common Line	3,028	---	3,028	0	0	0	0	0
210 Other Cust. Serv., Alloc.	34,772	---	---	---	---	---	---	---
211 Other Cust. Serv., Direct	451	---	451	0	0	0	0	0
212 Exec. and Planning, Alloc.	184,595	---	---	---	---	---	---	---
213 Exec. and Planning, Direct	0	---	0	0	0	0	0	0

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE COMMUNICATIONS, INC.
 ENDING DECEMBER 31,2001 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)
230 Admin. & General, Allocable	245,174	---	---	---	---	---	---	---
231 Admin. & General, Direct	66,064	---	10,354	0	55,710	0	0	55,710
232 Non-income Taxes, Allocable	0	---	---	---	---	---	---	---
233 Non-income Taxes, Direct	2,488	---	815	0	1,673	0	0	1,673
234								
235 OTHER INCOME STATEMENT:								
236 State Income Tax Rate	0.00%	---	---	---	---	---	---	---
237 Federal Income Tax Rate	0.00%	---	---	---	---	---	---	---
238 Gross Receipts Tax Rate	4.00%	---	---	---	---	---	---	---
239 Rate of Return	10.00%	---	---	---	---	---	---	---
240 AFUDC	(288,788)	---	---	---	---	---	---	---
241 ITC Amortization	0	---	---	---	---	---	---	---
242 Other Return Adjustments	0	---	0	0	0	0	0	0
243 Contributions	0	---	---	---	---	---	---	---
244 Interest Expense	623,099	---	---	---	---	---	---	---
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
249 Uncollectibles	23,866	---	12,593	0	11,273	0	0	11,273
250 Other Revenue Adjustments	0	---	0	0	0	0	0	0
251 Other Revenue Taxes	0	---	0	0	0	0	0	0
252								

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE COMMUNICATIONS, INC.
 ENDING DECEMBER 31,2001 WITH KNOWN & MEASURABLE CHANGES

***** FCC PART 36 *****		TOTAL COMPANY	Source/ Allocator	Other	Interstate		Intrastate		TOTAL INTRASTATE
					Private Line		Private Line		
(A)	(B)	(C)	(D)	InterLATA	IntraLATA	InterLATA	IntraLATA	(I)	
271 Working Loops	5,090	---	111	0	0	0	50	50	
272 Equivalent Interexchange Cct. Miles	63,414	---	0	0	0	0	0	0	
273 Interexchange Circuit Terminations	1,191	---	0	0	0	0	0	0	

CONFIDENTIAL

2

LAW OFFICES
RITER, ROGERS, WATTIER & BROWN, LLP
Professional & Executive Building
319 South Coteau Street
P.O. Box 280
Pierre, South Dakota 57501-0280
www.riterlaw.com

RECEIVED

JUL 11 2003

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

OF COUNSEL:
Brian B. Meyer
Robert D. Hofer

TELEPHONE
605-224-5825
605-224-7889
FAX
605-224-7102

E.D. MAYER
ROBERT C. RITER, Jr.
DARLA POLLMAN ROGERS
JERRY L. WATTIER
JOHN L. BROWN

July 11, 2003

Pam Bonrud
Public Utilities Commission
500 East Capitol Avenue
Pierre, South Dakota 57501

Re: Docket Number TC02-067

Dear Pam:

You will find enclosed herein the original and ten copies of the MOTION TO DISMISS INTERVENOR AND MOTION FOR EXTENSION OF TIME for filing in the above-named 2001 cost study docket in which S&S Communications intervened.

Sincerely yours,



Darla Pollman Rogers
Attorney at Law

DPR/ph

Enclosures

RECEIVED

BEFORE THE PUBLIC UTILITIES COMMISSION

JUL 11 2003

OF THE STATE OF SOUTH DAKOTA

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

IN THE MATTER OF THE ESTABLISH-
MENT OF SWITCHED ACCESS REVE-
NUE REQUIREMENT FOR MIDSTATE
COMMUNICATIONS, INC.

Docket No. TC02-067
MOTION TO DISMISS AND MOTION
FOR EXTENSION
OF TIME TO RESPOND TO
SECOND DISCOVERY REQUEST

MIDSTATE COMMUNICATIONS, INC. (Company), through under-
signed counsel, respectfully requests the Public Utilities Commission (Commission) to
dismiss S&S Communications (S&S) as Intervenor in this proceeding, pursuant to ARSD
20:10:01:15.05, based on the reasons stated herein. Pending a hearing and ruling on the
Motion to Dismiss, Company further requests an Extension of Time to Respond to Inter-
venor's Second Discovery Request, dated June 12, 2003.

A. Background

On or about June 18, 2002, Company filed its 2001 Intrastate Switched
Access Cost Study for approval by the Commission. S&S petitioned to intervene in said
docket on July 5, 2002, and S&S was granted intervention by the Commission on July 26,
2002.

In an ancillary proceeding, the Commission Staff opened a separate docket
against S&S (TC02-166) that began as a Motion for an Order to Show Cause why S&S
should not be found in violation of the Order Granting Certificate of Authority. This
docket was commenced on September 27, 2002, and was followed by a series of addi-
tional motions from Staff and hearings in front of the Commission. On July 2, 2003, the
Commission revoked S&S's Certificate of Authority to provide telecommunications ser-
vices in South Dakota.

B. Argument for Dismissal of Petition to Intervene

The rules governing intervention are found in ARSD 20:10:01:15.02-05. ARSD 20:10:01:15.02 allows a person who is not an original party to a proceeding to petition to intervene if said person is one “who claims an interest in a pending proceeding.” The petition itself must “set out clearly and concisely the facts supporting the petitioner’s alleged interest in the proceeding,” as well as the position of the petitioner, to the extent known. (ARSD 20:10:01:15.03). The Commission is granted some discretion in acting upon a petition to intervene:

A petition to intervene shall be granted by the commission if the petitioner shows that the petitioner is specifically deemed by statute to be interested in the matter involved, that the petitioner is specifically declared by statute to be an interested party to the proceeding, or that by the outcome of the proceeding the petitioner will be bound and affected either favorably or adversely with respect to an interest peculiar to the petitioner as distinguished from an interest common to the public or the taxpayers in general. ARSD 20:10:01:15.05.

Thus, overall, while intervention is generally liberally granted by the Commission, the rules do require a showing of a peculiar interest in the outcome of the proceeding, in absence of a statutorily granted right of intervention.

S&S filed its Motions to Intervene in all of the Local Exchange Carriers’ (LEC) dockets in July of 2002. S&S did not point to any statutorily granted right to intervention, so the first part of ARSD 20:10:01:15.05 is inapplicable. S&S alleged that as a switch-based interexchange carrier, it must purchase certain switched access services from the LECs. As a purchaser of switched access services, S&S claimed that “any increase in the rates of such services will directly and immediately affect the pecuniary interests of S&S ... as it will naturally affect S&S[’s] ... operating expenses.” (S&S Petition to Intervene). S&S noted some general concerns with regard to ineligible costs being included as recoverable costs, and also that the Commission’s decision in the cost

study dockets would “affect the customers of switched access services in general.” (S&S Petition to Intervene).

In early August of 2002, the Commission “found that S&S’s Petition(s) to Intervene was timely filed and demonstrates good cause to grant intervention,” and entered an Order to that effect in each of the LECs’ cost study dockets.

At the time the Petitions were filed by S&S and the Orders granted by the Commission were entered, the facts and application of the rules no doubt supported S&S’s intervention. Since that time, however, the facts have changed. As a result of the Commission’s Order of July 2, 2003, revoking S&S’s Certificate of Authority, S&S no longer has any pecuniary interest in the outcome of the cost study dockets. The change of facts is apparent:

1. S&S is no longer a switch-based interexchange carrier, and S&S no longer provides intrastate and interstate message telecommunications services to its subscribers.
2. S&S no longer purchases switched access services from LECs.
3. Because S&S no longer purchases switched access services from LECs, any increase in rates will not have any effect on S&S’s pecuniary interests or on its operating expenses.

Therefore, S&S can no longer demonstrate that “by the outcome of the proceeding [it] will be bound and affected either favorably or adversely with respect to an interest peculiar to the petitioner . . .” (ARSD 20:10:01:15.05). S&S will not be affected by the outcome of the cost study dockets at all, as it is no longer in business.

S&S’s general allegation of interest based upon the “important and complex issues” that arise in tariff filing is insufficient to establish the level of interest re-

quired under the rules to grant and maintain intervenor status, nor is S&S's claimed interest based on the direct and immediate effect of switched access services on customers in general sufficient to sustain intervenor status. In fact, ARSD 20:10:01:15.05 states that to grant intervention to a petitioner, the petitioning party must demonstrate a peculiar interest that is distinguishable "from an interest common to the public or to the taxpayers in general."

In addition, S&S's intervention in this docket has not promoted a timely hearing and disposition of this case by the Commission. By way of example, the Commission Staff has requested S&S to provide a list of specific issues it will raise at the hearing. The purpose of Staff's request was to determine the amount of time to set aside for a hearing. To date, however, S&S has not responded to Staff's request, so a final hearing date has still not been scheduled. Instead of providing information and identifying specific issues to the Commission that will aid the Commission in its decision making process, S&S has continued to request information from companies without any stated purpose.

Because S&S can no longer demonstrate that it has an interest in the cost study docket, and because S&S's intervention has failed to facilitate the Commission's decision making role, S&S should be dismissed as an intervenor in this docket.

C. Argument for Extension of Time

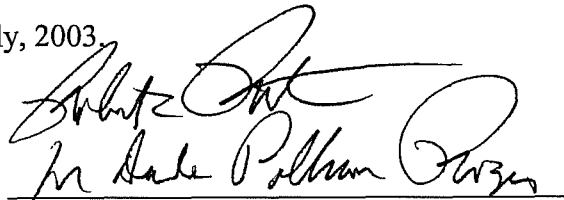
Prior to the hearings on June 30, 2003, and July 2, 2003, that culminated in the Commission revoking S&S's Certificate of Authority, S&S served Second Discovery Requests upon Company. The Discovery Requests are dated June 12, 2003, and under the rules of civil procedure, responses are due within thirty days.

Since the service of the Second Discovery Requests, S&S's Certificate of Authority was revoked, which is the reason for Company's Motion to Dismiss. In the

event the Commission grants Company's Motion, responses to the Discovery Requests would not be necessary. Therefore, Company requests that the Commission extend the time to respond to the Second Discovery Requests. If the Motion to Dismiss is denied, Company requests thirty days from the date of the Commission's ruling in which to respond to the Discovery Requests.

WHEREFORE, Company respectfully moves the Commission to dismiss S&S as an Intervenor and party in this docket, and to grant an extension of time to respond to discovery.

Dated this eleventh day of July, 2003.

Handwritten signatures of Darla Pollman Rogers and Robert C. Riter. The signature of Darla Pollman Rogers is written in cursive and is positioned above the signature of Robert C. Riter, which is also in cursive.

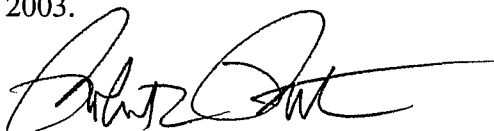
Darla Pollman Rogers
Robert C. Riter
Riter, Rogers, Wattier & Brown
P. O. Box 280
Pierre, South Dakota 57501
Telephone (605) 224-7889
Attorney for Company

CERTIFICATE OF SERVICE

The undersigned hereby certifies that she served a copy of the foregoing **MOTION** upon the person herein next designated, on the date below shown, by depositing a copy thereof in the United States mail at Pierre, South Dakota, postage prepaid, in an envelope addressed to said addressee, to-wit:

John W. Burke
Barker, Wilson, Reynolds & Burke, LLP
P. O. Box 100
Belle Fourche, South Dakota 57717-0100

Dated this eleventh day of July, 2003.



Darla Pollman Rogers
Robert C. Riter
Riter, Rogers, Wattier & Brown
P. O. Box 280
Pierre, South Dakota 57501
Telephone (605) 224-7889
Attorney for Company

BARKER WILSON REYNOLDS & BURKE
LAWYERS

KENNETH E. BARKER**
MICHAEL A. WILSON'
MICHAEL P. REYNOLDS**
JOHN W. BURKE***
JEFFERY D. COLLINS

www.bwrbl.com

4200 BEACH DRIVE
P.O. BOX 9335
RAPID CITY, SD 57709-9335
605.718.8000 • FAX: 605.718.8010

211 ZINNIA STREET
P.O. BOX 100
BELLE FOURCHE, SD 57717-0100
605.723.8000 • FAX: 605.723.8010

REPLY TO: BELLE FOURCHE OFFICE

July 22, 2003

RECEIVED

JUL 24 2003

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

Debra Elofson
Executive Director
Public Utilities Commission
State Capitol
500 East Capitol
Pierre, SD 57501

Re: Intervenor's Brief in Resistance to Motion to Dismiss and Motion for Extension of Time

Dear Debra:

Enclosed please find the originals and ten copies of each of **Intervenor's Brief in Resistance to Motion to Dismiss and for Extension of Time** for filing in the following matters:

TC02-071 Baltic Telecom Cooperative
TC02-080 Beresford Municipal Telephone Company
TC02-078 Bridgewater-Canistota Independent Telephone Company
TC02-076 Brookings Municipal Telephone Company
TC02-087 DTG Community Telephone
TC02-072 East Plains Telecom, Inc.
TC02-053 Interstate Telecommunication Cooperative, Inc.
TC02-079 Kennebec Telephone Company
TC02-090 Local Exchange Carriers Association
TC02-068 McCook Cooperative Telephone Company
TC02-067 Midstate Communications, Inc.
TC02-088 Roberts County Telephone Cooperative Association and RC Communications, Inc.
TC02-073 Sanborn Telephone Cooperative and SANCOM, Inc.
TC02-058 Sioux Valley Telephone Company
TC02-091 South Dakota Network, L.L.C.
TC02-065 Splitrock Properties, Inc.
TC02-066 Splitrock Telecom Cooperative, Inc.
TC02-064 Sully Buttes Telephone Cooperative, Inc.
TC02-089 Tri-County Telcom, Inc.
TC02-074 Valley Telecommunications Cooperative Association
TC02-054 Vivian Telephone Company
TC02-052 West River Cooperative Telephone Company

Debra Elofson
July 22, 2003
Page 2

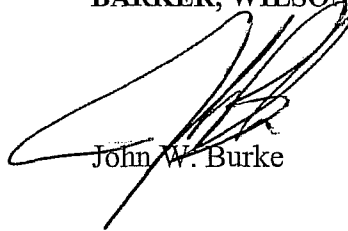
By copy of this letter, copies of the same are being served upon counsel for the opposing Petitioner via facsimile and first class mail.

If you have any questions, please feel free to give me a call at any time.

Best regards.

Sincerely,

BARKER, WILSON, REYNOLDS & BURKE, L.L.P.

A handwritten signature in black ink, appearing to be "John W. Burke", written over a printed name.

John W. Burke

JWB/bb
Enclosures
cc: S&S Communications
Darla Rogers

RECEIVED

JUL 24 2003

*BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA*

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

TC02-067

**IN THE MATTER OF THE ESTABLISHMENT OF
SWITCHED ACCESS REVENUE REQUIREMENT
FOR MIDSTATE COMMUNICATIONS, INC.**

)
)
)
)
)
)
)
)
)
)
)
)

**INTERVENOR'S BRIEF IN
RESISTANCE TO MOTION
TO DISMISS AND MOTION
FOR EXTENSION OF TIME**

COMES NOW the Intervenor, S&S Communications, by and through its attorneys of record, Barker, Wilson, Reynolds & Burke, L.L.P., and hereby submits the following in resistance to Petitioner’s Motion to Dismiss and Motion for Extension of Time to Respond to Second Discovery Requests.

ARGUMENT AND AUTHORITIES

I. PETITIONER’S MOTION TO DISMISS SHOULD BE DENIED.

Petitioner contends that S&S Communications should be dismissed as an Intervenor in this matter. In its words, “[b]ecause S&S no longer purchases switched access services from LECs, any increase in rates will not have any effect on S&S’s pecuniary interest or on its operating expenses.” Disappointingly, in an unwarranted personal attack, Petitioner adds that “S&S’s intervention in this docket has not promoted a timely hearing and disposition of this case by the Commission.” Petitioner’s Motion to Dismiss at 4. Given Petitioner’s comment, before addressing Petitioner’s Motion to Dismiss on the merits, a review of the parties’ respective efforts to “promote[] a timely hearing and disposition of this case by the Commission” is warranted.

A. S&S Communications has worked toward the timely hearing and disposition of this matter.

In June of 2002, Petitioner filed its 2001 Intrastate Switched Access Cost Study for

approval by this Commission. Thereafter, S&S Communications filed S&S Communications' Petition to Intervene. S&S Communications' Petition to Intervene was granted.

On July 26, 2002, S&S Communications served Intervenor's Discovery Requests. On August 26, 2002, *thirty days* after Intervenor's Discovery Requests had been served, Petitioner served its Response to Intervenor's Discovery Requests in which Petitioner objected to each and every one of the Requests for Production. Because Petitioner did nothing more than object to the discovery requests, Petitioner's Response could have been served immediately thereby saving the parties and the Commission thirty days in this process. Instead, Petitioner waited the full thirty days to produce nothing.

On September 4, 2002, just over one week after receiving Petitioner's "responses" to Intervenor's Discovery Requests, S&S Communications served S&S Communications' Request for Access to Confidential Information.

After hearing very little from counsel for Petitioner over the next two months, on November 15, 2002, counsel for S&S Communications mailed counsel for Petitioner a letter stating as follows:

As you know, during the first week of September 2002, I served numerous Requests for Access to Confidential Information. Over the next two months, I heard very little from you in this regard until recently, when you stated in an e-mail that your clients might be willing to disclose this information if it was only reviewed by S&S Communications' expert, Porter Childers. I am writing to simply state that my patience is at an end, and that, therefore, if you do not advise me that this information can be reviewed by Mr. Childers by 12 p.m. on Monday, I will take immediate action, which may or may not include renewed Requests for Access to Confidential Information.

See Attachment A (copy of letter from Burke to Rogers dated November 15, 2002) (emphasis added). This letter prompted a response and, after some discussion, counsel for S&S Communications received a draft of a Protective Agreement on December 5, 2002.

Approximately eight days later, on December 13, 2002, counsel for S&S Communications faxed a copy of a revised Protective Agreement to counsel for Petitioner “with various modifications.” See Attachment B (copy of letter from Burke to Rogers dated December 13, 2002). Counsel for Petitioner faxed another revised Protective Agreement to counsel for S&S Communications on December 18, 2002.

On December 31, 2002, counsel for S&S Communications faxed yet another revised Protective Agreement to counsel for Petitioner. See Attachment C (copy of letter from Burke to Rogers dated December 31, 2002). After counsel for S&S Communications did not hear from counsel for Petitioner during the two weeks that followed, counsel for S&S Communications wrote a letter to counsel for Petitioner stating as follows:

A couple of days ago I called your office and was informed that you would call me back in a few minutes. I did not hear from you later that day, nor did I hear from you yesterday. As a result, I called again yesterday and left another message. In the meantime, we have received an e-mail from Karen Cremer at the Public Utilities Commission indicating that they would like to move forward with these dockets. For that reason, and because I believe that you have had plenty of time to review the language in the Protective Agreement, I would like to know whether you intend to sign the Protective Agreement by 5 p.m. MST today. If I do not hear from you in this regard, I will contact Ms. Cremer on Monday morning and ask that she set a hearing.

While I appreciate that you may be busy, I am sure that you can understand why I do not risk S&S Communications’ meaningful participation in these dockets simply because your clients are struggling with the language of a Protective Agreement concerning documents which we are clearly entitled to.

See Attachment D (copy of letter from Burke to Rogers dated January 17, 2003) (emphasis added).

Approximately three days later, on January 20, 2003, counsel for S&S Communications received a facsimile from counsel for Petitioner accompanied by another draft of the Protective Agreement. After further discussions, on February 3, 2003, counsel for S&S Communications

received yet another proposed Protective Agreement from counsel for Petitioner. Within a matter of days, the parties agreed to a Protective Agreement and it was circulated for the appropriate signatures. Approximately six weeks later, during the first week of April, 2003, a number of the “cost studies” were mailed to S&S Communications’ expert, Porter Childers.

After his initial review of the cost studies, Porter Childers related that additional information was needed to permit a meaningful consideration as to whether an increase of South Dakota’s already high switched access rates is appropriate. On June 12, 2003, S&S Communications served Intervenor’s Second Discovery Requests. To date, Petitioner has not responded to these requests. Instead, like before, Petitioner waited twenty-nine days and then served the present Motion for Extension of Time to Respond to Second Discovery Request.

Given the preceding, S&S Communications would submit that it has been Petitioner, and not S&S Communications, that “has not promoted a timely hearing and disposition of this case by the Commission.” Petitioner’s Motion to Dismiss at 4.¹

B. S&S Communications should not lose its intervenor status.

Though it fails to cite a single case in support of its argument, Petitioner contends that S&S Communications should be dismissed as an intervenor in this matter. According to Petitioner, “S&S can no longer demonstrate that ‘by the outcome of the preceding [it] will be bound and affected either favorably or adversely with respect to an interest peculiar to the petitioner’” Petitioner’s Motion to Dismiss at 3. S&S Communications should not lose its

¹ Petitioner submits that S&S Communications has not responded to Staff’s request for a list of specific issues. Petitioner’s Motion to Dismiss at 4. Petitioner’s representation is inaccurate and misleading. Staff did ask counsel for S&S Communications for an issues matrix. Thereafter, counsel for S&S Communications contacted Staff and informed it that until it had obtained the additional information requested from Petitioner—information needed by S&S Communications’ expert, Porter Childers—that it would be unable to provide an issues matrix.

intervenor status.

First, once this Commission granted S&S Communications status as an intervenor in this matter, it became “a party to the proceeding.” ARSD 20:10:01:15.05. Accord 7C C. Wright & A. Miller, *Federal Practice and Procedure* § 1920 (1985); Schneider v. Dumberton Developers, Inc., 767 F2d 1007, 1017 (CADC 1985) (“When a party intervenes, it becomes a full participant in the lawsuit and is treated just as if it were an original party.”). By rule, “[a]s a party,” S&S Communications became “entitled . . . to all . . . rights granted to parties by statute.” ARSD 20:10:01:15.05. Parties cannot be summarily dismissed from a matter. See SDCL 15-6-12(b) (motion to dismiss (1) for lack of jurisdiction over the subject matter; (2) for lack of jurisdiction over the person; (3) due to insufficiency of process; (4) due to insufficiency of service of process; (5) for failure to state a claim upon which relief can be granted; (6) for failure to join a party under § 15-6-19); SDCL 15-6-12(c) (motion for judgment on the pleadings); SDCL 15-6-41(b) (motion for involuntary dismissal); SDCL 15-6-56 (motion for summary judgment). Thus, as a party, S&S Communications cannot be summarily dismissed from this proceeding.

Second, the Commission should not overlook the fact that Petitioner will not in any way be prejudiced by S&S Communications’ continued participation in this proceeding. If Petitioner’s cost studies support the rates they seek to implement, and Petitioner has nothing to hide, it should, frankly, be indifferent to S&S Communications’ continued participation.

Third, S&S Communications’ continued participation will aid the Commission in obtaining its ultimate objective of switched access rates that are fair to Petitioner, interexchange carriers, and the citizens of South Dakota. If Petitioner shares this objective—which it should—how can it *reasonably* maintain that S&S Communications should not be allowed to

continue to participate and assist the Commission.²

II. PETITIONER'S MOTION FOR EXTENSION SHOULD BE DENIED.

As noted earlier, after his initial review of the cost studies, S&S Communications' expert, Porter Childers, indicated that additional information was needed to analyze whether an increase of South Dakota's already high switched access rates was appropriate. S&S Communications served Intervenor's Second Discovery Requests on June 12, 2003. Although Petitioner agrees that its "responses are due within thirty days," it seeks an extension because "[i]n the event the Commission grants Company's Motion, responses to the Discovery Requests would not be necessary." Petitioner's Motion to Dismiss at 4-5. Petitioner's Motion should be denied.

Petitioner's Motion is nothing more than a transparent attempt to further delay inquiry into the basis for the switched access rates it seeks to charge. It is worth noting that as of the day S&S Communications' Certificate of Authority was revoked (July 3, 2003)—the event which serves as the basis for Petitioner's Motion—Petitioner had had Intervenor's Second Discovery Requests for approximately twenty days. Because Petitioner only had thirty days to respond to Intervenor's Discovery Requests, Petitioner should have had a substantial portion of the documents already gathered and therefore should have at least produced the documents it had already gathered. There is no good faith reason why Petitioner had not already produced at least what it had gathered by July 3. S&S Communications' expert could be reviewing such documents right now. Petitioner's Motion directly contradicts the promotion of the "timely hearing and disposition of this case by the Commission." Petitioner's Motion to Dismiss at 4.

² In addition, Petitioner will no doubt seek retroactive recovery of the increased switched access rates from interexchange carriers, including S&S Communications. In that case, Petitioner will be seeking additional funds from S&S Communications and, as a result, the Commission's decision will directly and immediately affect the pecuniary interests of S&S Communications.

Dated this 22nd day of July, 2003.

BARKER, WILSON, REYNOLDS & BURKE, L.L.P.
Attorneys for S&S Communications

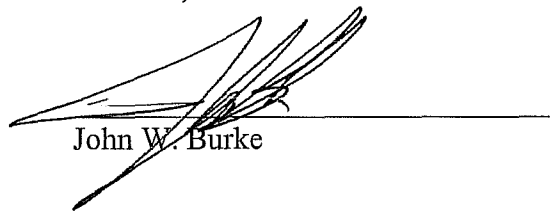
By: 

John W. Burke
211 Zinnia Street
P.O. Box 100
Belle Fourche, SD 57717-0100
Tel: (605) 723-8000
Fax: (605) 723-8010

CERTIFICATE OF SERVICE

I, John W. Burke, hereby certify that on the 22nd day of July, 2003, I caused a copy of the foregoing **INTERVENOR'S BRIEF IN RESISTANCE TO MOTION TO DISMISS AND MOTION FOR EXTENSION OF TIME** to be served upon the following via facsimile and first class mail:

Darla Pollman Rogers
Riter, Rogers, Wattier & Brown
P.O. Box 280
Pierre, SD 57501


John W. Burke

BARKER WILSON REYNOLDS & BURKE
LAWYERS

4200 BEACH DRIVE
P.O. BOX 9335
RAPID CITY, SD 57709-9335
605.718.8000 • FAX: 605.718.8010

211 ZINNIA STREET
P.O. BOX 100
BELLE FOURCHE, SD 57717-0100
605.723.8000 • FAX: 605.723.8010

KENNETH E. BARKER'
MICHAEL A. WILSON'
MICHAEL P. REYNOLDS''
JOHN W. BURKE'''
JEFFERY D. COLLINS

www.courtroomcounselors.com

REPLY TO: BELLE FOURCHE OFFICE

November 15, 2002

VIA FACSIMILE AND FIRST CLASS MAIL

Darla Rogers
Meyer & Rogers
P.O. Box 1117
Pierre, SD 57501

Re: S&S Communications/RLECs

Dear Ms. Rogers:

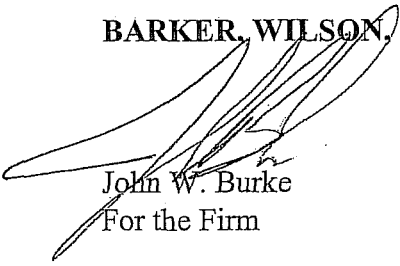
As you know, during the first week of September 2002, I served numerous Requests for Access to Confidential Information. Over the next two months, I heard very little from you in this regard until recently, when you stated in an e-mail that your clients might be willing to disclose this information if it was only reviewed by S&S Communications' expert, Porter Childers. I am writing to simply state that my patience is at an end, and that, therefore, if you do not advise me that this information can be reviewed by Mr. Childers by 12 p.m. on Monday, I will take immediate action, which may or may not include renewed Requests for Access to Confidential Information.

I look forward to hearing from you in this regard. If you have any questions, please feel free to give me a call at any time.

Best regards.

Sincerely,

BARKER, WILSON, REYNOLDS & BURKE, L.L.P.


John W. Burke
For the Firm

JWB/bb

cc: S&S Communications

Attachment
A

BARKER WILSON REYNOLDS & BURKE
L A W Y E R S

4200 BEACH DRIVE
P.O. BOX 9335
RAPID CITY, SD 57709-9335
605.718.8000 ♦ FAX: 605.718.8010

211 ZINNIA STREET
P.O. BOX 100
BELLE FOURCHE, SD 57717-0100
605.723.8000 ♦ FAX: 605.723.8010

www.courtroomcounselors.com

REPLY TO: BELLE FOURCHE OFFICE

December 13, 2002

VIA FACSIMILE AND FIRST CLASS MAIL

Darla Rogers
Meyer & Rogers
P.O. Box 1117
Pierre, SD 57501

Re: S&S Communications/RLECs

Dear Darla:

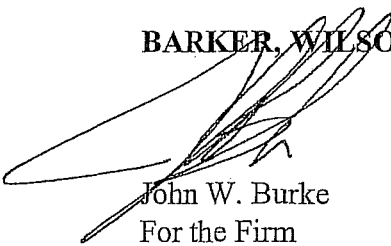
Enclosed please find a copy of the proposed Protective Agreement you faxed to me earlier this week with various modifications. I would sincerely appreciate it if you would review these modifications and let me know on Monday whether they are acceptable to you.

I look forward to hearing from you in this regard. In the meantime, if you have any questions, please feel free to give me a call at any time.

Best regards.

Sincerely,

BARKER, WILSON, REYNOLDS & BURKE, L.L.P.



John W. Burke
For the Firm

JWB/bb
Enclosure

Attachment
B

BARKER WILSON REYNOLDS & BURKE
L A W Y E R S

4200 BEACH DRIVE
P.O. Box 9335
RAPID CITY, SD 57709-9335
605.718.8000 • FAX: 605.718.8010

211 ZINNIA STREET
P.O. Box 100
BELLE FOURCHE, SD 57717-0100
605.723.8000 • FAX: 605.723.8010

KENNETH E. BARKER"

MICHAEL A. WILSON'

MICHAEL P. REYNOLDS"

JOHN W. BURKE"

JEFFERY D. COLLINS

www.courtroomcounselors.com

REPLY TO: BELLE FOURCHE OFFICE

December 31, 2002

VIA FACSIMILE AND FIRST CLASS MAIL

Darla Rogers
Meyer & Rogers
P.O. Box 1117
Pierre, SD 57501

Re: Protective Agreement

Dear Darla:

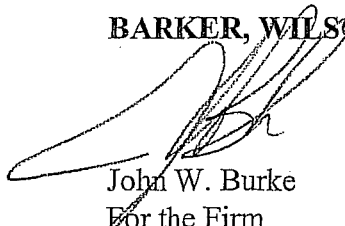
I am in receipt of your facsimile dated December 18, 2002, as well as the accompanying revised draft of the Protective Agreement. After reviewing the Protective Agreement, and given the number of changes that have been made, I took the liberty of revising the Protective Agreement. I am enclosing a draft for your review. In my opinion, it protects the interests of both your clients and S&S Communications.

I look forward to hearing from you in this regard. In the meantime, if you have any questions, please feel free to give me a call at any time.

Best regards.

Sincerely,

BARKER, WILSON, REYNOLDS & BURKE, L.L.P.



John W. Burke
For the Firm

JWB/bb
Enclosure

Attachment
C

BARKER WILSON REYNOLDS & BURKE
LAWYERS

4200 BEACH DRIVE
P.O. BOX 9335
RAPID CITY, SD 57709-9335
605.718.8000 ♦ FAX: 605.718.8010

211 ZINNIA STREET
P.O. BOX 100
BELLE FOURCHE, SD 57717-0100
605.723.8000 ♦ FAX: 605.723.8010

www.courtroomcounselors.com

REPLY TO: BELLE FOURCHE OFFICE

January 17, 2003

VIA FACSIMILE AND FIRST CLASS MAIL

Darla Rogers
Meyer & Rogers
P.O. Box 1117
Pierre, SD 57501

Re: S&S Communications v. RLEC's

Dear Darla:

A couple of days ago I called your office and was informed that you would call me back in a few minutes. I did not hear from you later that day, nor did I hear from you yesterday. As a result, I called again yesterday and left another message. In the meantime, we have received an e-mail from Karen Cremer at the Public Utilities Commission indicating that they would like to move forward with these dockets. For that reason, and because I believe that you have had plenty of time to review the language in the Protective Agreement, I would like to know whether you intend to sign the Protective Agreement by 5 p.m. MST today. If I do not hear from you in this regard, I will contact Ms. Cremer on Monday morning and ask that she set a hearing.

While I appreciate that you may be busy, I am sure that you can understand why I do not risk S&S Communications' meaningful participation in these dockets simply because your clients are struggling with the language of a Protective Agreement concerning documents which we are clearly entitled to.

I look forward to hearing from you in this regard. If you have any questions, please feel free to give me a call at any time.

Best regards.

Sincerely,

BARKER, WILSON, REYNOLDS & BURKE, L.L.P.


John W. Burke
For the Firm

JWB/bb

Attachment
D

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE ESTABLISHMENT)	NOTICE OF INTENT TO
OF SWITCHED ACCESS REVENUE)	CONSIDER MOTION AS ONE
REQUIREMENT FOR MIDSTATE)	FOR SUMMARY
COMMUNICATIONS, INC.)	JUDGMENT; ORDER FOR
)	AND NOTICE OF HEARING;
		ORDER EXTENDING TIME
		FOR RESPONSE
		TC02-067

On June 19, 2002, Midstate Communications, Inc. (Company) filed for approval by the Public Utilities Commission (Commission) its 2001 Intrastate Switched Access Cost Study.

On June 20, 2002, the Commission electronically transmitted notice of the filing and the intervention deadline of July 5, 2002, to interested individuals and entities. On July 5, 2002, the Commission received a Petition to Intervene from S&S Communications (S&S). At its regularly scheduled meeting of July 9, 2002, the Commission granted intervention to S&S.

On July 11, 2003, Company filed a Motion to Dismiss and Motion for Extension of Time to Respond to Second Discovery Request (Motions). On July 24, 2003, S&S filed a Brief in Resistance to Motion to Dismiss and Motion for Extension of Time.

The Commission scheduled the Motions for consideration at its regular meeting on August 4, 2003, and the Commission voted unanimously to serve notice on the parties that S&S's Motion to Dismiss will be considered at the Commission's next regularly scheduled meeting on August 19, 2003, at 1:30 p.m. CDT at the Ramada Inn in Aberdeen, South Dakota, alternatively as a motion for summary judgment or as a motion to dismiss. The Commission further voted unanimously to extend the time for Company's response to S&S's pending discovery requests until after decision on Company's Motion to Dismiss and the further order of the Commission.

After hearing and considering the briefs, arguments and factual representations of the parties at its August 4, 2003 meeting, the Commission finds and concludes that S&S has raised an issue as to whether a genuine issue of material fact exists as to whether S&S presently continues to have an interest in the subject matter of this proceeding that is sufficient under ARSD 20:10:01:15.05 to maintain its standing as an intervening party in the proceeding. The Commission further finds and concludes that the issue of whether a genuine issue of material fact exists should be determined before the Motion to Dismiss is decided. The Commission further finds and concludes that if a genuine issue of material fact as to S&S's present interest in the subject matter of this proceeding is presented, then the Commission should hold a preliminary factual hearing to resolve such issue of fact related to S&S's continuing standing to maintain intervenor party status.

The Commission therefore serves notice, in conformity with *Richards v. Lenz*, 539 N.W.2d 80 (S.D. 1995), that it will hold a hearing on August 19, 2003, at 1:30 p.m., at the Ramada Inn, 2727 6th Avenue S.E., Aberdeen, South Dakota, to consider Company's Motion to Dismiss as a motion for summary judgment under SDCL 1-26-18 and 15-6-56, for purposes of considering the issue of whether a genuine issue of material fact exists as to S&S's current interest in this proceeding. If a genuine issue of material fact is not presented, the Commission will determine the issue of whether S&S currently has a sufficient interest in the proceeding to maintain its status as an intervenor party as a question of law based upon the material facts as to which there is no genuine issue. On or

before August 15, 2003, S&S shall file and serve on the parties hereto any affidavit(s) or other proof it wishes to present to demonstrate that a genuine issue of material fact exists as to its present interest in the outcome of this proceeding. On or before August 18, 2003, Company shall file and serve any opposing affidavit(s) or other proofs.

The Commission further serves notice that if the Commission determines at the August 19, 2003 hearing that a genuine issue of material fact is presented as to S&S's current interest in the proceeding, that the Commission will thereupon at such time and place take evidence from S&S and other parties hereto on the issue of S&S's current interest in this proceeding.

The issue at the hearing will be whether by the outcome of the proceeding S&S will be bound and affected either favorably or adversely with respect to an interest peculiar to S&S as distinguished from an interest common to the public or to the taxpayers in general. The hearing will be an adversary proceeding conducted pursuant to SDCL Chapter 1-26. All parties have the right to be present and to be represented by an attorney. These rights and other due process rights may be forfeited if not exercised at the hearing. The Commission will consider all evidence and arguments presented at the hearing. To the extent allowed by law for appeals of interlocutory decisions, the Commission's decision may be appealed by the parties to the circuit court and the state Supreme Court as provided by law. It is therefore

ORDERED, that a hearing shall be held at the time and place and in the manner specified above, on the issue set forth above; and it is further

ORDERED, that S&S shall file and serve any affidavit(s) or other proof as to the above issue on or before August 15, 2003, and that Company shall file and serve any opposing affidavit(s) or other proof on or before August 18, 2003; and it is further

ORDERED, that the time for Company to respond to S&S's pending discovery requests is extended until after the Motion to Dismiss is decided and the further order of the Commission.

Pursuant to the Americans with Disabilities Act, this hearing is being held in a physically accessible location. Please contact the Public Utilities Commission at 1-800-332-1782 at least 48 hours prior to the hearing if you have special needs so arrangements can be made to accommodate you.

Dated at Pierre, South Dakota, this 8th day of August, 2003.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By: Melaine Kolbo

Date: 8/8/03

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman

Gary Hanson
GARY HANSON, Commissioner

BARKER WILSON REYNOLDS & BURKE
LAWYERS

KENNETH E. BARKER"
MICHAEL A. WILSON"
MICHAEL P. REYNOLDS"
JOHN W. BURKE"
JEFFERY D. COLLINS

www.bwrbb.com

4200 BRACH DRIVE
P.O. BOX 9335
RAPID CITY, SD 57709-9335
605.718.8000 • FAX: 605.718.8010

211 ZINNIA STREET
P.O. BOX 100
BELLE FOURCHE, SD 57717-0100
605.723.8000 • FAX: 605.723.8010

REPLY TO: BELLE FOURCHE OFFICE

August 14, 2003

VIA FACSIMILE ONLY

Ms. Pamela Bonrud
Executive Director
Public Utilities Commission
State Capitol
500 East Capitol
Pierre, SD 57501

Re: Affidavit of Les S. Sumption

Dear Ms. Bonrud:

I am writing to simply advise you that earlier today I mailed, via overnight delivery, an *Affidavit of Les S. Sumption* to be filed each of the below referenced dockets. I am enclosing a copy of one of the Affidavits for your reference.

- TC02-071 Baltic Telecom Cooperative
- TC02-080 Beresford Municipal Telephone Company
- TC02-078 Bridgewater-Canistota Independent Telephone Company
- TC02-076 Brookings Municipal Telephone Company
- TC-02-087 DTG Community Telephone
- TC-02-072 East Plains Telecom, Inc.
- TC02-053 Interstate Telecommunication Cooperative, Inc.
- TC02-079 Kennebec Telephone Company
- TC02-090 Local Exchange Carriers Association
- TC02-068 McCook Cooperative Telephone Company
- TC02-067 Midstate Communications, Inc.
- TC02-088 Roberts County Telephone Cooperative Association and RC Communications, Inc.
- TC02-073 Sanborn Telephone Cooperative and SANCOM, Inc.
- TC02-058 Sioux Falley Telephone Company
- TC02-091 South Dakota Network, L.L.C.
- TC02-065 Splitrock Properties, Inc.
- TC02-066 Splitrock Telecom Cooperative, Inc.
- TC02-064 Sully Buttes Telephone Cooperative, Inc.

Ms. Pamela Bonrud
Executive Director
August 14, 2003
Page 2

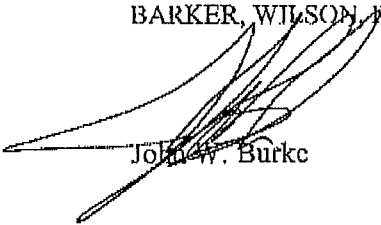
TC02-089 Tri-County Telcom, Inc.
TC02-077 Union Telephone Company
TC02-074 Valley Telecommunications Cooperative Association
TC02-054 Vivian Telephone Company
TC02-052 West River Cooperative Telephone Company

If you have any questions, please feel free to give me a call at any time.

Best regards.

Sincerely,

BARKER, WILSON, REYNOLDS & BURKE, LLP



John W. Burke

JWB/bb
Enclosure

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE ESTABLISHMENT OF
SWITCHED ACCESS REVENUE REQUIREMENT**

) TC02-053; TC02-052; TC02-054;
) TC02-058; TC02-064; TC02-065;
) TC02-066; TC02-067; TC02-068;
) TC02-071; TC02-072; TC02-073;
) TC02-074; TC02-076; TC02-077;
) TC02-078; TC02-079; TC02-080;
) TC02-087; TC02-088; TC02-089;
) TC02-090; TC02-091
)

AFFIDAVIT OF LES S. SUMPTION


Les S. Sumption, being first duly sworn upon his oath, deposes and states as follows:

1. That I am one of the partners that owns and operates Intervenor S&S Communications.
2. That I make this Affidavit in resistance to Petitioner's Motion to Dismiss and/or Motion for Summary Judgment.
3. That prior to losing its Certificate of Authority S&S Communications was a switch-based interexchange carrier that provided both intra and interstate long distance communications services to subscribers throughout South Dakota.
4. That providing intrastate long distance services in South Dakota requires the following switched access services: Originating Carrier Common Line Access; Originating Local Switching; Originating Local Transport; Centralized Equal Access Service; Terminating Local Transport; Terminating Local Switching; and Terminating Carrier Common Line Access. Pursuant to tariffs, the cost to purchase such services exceeds \$.20 per minute.
5. That over the past several weeks several individuals and/or entities have expressed an interest in purchasing S&S Communications and/or its assets.

- 6. That S&S Communications is presently in negotiations to sell its business and/or assets.
- 7. That S&S Communications' pecuniary interests will be directly and immediately affected by the Commission's decision on this matter for the following reasons:
 - (A) Subsequent to the sale, S&S Communications, regardless of the name by which it will do business, will have to purchase switched access services;
 - (B) The individual and/or entity interested in purchasing S&S Communications and/or its assets has expressed some reluctance in following through with the purchase as a result of the rates presently charged for switched access services in South Dakota;
 - (C) If the individual and/or entity interested in purchasing S&S Communications and/or its assets fails to follow through with the purchase, S&S Communications will be divested of a substantial amount of revenue that would have been directed to creditors and/or subscribers that lost service.

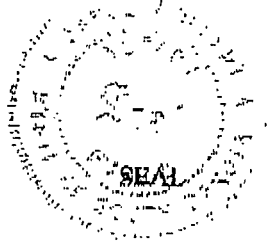
Further your affiant sayeth not.

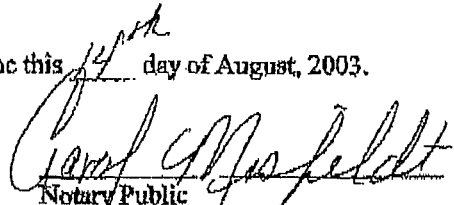
Dated this 14 day of August, 2003.



Les S. Sumption

Subscribed and sworn to before me this 14th day of August, 2003.





Notary Public
My Commission Expires: 1-23-2006

RECEIVED

BEFORE THE PUBLIC UTILITIES COMMISSION

AUG 18 2003

OF THE STATE OF SOUTH DAKOTA

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

IN THE MATTER OF THE ESTABLISH-
MENT OF SWITCHED ACCESS REVE-
NUE REQUIREMENT

Docket No.'s TC02-052, TC02-053,
TC02-054, TC02-058, TC02-064,
TC02-065, TC02-066, TC02-067,
TC02-068, TC02-071, TC02-072,
TC02-073, TC02-074, TC02-076,
TC02-077, TC02-078, TC02-079,
TC02-080, TC02-087, TC02-088,
TC02-089, TC02-090, TC02-091

RESPONSE OF COMPANIES NAMED IN ABOVE DOCKETS
TO AFFIDAVIT OF LES S. SUMPTION

Relevant Background

In June of 2002, each of the companies named in the above dockets (hereinafter "Companies") filed its 2001 Intrastate Switched Access Cost Study. S&S Communications ("S&S") was granted intervention status in the above dockets by the Commission on July 23, 2002.

On July 1, 2003, pursuant to properly given statutory notice, the Companies' switched access rates became effective, subject to final approval/refund by the Commission. On July 2, 2003, Commission revoked S&S's Certificate of Authority to do business as a telecommunications company in South Dakota.

On July 11, 2003, each of the Companies filed a Motion to Dismiss S&S as Intervenor in the Cost Study Dockets and Motion for Extension of Time to Respond to S&S's Second Discovery Request. S&S filed a Brief in Resistance to Companies' Motions.

On August 4, 2003, the Commission considered the Motions and voted to reconsider the Motion to Dismiss on August 19, 2003, alternatively as a Motion for Summary Judgment or as a Motion to Dismiss. The Commission extended the time of Companies to respond to the Second Discovery Requests pending ruling on the Motion to Dismiss.

On August 14, 2003, S&S filed an Affidavit of Les S. Sumption, resisting Companies' Motion to Dismiss and/or Motion for Summary Judgment. This Response is filed by Companies in support of the Motion to Dismiss and the Motion for Summary Judgment.

Issue

The issue presented is whether a genuine issue of material fact exists as to S&S's current interest in the cost study dockets. If the Commission determines that no genuine issue of material fact exists, it will proceed to determine whether S&S currently has sufficient interest in the proceeding to maintain its status as intervenor party as a question of law.

If the Commission determines S&S has alleged sufficient facts in its Affidavit to establish that a genuine issue of material fact may exist, the Commission will proceed to take evidence from S&S and other parties on the issue of S&S's current interest in the Companies' cost study dockets. The issue at said factual hearing will be whether by the outcome of these proceedings (the cost study dockets) S&S will be bound and affected either favorably or adversely with respect to an interest peculiar to S&S as distinguishable from an interest common to the public or to the taxpayers in general.

Argument

It is Companies' position that a further factual hearing is not necessary, as the Affidavit filed by S&S in this docket is insufficient to establish the existence of a genuine issue of material fact.

SDCL § 15-6-56 governs summary judgment practice. Specifically, SDCL § 15-6-56(e) addresses the form of affidavits necessary to support or oppose a summary judgment motion:

Supporting and opposing affidavits shall be made on personal knowledge, shall set forth such facts as would be admissible in evidence . . . when a motion for summary judgment is made . . . an adverse party may not rest upon the mere allegations or denials of his pleading, but his response . . . must set forth specific facts showing that there is a genuine issue for trial.

A careful review of the Affidavit of Les S. Sumption shows that it falls far short of the statutory standards for opposing affidavits. Paragraph 5 of the Affidavit states that over the past several weeks, "several individuals and/or entities have expressed an interest in purchasing S&S Communications and/or its assets." Paragraph 6 states that S&S is presently negotiating to sell "its business and/or its assets." S&S, however, submits no supplemental documents supporting its stated allegations.

It is highly speculative at best that S&S could sell its business. This Commission can take judicial notice of the fact that S&S can no longer provide services, since its Certificate of Authority has been revoked. Therefore, sale of S&S as a business is very unlikely. S&S is asking the Commission to keep it in these dockets on the slim chance of a sale of its business. No facts are submitted to substantiate these allegations: What is the name of the proposed buyer? Is it an individual or an entity? In his Affidavit, Mr. Sumption apparently cannot decide what type of buyer he is dealing with, despite his assertion that he is "presently" engaged in negotiations. Is the sale one of a business

or one of assets? Again, Mr. Sumption is unable to state what type of sale he is presently negotiating. It is important to remember that the purpose of the current dockets is to determine and establish fair switched access rates in accordance with this Commission's rules, not whether S&S can sell its business or assets.

Nor does Mr. Sumption's Affidavit establish sufficient facts to show that S&S's pecuniary interests will be "directly and immediately affected" by the outcome of these dockets. There is no evidence whatsoever that S&S Communications "will have to purchase switched access services." It obviously cannot do so without a Certificate of Authority. Even assuming for purposes of argument that S&S sells its business as an ongoing telecommunications business, which is not only a stretch of the imagination but also not even affirmatively stated and supported by Mr. Sumption's Affidavit, the new buyer would have to establish its own interest in the Companies' switched access rates. Mr. Sumption cannot raise concerns of a phantom buyer and expect such vicarious allegations to sustain the level of specificity required by SDCL 15-6-56(e) to oppose a summary judgment motion. Such hearsay would not be admissible in a factual hearing. If, on the other hand, S&S does sell assets, such as a switch or other personal property, the outcome of these dockets would have no effect whatsoever on such a sale.

The standards of specificity of affidavits in support of or in opposition to summary judgment are high under South Dakota case law as well. The clearest example is found in the case of The Estate of Fredris J. Elliott vs. A&B Welding Supply Company, Inc., 594 NW2d 707 (SD 1999). The case involved agreements among shareholders for the purchase of stock. Specifically, the Estate tried to challenge the validity of written buy/sell agreements on the basis of alleged oral agreements between the share-

holders. In granting summary judgment upholding the validity of the written agreements, the Court stated:

However, proof of a mere possibility is never sufficient to establish a fact . . . “When challenging a summary judgment, the nonmoving party ‘must substantiate his allegations with sufficient probative evidence that would permit a finding in his favor on more than mere speculation, conjecture, or fantasy.’” Himrich v. Carpenter, 569 NW2d 568, 573 (quoting Moody v. St. Charles County, 23 F3d 1410, 1412 (8th Cir. 1994)).

See also Estate of Thomas v. Sheffield, (“mere allegations are not sufficient to preclude summary judgment”), 511 NW2d 841, 844 (SD 1994). Also on point is the case of Paradigm Hotel Mortgage Fund v. Sioux Falls Hotel Company, Inc., 511 NW2d 567 (SD 1994). The Hotel appealed the trial court’s grant of summary judgment to Paradigm in a foreclosure action against Hotel on a defaulted mortgage loan. The argument centered around the value of the mortgaged property. Hotel, in opposition to the summary judgment motion, failed to complete an appraisal “or to obtain evidence to back up [its] conclusory allegations.”

The trial court was left to decide whether an issue of fact existed on value based upon Defendant’s appraiser’s assertion that the property was worth “substantially more” than the value shown in the mortgage holder’s appraisal. In sum, the circuit court was asked to anticipate possible proof. Unsupported conclusions and speculative statements do not raise a genuine issue of fact. Paradigm at 569.

S&S is doing exactly what the Defendant in Paradigm did. It is asking this Commission to find that there is a genuine issue of material fact by “anticipating possible proof.” The “unsupported conclusions and speculative statements” in Mr. Sumption’s Affidavit clearly do not raise a genuine issue of fact.

Conclusion

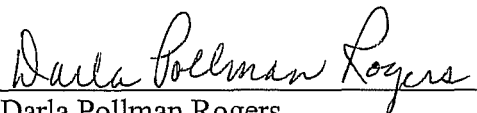
Since S&S has failed to establish that a genuine issue of material fact exists as to its current interest in the proceeding, the Commission can proceed to determine

whether S&S currently has sufficient interest in the cost study dockets to maintain its status as an intervenor party as a matter of law. Companies have established in prior proceedings before this Commission:

- (a) That S&S does not pay Companies' 2001 switched access charges, as its Certificate of Authority is revoked and it is no longer in business; thus S&S no longer has any interest in the cost study dockets;
- (b) That S&S has failed to establish a peculiar interest beyond that of the general public;
- (c) That S&S's continued presence in these dockets is prejudicial to the Companies;
- (d) That this Commission has the expertise and authority to establish switched access rates without S&S's continued participation in these dockets;
- (e) That no issue exists as to retroactive applicability of the 2001 switched access rates; and
- (f) That courts and commissions have full authority to rule upon intervenor status, including the authority to dismiss an intervenor.

Accordingly, Companies respectfully request this Commission to grant the Motion to Dismiss S&S as an intervenor in each of the above-numbered dockets. Companies also request the Commission to order that Companies are not required to respond to S&S's Second Discovery Requests.

Respectfully submitted this eighteenth day of August, 2003.



Darla Pollman Rogers
Riter, Rogers, Wattier & Brown
P. O. Box 280
Pierre, South Dakota 57501
Telephone (605) 224-7889
Attorney for Companies

CERTIFICATE OF SERVICE

The undersigned hereby certifies that she served a copy of the foregoing **RESPONSE** upon the person herein next designated, on the date below shown, by facsimile and by depositing a copy of the said Response in the United States mail at Pierre, South Dakota, postage prepaid, in an envelope addressed to said addressee, to-wit:

John W. Burke
Barker, Wilson, Reynolds & Burke, LLP
P. O. Box 100
Belle Fourche, South Dakota 57717-0100

Dated this eighteenth day of August, 2003.



Darla Pollman Rogers
Riter, Rogers, Wattier & Brown
P. O. Box 280
Pierre, South Dakota 57501
Telephone (605) 224-7889
Attorney for Companies

August 29, 2003

Mr. Harlan Best
Utility Analyst
Public Utilities Commission
State of South Dakota
500 East Capitol Avenue
Pierre, SD 57501

Ref: SD 5248 - 1.7
2001 Cost Study

RECEIVED
SEP 02 2003
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

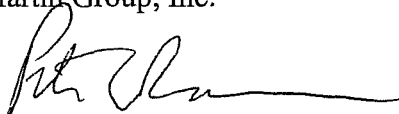
Dear Harlan:

Pursuant to the PUC Staff's recommendation, we have removed the Global Crossing uncollectibles from the Midstate Communications, Inc. 2001 Intrastate Cost Study filed under Docket Number TC02-067.

Six (6) copies of the revised worksheet (summary forms, trial balance, reclass entries, non regulated removal and direct assignment) are included with this letter.

We trust that attached will provide you with the information you will need for completing your review. If you have any questions, please contact me at 605-995-6831.

Sincerely,
Martin Group, Inc.



Peter Rasmusson

JKD/cab
Attachments: 6 copies
cc: Mark Benton, Manager (w/ encl.)

MIDSTATE 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	\$5,922,289	J13	\$3,651,419	\$870,545	\$0	\$1,219,969	\$0	\$180,356	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	\$592,229		\$365,142	\$87,054	\$0	\$121,997	\$0	\$18,036	O.K.
19	Return Adjustments	(77,436)	J18-20	(45,099)	(13,552)	0	(16,508)	0	(2,277)	O.K.
20										
21	Net Return on Rate Base	\$514,793		\$320,043	\$73,502	\$0	\$105,489	\$0	\$15,759	O.K.
22	Income Taxes	0	J31-32	0	0	0	0	0	0	O.K.
23	Expenses and Other Taxes	1,180,623	J33-35, 40	463,459	208,783	10,176	411,232	60,183	26,790	O.K.
24										
25	Total IntraLATA Rev. Req.	\$1,695,416		\$783,502	\$282,285	\$10,176	\$516,721	\$60,183	\$42,548	O.K.
26										
27										
28										
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.	\$1,695,416		\$783,502	\$282,285	\$10,176	\$516,721	\$60,183	\$42,548	

ACCESS ELEMENT MINUTES OF USE		10,021,911	10,021,911	10,021,911	10,021,911
ACCESS RATE PER MINUTE	\$0.157905	\$0.078179	\$0.028167	\$0.051559	

RECEIVED
 SEP 02 2003
 SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

		Intrastate								
***** FCC PART 36 ***** Revenue Requirement Summary		TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
(A)	(B)	(C)	(D)	InterLATA (E)	IntraLATA (F)	InterLATA (G)	IntraLATA (H)	(I)		
13	State Income Tax Rate	0.00%	---	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
14	Federal Income Tax Rate	0.00%	---	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
15	Gross Receipts Tax Rate	4.00%	---	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
16										
17										
18	Net Investment	\$22,249,075	C68	\$16,326,786	\$0	\$5,755,640	\$0	\$166,649	\$5,922,289	O.K.
19	Rate of Return	10.00%	---	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	
20										
21	Return on Rate Base	\$2,224,907		\$1,632,679	\$0	\$575,564	\$0	\$16,665	\$592,229	O.K.
22										
23	AFUDC	(288,788)	H43	-211352.192448	0	-75361.9161972	0	-2073.89135459	(77,436)	O.K.
24	ITC Amortization	0	H36	0	0	0	0	0	0	O.K.
25	Other Return Adjustments	0	V242	0	0	0	0	0	0	O.K.
26										
27	Net Return	\$1,936,119		\$1,421,326	\$0	\$500,202	\$0	\$14,591	\$514,793	O.K.
28										
29	Contributions	8,503	H52	5,576	0	2,902	0	25	2,927	O.K.
30	Interest Expense	623,099	H44	457,029	0	161,402	0	4,668	166,070	O.K.
31	Capital Lease Expense	0	H46	0	0	0	0	0	0	O.K.
32	Capitalized Payroll taxes	0	H36	0	0	0	0	0	0	O.K.
33	Depreciation Adjustment	0	H36	0	0	0	0	0	0	O.K.
34	Other Income Adjustments	0	V248	0	0	0	0	0	0	O.K.
35										
36	After Tax Income	\$1,304,517		\$958,721	\$0	\$335,898	\$0	\$9,898	\$345,796	O.K.
37										
38	State Income Taxes	\$0	Formula	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
39	Federal Income Taxes	0	Formula	0	0	0	0	0	0	O.K.
40	Operating Expenses and Taxes	4,587,095	I196	3,474,289	0	1,092,892	0	19,914	1,112,806	O.K.
41	Uncollectibles	0	V249	0	0	0	0	0	0	O.K.
42	Other Revenue Adjustments	0	V250	0	0	0	0	0	0	O.K.
43										
44	Net Revenue	\$6,523,215		\$4,895,615	\$0	\$1,593,094	\$0	\$34,505	\$1,627,599	O.K.
45	Gross Receipts Taxes	271,801	Formula	203,984	0	66,379	0	1,438	67,817	O.K.
46	Other Revenue Taxes	0	V251	0	0	0	0	0	0	O.K.
47										
	TOTAL REVENUE REQUIREMENT	\$6,795,015		\$5,099,599	\$0	\$1,659,473	\$0	\$35,943	\$1,695,416	O.K.

		Intrastate								
***** FCC PART 36 ***** Investment Summary		TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
13	Land and Support Investment	\$2,801,593	D33	\$2,050,483	\$0	\$730,989	\$0	\$20,120	\$751,110	O.K.
14										
15	COE Operator Equipment	\$0	D43	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
16	COE Switching Equipment	6,579,679	D68	4,565,684	0	2,013,995	0	0	2,013,995	O.K.
17	COE Transmission Equipment	4,223,293	D85	3,059,947	0	1,137,921	0	25,425	1,163,346	O.K.
18										
19	Total COE	\$10,802,972		\$7,625,631	\$0	\$3,151,916	\$0	\$25,425	\$3,177,341	O.K.
20	Info. Orig./Term. Equipment	0	D94	0	0	0	0	0	0	O.K.
21	Cable and Wire Facilities	23,008,244	D137	17,120,768	0	5,670,077	0	217,399	5,887,476	O.K.
22										
23	Total COE, IOT, C&WF	\$33,811,216		\$24,746,400	\$0	\$8,821,993	\$0	\$242,824	\$9,064,816	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	\$1,991	D209	\$0	\$0	\$1,991	\$0	\$0	\$1,991	O.K.
30										
31										
32	Total Tele. Plt. In Service	\$36,614,800		\$26,796,883	\$0	\$9,554,973	\$0	\$262,944	\$9,817,917	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	793,511	D218-219	580,738	0	207,074	0	5,698	212,773	O.K.
37	Tel. Plt. Adjustment	0	D220-221	0	0	0	0	0	0	O.K.
38										
39	Total Other Tel. Plt.	\$793,511		\$580,738	\$0	\$207,074	\$0	\$5,698	\$212,773	O.K.
40										
41										
42	TOTAL TELEPHONE PLANT	\$37,408,311		\$27,377,621	\$0	\$9,762,047	\$0	\$268,643	\$10,030,690	O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 36 ***** Investment Summary		TOTAL COMPANY	Source/ Allocator	Intrastate				TOTAL INTRASTATE		
				Interstate	Message Telephone Service		Private Line			
					InterLATA	IntraLATA	InterLATA			IntraLATA
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
56 Other Assets, Net	0	V105	0	0	0	0	0	0	0	O.K.
57 Accumulated Depr./Amort	(15,518,845)	E34	(11,322,196)	0	(4,091,992)	0	(104,657)	(4,196,649)	0	O.K.
58 Accum. Def. Inc. Taxes, Net	0	E47	0	0	0	0	0	0	0	O.K.
59 Oth. Liab. & Def. Cr., Net	0	V106	0	0	0	0	0	0	0	O.K.
60										
61 TOTAL NET PLANT	\$21,889,466		\$16,055,425	\$0	\$5,670,055	\$0	\$163,986	\$5,834,041		O.K.
62										
63 Materials and Supplies	235,576	H31	175,296	0	58,055	0	2,226	60,280		O.K.
64 Rural Tel. Bank Stock	0	H35	0	0	0	0	0	0		O.K.
65 Cash Working Capital	124,033	Formula	96,065	0	27,530	0	438	27,968		O.K.
66 Equal Access Investment	0	---	0	0	0	0	0	0		O.K.
67										
68 TOTAL NET INVESTMENT	\$22,249,075		\$16,326,786	\$0	\$5,755,640	\$0	\$166,649	\$5,922,289		O.K.
69										

***** FCC PART 36 ***** Plant Investment Detail	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 LAND AND SUPPORT ASSETS:										
14										
15 Land, Allocable	\$0	H33	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
16 Land, Direct	0	V22	0	0	0	0	0	0	0	O.K.
17										
18 Total Land	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
19										
20 Motor Vehicles	\$0	H33	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
21 Aircraft	0	H33	0	0	0	0	0	0	0	O.K.
22 Special Purpose Vehicles	0	H33	0	0	0	0	0	0	0	O.K.
23 Garage Work Equipment	0	H33	0	0	0	0	0	0	0	O.K.
24 Other Work Equipment	2,801,593	H33	2,050,483	0	730,989	0	20,120	751,110	751,110	O.K.
25 Buildings, Allocable	0	H33	0	0	0	0	0	0	0	O.K.
26 Buildings, Direct	0	V29	0	0	0	0	0	0	0	O.K.
27 Furniture	0	H33	0	0	0	0	0	0	0	O.K.
28 Office Equipment	0	H33	0	0	0	0	0	0	0	O.K.
29 General Purpose Computers	0	H33	0	0	0	0	0	0	0	O.K.
30										
31 Total Support Assets	\$2,801,593		\$2,050,483	\$0	\$730,989	\$0	\$20,120	\$751,110	\$751,110	O.K.
32										
33 Tot. Land and Support Assets	\$2,801,593		\$2,050,483	\$0	\$730,989	\$0	\$20,120	\$751,110	\$751,110	O.K.
34										
35										
36 CENTRAL OFFICE EQUIPMENT:										
37										
38 CAT 1 Oper. Sys., TSPS	\$0	G22	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
39 CAT 1 Oper. Sys., Other TSPS	0	G21	0	0	0	0	0	0	0	O.K.
40 CAT 1 Oper. Sys., Aux. Pos.	0	G23	0	0	0	0	0	0	0	O.K.
41 CAT 1 Oper. Sys., Other	0	V36	0	0	0	0	0	0	0	O.K.
42										
43 Total CAT 1	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
44										
45										
46 CAT 2 Tandem Sw. Allocable	\$1,663,734	G26	\$1,095,066	\$0	\$568,668	\$0	\$0	\$568,668	\$568,668	O.K.
47 CAT 2 Tandem Sw. Direct	0	V38	0	0	0	0	0	0	0	O.K.
48										
49 Total CAT 2	\$1,663,734		\$1,095,066	\$0	\$568,668	\$0	\$0	\$568,668	\$568,668	O.K.

	***** FCC PART 36 ***** Plant Investment Detail	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service				TOTAL INTRASTATE	O.K.
					InterLATA	IntraLATA	InterLATA	IntraLATA		
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
63	CAT 3 Local Sw. Allocable	\$4,915,945	G15	\$3,470,618	\$0	\$1,445,327	\$0	\$0	\$1,445,327	O.K.
64	CAT 3 Local Sw. Direct	0	V40	0	0	0	0	0	0	O.K.
65	Total CAT 3	\$4,915,945		\$3,470,618	\$0	\$1,445,327	\$0	\$0	\$1,445,327	O.K.
66										
67	Total COE Sw. CAT 283	\$6,579,679		\$4,565,694	\$0	\$2,013,995	\$0	\$0	\$2,013,995	O.K.
68										
69										
70	COE TRANSMISSION:									
71										
72	CAT 4.12 Exchange Trunk	\$456,013	123	\$456,013	\$0	\$0	\$0	\$0	\$0	O.K.
73	CAT 4.12 Exch. Tr. Direct	0	V42	0	0	0	0	0	0	O.K.
74	CAT 4.13 Exch. Ln. Message	2,134,239	G13	1,600,679	0	533,560	0	0	533,560	O.K.
75	CAT 4.13 Pl. WATS, Local	69,712	F18	48,063	0	0	0	21,650	21,650	O.K.
76										
77	CAT 4.13 Direct	0	V45	0	0	0	0	0	0	O.K.
78	CAT 4.23 Message	1,540,206	G18	935,845	0	604,361	0	0	604,361	O.K.
79	CAT 4.23 Pl. WATS	0	F24	0	0	0	0	0	0	O.K.
80	CAT 4.23 Direct	23,123	V48	19,348	0	0	0	3,775	3,775	O.K.
81	CAT 4.3 H/R Message	0	G29	0	0	0	0	0	0	O.K.
82	CAT 4.3 WATS	0	V50	0	0	0	0	0	0	O.K.
83	CAT 4.3 Direct	0	V51	0	0	0	0	0	0	O.K.
84										
85	Total COE CAT 4	\$4,223,293		\$3,059,947	\$0	\$1,137,921	\$0	\$25,425	\$1,163,346	O.K.
86										
87										
88	INFORMATION ORIGINATOR/TERMINATION:									
89										
90	CAT 1 Other IOT Equipment	\$0	G13	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
91	CAT 1 Coinless Pay Phones	0	G18	0	0	0	0	0	0	O.K.
92	CAT 2 CP Equipment	0	V70	0	0	0	0	0	0	O.K.
93										
94	Total IOT Equipment	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
95										
96										

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 36 ***** Plant Investment Detail	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)		
111 CABLE AND WIRE FACILITIES:										
112										
113 CAT 1.1 IntraLATA PL/WATS	664,067	F31	\$457,835	\$0	\$0	\$0	\$206,232	\$206,232	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	20,330,350	G13	15,247,762	0	5,082,587	0	0	5,082,587	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	\$20,994,417		\$15,705,598	\$0	\$5,082,587	\$0	\$206,232	\$5,288,819	O.K.	
119										
120 CAT 2 C&WF	\$423,321	G28	\$423,321	\$0	\$0	\$0	\$0	\$0	O.K.	
121 CAT 2 C&WF, Wldeband	0	V76	0	0	0	0	0	0	O.K.	
122										
123 Total CAT 2 C&WF	\$423,321		\$423,321	\$0	\$0	\$0	\$0	\$0	O.K.	
124										
125 CAT 3 Joint Message	1,492,476	G17	904,987	0	587,489	0	0	\$587,489	O.K.	
126 CAT 3 PL/WATS etc.	0	F36	0	0	0	0	0	0	O.K.	
127 CAT 3 Direct	98,030	V79	86,863	0	0	0	11,167	11,167	O.K.	
128										
129 Total CAT 3 C&WF	\$1,590,506		\$991,850	\$0	\$587,489	\$0	\$11,167	\$598,656	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	\$23,008,244		\$17,120,768	\$0	\$5,670,077	\$0	\$217,399	\$5,887,476	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 COMMUNICATIONS, INC.

Intrastate

***** FCC PART 36 ***** Plant Investment Detail	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service				TOTAL INTRASTATE	O.K.	
				InterLATA	IntraLATA	InterLATA	IntraLATA			
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
160										
161	COE Operator	H16	\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
162	COE Tandem Switch	H17	0	0	0	0	0	0	O.K.	
163	COE Local Switch	H18	0	0	0	0	0	0	O.K.	
164	COE Transmission	H20	0	0	0	0	0	0	O.K.	
165	COE Direct	V89	0	0	0	0	0	0	O.K.	
166	Total COE Leases		\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
167										
168	IOT Leases	V90	\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
169										
170	C&WF Leases	V91	\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
171										
172	TOTAL CAPITAL LEASES		\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
173										
174										
175										
176	LEASEHOLD IMPROVEMENTS:									
177	Land and Support Assets	H14	\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
178	COE Switching	H18	0	0	0	0	0	0	O.K.	
179	COE Operator	H16	0	0	0	0	0	0	O.K.	
180	COE Transmission	H20	0	0	0	0	0	0	O.K.	
181	COE Transmission	V86	0	0	0	0	0	0	O.K.	
182	IOT	V97	0	0	0	0	0	0	O.K.	
183	C&WF	V97	0	0	0	0	0	0	O.K.	
184	Other	V98	0	0	0	0	0	0	O.K.	
185										
186	TOTAL LEASEHOLD IMPROVEMENT		\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
187										
188										
189	TPIS, EXCL. ACCT. No. 2690		\$36,612,809	\$26,796,893	\$0	\$9,552,982	\$0	\$262,944	\$9,815,926	O.K.

MIDSTATE COMMUNICATIONS, INC.

Intrastate

***** FCC PART 36 ***** Plant Investment Detail	TOTAL COMPANY	Source/ Allocator	Intrastate and Other	Message Telephone Service				Private Line			TOTAL INTRASTATE	O.K.
				InterLATA	IntraLATA	InterLATA	IntraLATA	InterLATA	IntraLATA			
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)				
***** INTANGIBLE ASSETS: *****												
204												
205	Allocable Acct. No. 2690	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
206	Direct Acct. No. 2690	1,991	0	0	1,991	0	0	0	0	1,991	0	O.K.
208	Total Intangible Assets	\$1,991	\$0	\$0	\$1,991	\$0	\$0	\$0	\$0	\$1,991	0	O.K.
209												
210	***** OTHER TELEPHONE PLANT: *****											
211												
212	Held for Fut. Use - Alloc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
213	Held for Fut. Use - Direct	0	0	0	0	0	0	0	0	0	0	O.K.
214	TPUC, Short-term - Alloc.	0	H35	0	0	0	0	0	0	0	0	O.K.
216	TPUC, Short-term - Direct	0	H124	0	0	0	0	0	0	0	0	O.K.
217	TPUC, Long-term - Alloc.	793,511	H35	580,738	207,074	0	0	5,698	0	212,773	0	O.K.
218	TPUC, Long-term - Direct	0	H126	0	0	0	0	0	0	0	0	O.K.
219	Tele. Pil. Adjust. - Alloc.	0	H35	0	0	0	0	0	0	0	0	O.K.
220	Tele. Pil. Adjust. - Direct	0	V104	0	0	0	0	0	0	0	0	O.K.
221												
222	Total Other Telephone Plant	\$793,511	\$580,738	\$0	\$207,074	\$0	\$5,698	\$0	\$0	\$212,773	0	O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 36 ***** Reserves and Deferrals	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 ACCUM. DEPRECIATION, TPIS:										
14										
15 Support Assets	\$1,366,021	H13	\$999,790	\$0	\$356,421	\$0	\$9,810	\$366,231	O.K.	
16 COE Switching	3,493,967	H19	2,424,488	0	1,069,479	0	0	1,069,479	O.K.	
17 COE Operator	0	H16	0	0	0	0	0	0	O.K.	
18 COE Transmission	1,711,008	H20	1,239,695	0	461,013	0	10,301	471,313	O.K.	
19 IOT Equipment	0	H25	0	0	0	0	0	0	O.K.	
20 Cable and Wire Facilities	8,947,849	H31	6,658,224	0	2,205,079	0	84,546	2,289,625	O.K.	
21 Other Plant	0	V135	0	0	0	0	0	0	O.K.	
22										
23 Total Accum. Depr., TPIS	\$15,518,845		\$11,322,196	\$0	\$4,091,992	\$0	\$104,657	\$4,196,649	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.	\$15,518,845		\$11,322,196	\$0	\$4,091,992	\$0	\$104,657	\$4,196,649	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	V135	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 COMMUNICATIONS, INC.

***** FCC PART 36 ***** Functional Distribution of Selected Investments	Private Line								Other
	TOTAL COMPANY	Joint Use Message	Interstate		Intrastate		Extended Area Service		
			InterLATA	IntraLATA	InterLATA	IntraLATA			
			(D)	(E)	(F)	(G)			
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	
13 TRANS. CCT EQUIPMENT:									
14									
15 Working Loops	5,090	4,929	0	0	0	50	0	111	O.K.
16 Avg. Cost per Loop	433.00	433.00	433.00	433.00	433.00	433.00	433.00	433.00	
17									
18 CAT 4.13 Exch Ln. Invest.	\$2,203,951	\$2,134,239	\$0	\$0	\$0	\$21,650	\$0	\$48,063	
19									
20									
21 Circuit Terminations	1,191	1,191	0	0	0	0	0	0	O.K.
22 Avg. Cost per Termination	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	1,293.20	
23									
24 CAT 4.23 Other IX	\$1,540,206	\$1,540,206	\$0	\$0	\$0	\$0	\$0	\$0	
25									
26									
27 C&WF INVESTMENT:									
28									
29 Working Loops	5,090	4,929	0	0	0	50	0	111	
30 Loops Factor	1.000000	0.968369	0.000000	0.000000	0.000000	0.009823	0.000000	0.021807	
31 CAT 1 Exchange C&WF	\$20,994,417	\$20,330,350	\$0	\$0	\$0	\$206,232	\$0	\$457,835	O.K.
32									
33									
34 Equivalent IX Circuit Miles	63,414	63,414	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	\$1,492,476	\$1,492,476	\$0	\$0	\$0	\$0	\$0	\$0	

MIDSTATE COMMUNICATIONS, INC.

		Intrastate								
***** FCC PART 36 ***** Physical Allocation Factors		TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
(A)	(B)	(C)	(D)	InterLATA	IntraLATA	InterLATA	IntraLATA	(I)		
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	0.705992	0.000000	0.294008	0.000000	0.000000	0.294008	O.K.
16										
17	Conversation Minute-Miles	1.000000	CMM	0.606366	0.000000	0.393634	0.000000	0.000000	0.393634	O.K.
18	Conversation Minutes	1.000000	CM	0.607610	0.000000	0.392390	0.000000	0.000000	0.392390	O.K.
19	Subscriber Minutes (SLU)	1.000000	SLU	0.852996	0.000000	0.147004	0.000000	0.000000	0.147004	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	Wtd. Stand. Work Sec., Toll	0.000000	WST	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
23	Wtd. Stand. Work Sec., Aux.	0.000000	WSA	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.
24	Wtd. 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	0.658198	0.000000	0.341802	0.000000	0.000000	0.341802	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	0.803877	0.000000	0.191930	0.000000	0.004193	0.196123	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	0.446434	0.000000	0.553566	0.000000	0.000000	0.553566	O.K.
38	EU Access, P/L and All Other Factor	1.000000	EPLO	0.991892	0.000000	0.006316	0.000000	0.001792	0.008108	O.K.
39	IX Special Access Factor	1.000000	ISPA	0.968750	0.000000	0.000000	0.000000	0.031250	0.031250	O.K.
40	IX Switched Access Factor	1.000000	ISWA	0.643107	0.000000	0.356893	0.000000	0.000000	0.356893	O.K.
41	IX Billing & Collection Services Factor	1.000000	IBC	0.317308	0.000000	0.682692	0.000000	0.000000	0.682692	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	0.210373	0.000000	0.789627	0.000000	0.000000	0.789627	O.K.
44	Relative Users Percent	1.000000	RUP	0.672280	0.000000	0.327105	0.000000	0.000615	0.327720	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.

***** FCC PART 36 ***** Internal Allocation Factors		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	Support Assets	1.000000	D31	0.731899	0.000000	0.260919	0.000000	0.007182	0.268101	O.K.
14	Land and Support Assets	1.000000	D33	0.731899	0.000000	0.260919	0.000000	0.007182	0.268101	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	0.658198	0.000000	0.341802	0.000000	0.000000	0.341802	O.K.
18	COE Local Switching	1.000000	D66	0.705992	0.000000	0.294008	0.000000	0.000000	0.294008	O.K.
19	COE Total Switching	1.000000	D68	0.693907	0.000000	0.306093	0.000000	0.000000	0.306093	O.K.
20	COE Transmission	1.000000	D85	0.724541	0.000000	0.289439	0.000000	0.006020	0.275459	O.K.
21	Total COE	1.000000	C19	0.705883	0.000000	0.291764	0.000000	0.002354	0.294117	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	0.748084	0.000000	0.242092	0.000000	0.009823	0.251916	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	0.623606	0.000000	0.369373	0.000000	0.007021	0.376394	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	0.744115	0.000000	0.246437	0.000000	0.009449	0.255885	O.K.
32										
33	Total Equipment	1.000000	C23	0.731899	0.000000	0.260919	0.000000	0.007182	0.268101	O.K.
34										
35	TPIS	1.000000	C32	0.731859	0.000000	0.260959	0.000000	0.007181	0.268141	O.K.
36	TPIS, excl. Acct. No. 2690	1.000000	D189	0.731899	0.000000	0.260919	0.000000	0.007182	0.268101	O.K.
37										
38	Plt. 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	1.000000	C29	0.000000	0.000000	1.000000	0.000000	0.000000	1.000000	O.K.
42										
43	Long-term PUC	1.000000	C36	0.731859	0.000000	0.260959	0.000000	0.007181	0.268141	O.K.
44	Net Telephone Plant	1.000000	C61	0.733477	0.000000	0.259031	0.000000	0.007492	0.266523	O.K.
45	Total Net Investment	1.000000	C68	0.733819	0.000000	0.258691	0.000000	0.007490	0.266181	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	0.832289	0.000000	0.166618	0.000000	0.001093	0.167711	O.K.
49										
50	Total "BIG THREE" Expenses	1.000000	I170	0.727851	0.000000	0.268774	0.000000	0.003375	0.272149	O.K.
51										
52	Corporate Operations Expense	1.000000	I185	0.655801	0.000000	0.341257	0.000000	0.002942	0.344199	O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 36 ***** Operating Expenses and Taxes	Intrastate								TOTAL INTRASTATE	
	TOTAL COMPANY	Source/ Allocator	Interstate and Other	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.	\$63,204	H14	\$46,259	\$0	\$16,491	\$0	\$454	\$16,945	\$16,945	O.K.
21 General Support, Direct	0	V151	0	0	0	0	0	0	0	O.K.
22										
23 Total General Support Exp.	\$63,204		\$46,259	\$0	\$16,491	\$0	\$454	\$16,945	\$16,945	O.K.
24										
25 Central Office Eq., Alloc.	\$159,435	H21	\$112,542	\$0	\$46,517	\$0	\$375	\$46,893	\$46,893	O.K.
26 Central Office Eq., Direct	0	V153	0	0	0	0	0	0	0	O.K.
27										
28 Total COE Exp.	\$159,435		\$112,542	\$0	\$46,517	\$0	\$375	\$46,893	\$46,893	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.	\$263,474	H31	\$196,055	\$0	\$64,930	\$0	\$2,489	\$67,419	\$67,419	O.K.
38 Cable & Wire, Direct	266,719	V159	147,492	0	119,227	0	0	119,227	119,227	O.K.
39										
40 Total C&WF Exp.	\$530,193		\$343,547	\$0	\$184,157	\$0	\$2,489	\$186,646	\$186,646	O.K.
41										
42 TOTAL PLT. SPEC. OPER. EXP.	\$752,832		\$502,348	\$0	\$247,165	\$0	\$3,319	\$250,484	\$250,484	O.K.
43										
44 TOTAL PLT. SPEC., ex SUPPORT	\$689,628		\$456,089	\$0	\$230,674	\$0	\$2,865	\$233,539	\$233,539	O.K.

***** 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)		
58 NON-SPECIFIC OPER. EXP.:										
59										
60 Oth. Plt. and Equip., Alloc.	\$0	H36	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
61 Oth. Plt. and Equip., Direct	0	V177	0	0	0	0	0	0	0	O.K.
62										
63 Total Oth. Plt. & Equip.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
64										
65 Network Operations, Alloc.	\$80,552	H33	\$58,956	\$0	\$21,018	\$0	\$579	\$21,596	\$21,596	O.K.
66 Network Operations, Direct	0	V179	0	0	0	0	0	0	0	O.K.
67										
68 Total Network Oper. Exp.	\$80,552		\$58,956	\$0	\$21,018	\$0	\$579	\$21,596	\$21,596	O.K.
69										
70 Total Access Expenses	\$631,635	V180	\$631,635	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
71										
72 Depr., Support Assets	\$198,784	H13	\$145,490	\$0	\$51,867	\$0	\$1,428	\$53,294	\$53,294	O.K.
73 Depr., COE Switching	552,300	H19	383,245	0	169,055	0	0	169,055	169,055	O.K.
74 Depr., COE Operator	0	H16	0	0	0	0	0	0	0	O.K.
75 Depr., COE Transmission	317,296	H20	229,894	0	85,492	0	1,910	87,402	87,402	O.K.
76 Depr., IOT Equipment	0	H25	0	0	0	0	0	0	0	O.K.
77 Depr., C&W Facilities	1,121,195	H31	834,297	0	276,304	0	10,594	286,898	286,898	O.K.
78 Depr., PHFU	0	H38	0	0	0	0	0	0	0	O.K.
79										
80 Total Depreciation Expense	\$2,189,575		\$1,592,926	\$0	\$582,717	\$0	\$13,932	\$596,649	\$596,649	O.K.
81										
82 Amort., Tangible Assets	\$0	H40	\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
83 Amort., Intangible Assets	0	H41	0	0	0	0	0	0	0	O.K.
84 Other Amortization	0	V189	0	0	0	0	0	0	0	O.K.
85 Direct Assigned Amort.	0	V190	0	0	0	0	0	0	0	O.K.
86										
87 Total Amortization Exp.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
88										
89 Total Depr. and Amort.	\$2,189,575		\$1,592,926	\$0	\$582,717	\$0	\$13,932	\$596,649	\$596,649	O.K.
90										
91 TOTAL NON-SPEC. OPER. EXP.	\$2,901,762		\$2,283,517	\$0	\$603,735	\$0	\$14,510	\$618,245	\$618,245	O.K.

***** FCC PART 36 ***** Operating Expenses and Taxes	Intrastate								TOTAL INTRASTATE	
	TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line				
				InterLATA	IntraLATA	InterLATA	IntraLATA			
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)		
105 CUSTOMER OPERATIONS EXPENSE:										
106										
107 Marketing, Allocable	\$70,833	G35	\$56,941	\$0	\$13,595	\$0	\$297	\$13,892	O.K.	
108 Marketing, Direct	0	V192	0	0	0	0	0	0	O.K.	
109										
110 Total Marketing Expense	\$70,833		\$56,941	\$0	\$13,595	\$0	\$297	\$13,892	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	40,128	G19	34,229	0	5,899	0	0	5,899	O.K.	
119 Foreign Directory	0	G46	0	0	0	0	0	0	O.K.	
120										
121 Total Directory	\$40,128		\$34,229	\$0	\$5,899	\$0	\$0	\$5,899	O.K.	
122										
123 Bus. Ofc., EU Presubscription	\$21,873	G36	\$21,873	\$0	\$0	\$0	\$0	\$0	O.K.	
124 Bus. Ofc., EU MTS & WATS	37,076	G37	16,552	0	20,524	0	0	20,524	O.K.	
125 Bus. Ofc., EU Access, P/L & all Other	160,691	G38	159,388	0	1,015	0	288	1,303	O.K.	
126 Bus. Ofc., IXC Special Access	160	G39	155	0	0	0	5	5	O.K.	
127 Bus. Ofc., IXC Switched Access	2,343	G40	1,507	0	836	0	0	836	O.K.	
128 Bus. Ofc., IXC B & C Services	104	G41	33	0	71	0	0	71	O.K.	
129 Coin Collect & AdmIn.	0	G42	0	0	0	0	0	0	O.K.	
130										
131 Total Business Office	\$222,247		\$199,508	\$0	\$22,446	\$0	\$293	\$22,739	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	57,531	G44	38,677	0	18,819	0	35	18,854	O.K.	
136 Cust. Serv., CABS	17,565	G45	8,783	0	8,783	0	0	8,783	O.K.	
137 Cust. Serv., EU Common Line	3,028	V209	3,028	0	0	0	0	0	O.K.	
138										
139 Total Customer Service	\$78,124		\$50,487	\$0	\$27,601	\$0	\$35	\$27,637	O.K.	
140										
141 Total Bus. Ofc., Cust. Serv.	\$300,371		\$249,995	\$0	\$50,047	\$0	\$328	\$50,376	O.K.	
142										

		Intrastate								
***** FCC PART 36 ***** Operating Expenses and Taxes		TOTAL COMPANY	Source/ Allocator	Interstate and Other	Message Telephone Service		Private Line		TOTAL INTRASTATE	
(A)	(B)	(C)	(D)	InterLATA (E)	IntraLATA (F)	InterLATA (G)	IntraLATA (H)	(I)		
156	Other Cust. Serv., Alloc.	\$34,772	H48	\$28,940	\$0	\$5,794	\$0	\$38	\$5,832	O.K.
157	Other Cust. Serv., Direct	451	V211	451	0	0	0	0	0	O.K.
158										
159	Total Other Cust. Serv.	\$35,223		\$29,391	\$0	\$5,794	\$0	\$38	\$5,832	O.K.
160										
161	TOTAL CUSTOMER OPER. EXP.	\$446,555		\$370,557	\$0	\$75,335	\$0	\$663	\$75,998	O.K.
162										
163										
164	"BIG-THREE" EXPENSES:									
165										
166	Total Pit. Spec., ex Support	\$689,628	44	\$456,089	\$0	\$230,674	\$0	\$2,865	\$233,539	O.K.
167	Total Network Oper. Exp.	80,552	68	58,956	0	21,018	0	579	21,596	O.K.
168	Total Customer Operations	446,555	161	370,557	0	75,335	0	663	75,998	O.K.
169										
170	TOTAL "BIG THREE" EXPENSES	\$1,216,735		\$885,602	\$0	\$327,027	\$0	\$4,107	\$331,133	O.K.
171										
172										
173	CORPORATE OPERATIONS EXPENSE:									
174										
175	Exec. and Planning, Alloc.	\$184,595	H50	\$134,358	\$0	\$49,614	\$0	\$623	\$50,237	O.K.
176	Exec. and Planning, Direct	0	V213	0	0	0	0	0	0	O.K.
177										
178	Total Exec. and Planning	\$184,595		\$134,358	\$0	\$49,614	\$0	\$623	\$50,237	O.K.
179										
180	Admin. & General, Allocable	\$236,780	H50	\$172,341	\$0	\$63,640	\$0	\$799	\$64,439	O.K.
181	Admin. & General, Direct	62,083	V231	10,354	0	51,729	0	0	51,729	O.K.
182										
183	Total Admin. and Gen.	\$298,863		\$182,695	\$0	\$115,369	\$0	\$799	\$116,168	O.K.
184										
185	TOTAL CORPORATE OPERATIONS	\$483,458		\$317,052	\$0	\$164,984	\$0	\$1,422	\$166,406	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	2,488	V233	815	0	1,673	0	0	1,673	O.K.
192										
193	Total Non-income Taxes	\$2,488		\$815	\$0	\$1,673	\$0	\$0	\$1,673	O.K.
194										
195										
196	TOTAL OPER. EXP. AND TAXES	\$4,587,095		\$3,474,289	\$0	\$1,092,892	\$0	\$19,914	\$1,112,806	O.K.

MIDSTATE 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	\$5,922,289	K52	\$3,651,419	\$870,545	\$0	\$1,219,969	\$0	\$180,356	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	\$592,229		\$365,142	\$87,054	\$0	\$121,997	\$0	\$18,036	O.K.
17										
18	AFUDC	(77,436)	N37	(45,099)	(13,552)	0	(16,508)	0	(2,277)	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	\$514,793		\$320,043	\$73,502	\$0	\$105,489	\$0	\$15,759	O.K.
23										
24	Interest Expense	166,070	N67	102,391	24,411	0	34,210	0	5,057	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	\$348,723		\$217,652	\$49,091	\$0	\$71,279	\$0	\$10,701	O.K.
30										
31	State Income Taxes	\$0	29	0	0	0	0	0	0	O.K.
32	Federal Income Taxes	0	29	0	0	0	0	0	0	O.K.
33	Operating Expenses and Taxes	1,112,806	O195	431,763	197,466	9,787	390,834	57,881	25,075	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	1,705,035	16+31+32+33	796,905	284,521	9,787	512,831	57,881	43,110	O.K.
38										
39										
40	Gross Receipts Tax	67,817	37	31,696	11,317	389	20,398	2,302	1,715	O.K.
41										
42										
43	TOTAL REVENUE REQUIREMENT	\$1,695,416		\$783,502	\$282,285	\$10,176	\$516,721	\$60,183	\$42,548	O.K.
44										

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 ***** IntraLATA Investment 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 Land and Support Assets	\$751,110	L25	\$100,638	\$272,611	\$0	\$332,061	\$0	\$45,800	O.K.	
14										
15 Central Office Equipment	\$3,177,341	L70	\$533,560	\$1,445,327	\$0	\$1,173,029	\$0	\$25,425	O.K.	
16 Info. Term./Orig. Equipment	0	L78	0	0	0	0	0	0	O.K.	
17 Cable and Wire Facilities	5,887,476	L117	5,082,587	0	0	587,489	0	217,399	O.K.	
18										
19 Total COE, IOT, C&WF	\$9,064,816		\$5,616,147	\$1,445,327	\$0	\$1,760,518	\$0	\$242,824	O.K.	
20										
21 Total Tangible Assets	\$0	L141	\$0	\$0	\$0	\$0	\$0	\$0	O.K.	
22										
23 Total Tele. Plt. ex Intang.	\$9,815,926		\$5,716,785	\$1,717,938	\$0	\$2,092,579	\$0	\$288,624	O.K.	
24 Total Intangible Assets	1,991	L144	1,160	348	0	424	0	59	O.K.	
25										
26 Total Plant In Service	\$9,817,917		\$5,717,944	\$1,718,287	\$0	\$2,093,004	\$0	\$288,683	O.K.	
27 Total Plt. 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	212,773	L164	123,919	37,238	0	45,359	0	6,256	O.K.	
30 Total Tel. Plt. Adjust.	0	L169	0	0	0	0	0	0	O.K.	
31										
32 TOTAL TELEPHONE PLANT	\$10,030,690		\$5,841,863	\$1,755,525	\$0	\$2,138,363	\$0	\$294,939	O.K.	
33										
34 less:										
35 Accum. Depr., Plt. in Serv.	4,196,649	M23	2,241,839	900,425	0	937,206	0	117,178	O.K.	
36 Accum. Depr. PHFU	0	M27	0	0	0	0	0	0	O.K.	
37 Accum. Amort. Tangible Plt.	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	\$5,834,041		\$3,600,023	\$855,100	\$0	\$1,201,156	\$0	\$177,761	O.K.	
46 plus:										
47 Class B RTB Stock	0	L171	0	0	0	0	0	0	O.K.	
48 Materials and Supplies	60,280	L173	35,107	10,550	0	12,851	0	1,772	O.K.	
49 Cash Working Capital	27,968	L175	16,289	4,895	0	5,962	0	822	O.K.	
50 Equal Access Investment	0	L177	0	0	0	0	0	0	O.K.	
51										
52 NET INVESTMENT	\$5,922,289		\$3,651,419	\$870,545	\$0	\$1,219,969	\$0	\$180,356	O.K.	
53										

MIDSTATE 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	\$730,989	N28	\$97,942	\$265,308	\$0	\$323,166	\$0	\$44,573	O.K.
21	Support Assets, Private Line	20,120	N28	2,696	7,303	0	8,895	0	1,227	O.K.
22										
23	Total Support Assets	\$751,110		\$100,638	\$272,611	\$0	\$332,061	\$0	\$45,800	O.K.
24										
25	Total Land and Supp. Assets	\$751,110		\$100,638	\$272,611	\$0	\$332,061	\$0	\$45,800	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	\$568,668	(G)	\$0	\$0	\$0	\$568,668	\$0	\$0	O.K.
35	Tandem Assigned	0	Direct	0	0	0	0	0	0	O.K.
36										
37	Total Tandem Switching	\$568,668		\$0	\$0	\$0	\$568,668	\$0	\$0	O.K.
38										
39	Local Switching	\$1,445,327	(E)	\$0	\$1,445,327	\$0	\$0	\$0	\$0	O.K.
40	Local Assigned	0	Direct	0	0	0	0	0	0	O.K.
41										
42	Total Local Switching	\$1,445,327		\$0	\$1,445,327	\$0	\$0	\$0	\$0	O.K.
43										
44	Total Switching	\$2,013,995		\$0	\$1,445,327	\$0	\$568,668	\$0	\$0	O.K.

MIDSTATE 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)		
58	COE Exch. Trunk	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
59	COE Exch. Line - Message	533,560	(D)	533,560	0	0	0	0	0	O.K.
60	COE Exch. Line - PL etc.	21,650	(I)	0	0	0	0	0	21,650	O.K.
61	COE Exch. Line - Assigned	0	Direct	0	0	0	0	0	0	O.K.
62	COE Interexchange, Message	604,361	(G)	0	0	0	604,361	0	0	O.K.
63	COE Interexchange, PL	0	(I)	0	0	0	0	0	0	O.K.
64	COE Interexchange, Assigned	3,775	(G)	0	0	0	0	0	3,775	O.K.
65	COE H/R Message	0	(G)	0	0	0	0	0	0	O.K.
66	COE H/R Assigned	0	Direct	0	0	0	0	0	0	O.K.
67										
68	Total COE Transmission	\$1,163,346		\$533,560	\$0	\$0	\$604,361	\$0	\$25,425	O.K.
69										
70	Total Central Office Equip.	\$3,177,341		\$533,560	\$1,445,327	\$0	\$1,173,029	\$0	\$25,425	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										
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	\$206,232	(I)	\$0	\$0	\$0	\$0	\$0	\$206,232	O.K.
83	Exchange Message	5,082,587	(D)	5,082,587	0	0	0	0	0	O.K.
84	Exchange Assigned	0	Direct	0	0	0	0	0	0	O.K.
85										
86	Total Exchange Line C&WF	\$5,288,819		\$5,082,587	\$0	\$0	\$0	\$0	\$206,232	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										
91	Total Exchange Trunk C&WF	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
92										
93	Interexchange Message	\$587,489	(G)	\$0	\$0	\$0	\$587,489	\$0	\$0	O.K.
94	Interexchange PL, WATS	0	(I)	0	0	0	0	0	0	O.K.
95	Interexchange Assigned	11,167	(G)	0	0	0	0	0	11,167	O.K.
96										
97	Total Interexchange C&WF	\$598,656		\$0	\$0	\$0	\$587,489	\$0	\$11,167	O.K.

MIDSTATE 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	O.K.
112	H/R C&WF, WATS	0	(I)	0	0	0	0	0	0	O.K.
113	H/R C&WF, Assigned	0	Direct	0	0	0	0	0	0	O.K.
114										
115	Total Host/Remote C&WF	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
116										
117	Total Cable and Wire Facil.	\$5,887,476		\$5,082,587	\$0	\$0	\$587,489	\$0	\$217,399	O.K.
118										
119	TANGIBLE ASSETS:									
120										
121	Land and Support Leases	\$0	N28	0	0	0	0	0	0	O.K.
122										
123	COE Operator Leases	\$0	32	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
124	COE Tandem Switching Leases	0	34	0	0	0	0	0	0	O.K.
125	COE Local Switching Leases	0	39	0	0	0	0	0	0	O.K.
126	COE Transmission Leases	0	68	0	0	0	0	0	0	O.K.
127										
128	Total COE Leases	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
129										
130	IOT Equipment Leases	\$0	78	0	0	0	0	0	0	O.K.
131										
132	C&WF Leases	\$0	117	0	0	0	0	0	0	O.K.
133										
134	Total Capital Leases	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
135										
136	Leasehold Impr., Alloc.	\$0	N37	0	0	0	0	0	0	O.K.
137	Leasehold Impr., Direct	0	Direct	0	0	0	0	0	0	O.K.
138										
139	Total Leasehold Improvementsa	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
140										
141	Total Tangible Assets	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
142										
143										
144	TOTAL INTANGIBLE ASSETS	\$1,991	N37	\$1,160	\$348	\$0	\$424	\$0	\$59	O.K.
145										
146										
147	PROPERTY HELD FOR FUTURE US	\$0	N46	0	0	0	0	0	0	O.K.

MIDSTATE 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)	
161 PLANT UNDER CONSTRUCTION:									
162									
163 Short-term	\$0	N46	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
164 Long-term	212,773	N46	123,919	37,238	0	45,359	0	6,256	O.K.
165									
166 Total Plt. Under Const.	\$212,773		\$123,919	\$37,238	\$0	\$45,359	\$0	\$6,256	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	\$60,280	N37	\$35,107	\$10,550	\$0	\$12,851	\$0	\$1,772	O.K.
174									
175 CASH WORKING CAPITAL	\$27,968	N37	\$16,289	\$4,895	\$0	\$5,962	\$0	\$822	O.K.
176									
177 EQUAL ACCESS INVESTMENT	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 *****		Part 36		Source or		Common		Local		Information		Common		Billing and		Other	
IntralATA		IntralATA		Apportion		Line		Switching		Information		Transport		Collection		Other	
Reserves and Deferrals		Total															
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)									
ACCU. DEPRECIATION, TPIS:																	
13																	
14	Support Assets	\$366,231		N28	\$49,070			\$132,922		\$0		\$161,909		\$0		\$22,332	O.K.
15	COE Switching	1,069,479		L44	0			767,503		0		301,976		0		0	O.K.
16	COE Operator	0		L32	0			0		0		0		0		0	O.K.
17	COE Operator	0		L68	216,164			0		0		244,849		0		10,301	O.K.
18	COE Transmission	471,313		L78	0			0		0		0		0		0	O.K.
19	LOT Equipment	0		L78	0			0		0		0		0		0	O.K.
20	Cable and Wire Facilities	2,289,625		L117	1,976,606			0		0		228,473		0		84,546	O.K.
21	Other Plant	0		N37	0			0		0		0		0		0	O.K.
22																	
23	Total Accum. Depr., TPIS	\$4,196,649			\$2,241,839			\$900,425		\$0		\$937,206		\$0		\$117,178	O.K.
24																	
25	ACCU. 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., Inlang. 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.	\$4,196,649			\$2,241,839			\$900,425		\$0		\$937,206		\$0		\$117,178	O.K.
35																	
36																	
37	ACCU. 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	LOT 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 COMMUNICATIONS, INC.

***** FCC PART 69 *****		Part 36		Common		Local		Information		Common		Billing and		Other	
Apportionment Factors		Initial LTA Total		Line		Switching		Information		Transport		Collection			
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)							
13	Central Office Equipment	\$3,177,341	\$533,560	\$1,445,327	\$0	\$1,173,029	\$0	\$25,425	O.K.						
14	Info. Orig./Term. Eqpt.	0	0	0	0	0	0	0	O.K.						
15	C&W Facilities	5,987,476	5,082,587	0	0	587,489	0	217,399	O.K.						
16	Total	\$9,064,816	\$5,616,147	\$1,445,327	\$0	\$1,760,518	\$0	\$242,824	O.K.						
17	Factor	1,000000	0.619554	0.159444	0.000000	0.194214	0.000000	0.026788	O.K.						
18	Sum: Sw., Trans., Other	\$3,448,669	\$0	\$1,445,327	\$0	\$1,760,518	\$0	\$242,824	O.K.						
19	Factor	1,000000	0.000000	0.419097	0.000000	0.510492	0.000000	0.070411	O.K.						
20	Central Office Equipment	\$3,177,341	\$533,560	\$1,445,327	\$0	\$1,173,029	\$0	\$25,425	O.K.						
21	Info. Orig./Term. Eqpt.	0	0	0	0	0	0	0	O.K.						
22	C&W F, Excl. Exch. Message	804,888	0	0	0	587,489	0	217,399	O.K.						
23	Total	\$3,982,229	\$533,560	\$1,445,327	\$0	\$1,760,518	\$0	\$242,824	O.K.						
24	Factor	1,000000	0.133985	0.362944	0.000000	0.442094	0.000000	0.060977	O.K.						
25	General Support Facilities	\$751,110	\$100,638	\$272,611	\$0	\$332,061	\$0	\$45,800	O.K.						
26	Central Office Equipment	3,177,341	533,560	1,445,327	0	1,173,029	0	25,425	O.K.						
27	Info. Orig./Term. Eqpt.	0	0	0	0	0	0	0	O.K.						
28	C&W Facilities	5,987,476	5,082,587	0	0	587,489	0	217,399	O.K.						
29	Equal Access Investment	0	0	0	0	0	0	0	O.K.						
30	Total	\$9,815,926	\$5,716,785	\$1,717,938	\$0	\$2,092,579	\$0	\$288,624	O.K.						
31	Factor	1,000000	0.582399	0.175015	0.000000	0.213182	0.000000	0.029404	O.K.						
32	Sum: Com. Ln., Sw., Trans.	\$9,527,302	\$5,716,785	\$1,717,938	\$0	\$2,092,579	\$0	\$288,624	O.K.						
33	Factor	1,000000	0.600042	0.180317	0.000000	0.219640	0.000000	0.000000	O.K.						
34	COE Cat. 2 Factor	1,000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000	O.K.						
35	IOT Cat. 1 Factor	1,000000	1,000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.						
36	Total TPIS	\$9,817,917	\$5,717,944	\$1,718,287	\$0	\$2,093,004	\$0	\$288,683	O.K.						
37	Factor	1,000000	0.582399	0.175015	0.000000	0.213182	0.000000	0.029404	O.K.						

MIDSTATE COMMUNICATIONS, INC.

***** FCC PART 69 *****		Part 36										
Apportionment Factors		IntraLATA	Source	Common	Local	Information	Common	Billing and	Other			
(A)	(B)	Total	(C)	Line	Switching	(F)	Transport	Collection	(I)			
60	Interstate Equity, Factor	0.000000	Direct	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.	
61	W/d. Std. Work Seconds	1.000000	Direct	1.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	O.K.	
62	"BIG THREE" Expenses	\$348,078	O171	\$90,371	\$27,584	\$6,510	\$163,064	\$43,537	\$7,011		O.K.	
63	Factor	1.000000		0.259630	0.107975	0.018703	0.468470	0.125079	0.020143			
64	Net Investment	\$5,922,289	J13	\$3,651,419	\$870,545	\$0	\$1,219,969	\$0	\$180,356		O.K.	
65	Factor	1.000000		0.616555	0.146995	0.000000	0.205996	0.000000	0.030454		O.K.	
66												
67												

MIDSTATE 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)	
13 PLANT SPEC. OPER. EXPENSE:									
14									
15 Network Support, Alloc.	\$0	N37	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
16 Network Support, Direct	0	Direct	0	0	0	0	0	0	O.K.
17									
18 Total Network Support Exp.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
19									
20 General Support, Alloc.	\$16,945	N30	\$2,270	\$6,150	\$0	\$7,491	\$0	\$1,033	O.K.
21 General Support, Direct	0	Direct	0	0	0	0	0	0	O.K.
22									
23 Total General Support Exp.	\$16,945		\$2,270	\$6,150	\$0	\$7,491	\$0	\$1,033	O.K.
24									
25 Central Office Eq., Alloc.	\$46,893	N31	\$7,875	\$21,331	\$0	\$17,312	\$0	\$375	O.K.
26 Central Office Eq., Direct	0	Direct	0	0	0	0	0	0	O.K.
27									
28 Total COE Exp.	\$46,893		\$7,875	\$21,331	\$0	\$17,312	\$0	\$375	O.K.
29									
30 Cust. Premises Equip.	\$0	L76	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
31 Other IOT	0	N43	0	0	0	0	0	0	O.K.
32 IOT Direct	0	Direct	0	0	0	0	0	0	O.K.
33									
34 Total IOT Exp.	\$0		\$0	\$0	\$0	\$0	\$0	\$0	O.K.
35									
36 Cable & Wire, Alloc.	\$67,419	N33	\$58,202	\$0	\$0	\$6,728	\$0	\$2,489	O.K.
37 Cable & Wire, Direct	119,227	Direct	0	0	0	119,227	0	0	O.K.
38									
39 Total C&WF Exp.	\$186,646		\$58,202	\$0	\$0	\$125,955	\$0	\$2,489	O.K.
40									
41 TOTAL PLT. SPEC. OPER. EXP.	\$250,484		\$68,347	\$27,481	\$0	\$150,758	\$0	\$3,898	O.K.
42									
43 TOTAL PLT. SPEC., ex SUPPORT	\$233,539		\$66,077	\$21,331	\$0	\$143,267	\$0	\$2,865	O.K.

MIDSTATE 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.	\$21,596	N18	\$13,380	\$3,443	\$0	\$4,194	\$0	\$579	O.K.
65 Network Operations, Direct	0	Direct	0	0	0	0	0	0	O.K.
66									
67 Total Network Oper. Exp.	\$21,596		\$13,380	\$3,443	\$0	\$4,194	\$0	\$579	O.K.
68									
69 Total Access Expenses	\$0	Direct	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
70									
71 Depr., Support Assets	\$53,294	L23	\$7,141	\$19,343	\$0	\$23,561	\$0	\$3,250	O.K.
72 Depr., COE Switching	169,055	L44	0	121,321	0	47,734	0	0	O.K.
73 Depr., COE Operator	0	L32	0	0	0	0	0	0	O.K.
74 Depr., COE Transmission	87,402	L68	40,086	0	0	45,406	0	1,910	O.K.
75 Depr., IOT Equipment	0	L78	0	0	0	0	0	0	O.K.
76 Depr., C&W Facilities	286,898	L117	247,675	0	0	28,628	0	10,594	O.K.
77 Depr., PHFU	0	L147	0	0	0	0	0	0	O.K.
78									
79 Total Depreciation Expense	\$596,649		\$294,902	\$140,664	\$0	\$145,329	\$0	\$15,754	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.	\$596,649		\$294,902	\$140,664	\$0	\$145,329	\$0	\$15,754	O.K.
89									
90 TOTAL NON-SPEC. OPER. EXP.	\$618,245		\$308,282	\$144,107	\$0	\$149,524	\$0	\$16,332	O.K.

MIDSTATE 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	\$13,892	N37	\$8,091	\$2,431	\$0	\$2,962	\$0	\$408	O.K.
107	Marketing, Direct	0	Direct	0	0	0	0	0	0	O.K.
108										
109	Total Marketing Expense	\$13,892		\$8,091	\$2,431	\$0	\$2,962	\$0	\$408	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	5,899	(F)	0	0	5,899	0	0	0	O.K.
118	Foreign Directory	0	Direct	0	0	0	0	0	0	O.K.
119										
120	Total Directory	\$5,899		\$0	\$0	\$5,899	\$0	\$0	\$0	O.K.
121										
122	Bus. Ofc., EU Presubscription	0	N40	\$0	\$0	\$0	\$0	\$0	\$0	O.K.
123	Bus. Ofc., Reserved	0	(I)	0	0	0	0	0	0	O.K.
124	Bus. Ofc., EU Access PL & All Other	1,303	(H)	0	0	0	0	0	1,303	O.K.
125	Bus. Ofc., EU Message	20,524	(H)	0	0	0	0	20,524	0	O.K.
126	Bus. Ofc., EU Reserved	0	(I)	0	0	0	0	0	0	O.K.
127	Bus. Ofc., IX Special Access	5	(I)	0	0	0	0	0	5	O.K.
128	Bus. Ofc., IX Switched Access	836	N40	502	151	0	184	0	0	O.K.
129	Bus. Ofc., IX Billing and Collection	71	(H)	0	0	0	0	71	0	O.K.
130	Bus. Ofc., Coin Collection & Adminlstr.	0	(D)	0	0	0	0	0	0	O.K.
131	Bus. Ofc., Reserved	0	(I)	0	0	0	0	0	0	O.K.
132										
133	Total Business Office	\$22,739		\$502	\$151	\$0	\$184	\$20,595	\$1,308	O.K.
134										
135	Cust. Serv., Msg. Process	\$0	(H)	0	0	0	0	0	0	O.K.
136	Cust. Serv., Other B&C	18,854	(H)	0	0	0	0	18,854	0	O.K.
137	Cust. Serv., CABS	8,783	N21	0	3,681	0	4,483	0	618	O.K.
138	Cust. Serv., EU Common Line	0	(H)	0	0	0	0	0	0	O.K.
139										
140	Total Customer Service	\$27,637		\$0	\$3,681	\$0	\$4,483	\$18,854	\$618	O.K.
141										
142	Total BO, CS, OS, Dir.	\$56,275		\$502	\$3,832	\$5,899	\$4,667	\$39,449	\$1,926	O.K.

MIDSTATE 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)		
158 Other Cust. Serv., Alloc.	\$5,832	142	\$52	\$397	\$611	\$484	\$4,088	\$200	O.K.	
159 Other Cust. Serv., Direct	0	Direct	0	0	0	0	0	0	O.K.	
160										
161 Total Other Cust. Serv.	\$5,832		\$52	\$397	\$611	\$484	\$4,088	\$200	O.K.	
162										
163 TOTAL CUSTOMER OPER. EXP.	\$75,998		\$8,644	\$6,660	\$6,510	\$8,112	\$43,537	\$2,534	O.K.	
164										
165 "BIG-THREE" EXPENSES:										
166										
167 Total Plt. Specific Exp.	\$250,484	41	\$68,347	\$27,481	\$0	\$150,758	\$0	\$3,898	O.K.	
168 Total Plt Non-specific Exp.	21,596	62 + 67 +69	13,380	3,443	0	4,194	0	579	O.K.	
169 Total Customer Operations	75,998	163	8,644	6,660	6,510	8,112	43,537	2,534	O.K.	
170										
171 TOTAL "BIG THREE" EXPENSES	\$348,078		\$90,371	\$37,584	\$6,510	\$163,064	\$43,537	\$7,011	O.K.	
172										
173 CORPORATE OPERATIONS EXPENSE:										
174										
175 Exec. and Planning, Alloc.	\$50,237	N64	\$13,043	\$5,424	\$940	\$23,535	\$6,284	\$1,012	O.K.	
176 Exec. and Planning, Direct	0	Direct	0	0	0	0	0	0	O.K.	
177										
178 Total Exec. and Planning	\$50,237		\$13,043	\$5,424	\$940	\$23,535	\$6,284	\$1,012	O.K.	
179										
180 Admin. & General, Allocable	\$64,439	N64	\$16,730	\$6,958	\$1,205	\$30,188	\$8,060	\$1,298	O.K.	
181 Admin. & General, Direct	51,729	Direct	15,712	6,534	1,132	28,351	0	0	O.K.	
182										
183 Total Admin. and Gen.	\$116,168		\$32,442	\$13,492	\$2,337	\$58,539	\$8,060	\$1,298	O.K.	
184										
185 TOTAL CORPORATE OPERATIONS	\$166,406		\$45,486	\$18,916	\$3,277	\$82,074	\$14,344	\$2,310	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	1,673	Direct	1,004	302	0	367	0	0	O.K.	
191									O.K.	
192										
193 Total Non-income Taxes	\$1,673		\$1,004	\$302	\$0	\$367	\$0	\$0	O.K.	
194										
195 TOTAL OPER. EXP. AND TAXES	\$1,112,806		\$431,763	\$197,466	\$9,787	\$390,834	\$57,881	\$25,075	O.K.	

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

COMPANY NAME MIDSTATE COMMUNICATIONS, INC.
 PERIOD ADDRESSED ENDING DECEMBER 31,2001 WITH KNOWN & MEASURABLE CHANGES
 RUN DATE AND TIME 27-Aug-2003 04:37:49 PM

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

		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)			
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	2,801,593	---	---	---	---	---	---	---	---	
28	Buildings, Allocable	0	---	---	---	---	---	---	---	---	
29	Buildings, Direct	0	---	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	0	
37	CAT 2 Tandem Sw. Allocable	1,663,734	---	---	---	---	---	---	---	---	
38	CAT 2 Tandem Sw. Direct	0	---	0	0	0	0	0	0	0	
39	CAT 3 Local Sw. Allocable	4,915,945	---	---	---	---	---	---	---	---	
40	CAT 3 Local Sw. Direct	0	---	0	0	0	0	0	0	0	
41	CAT 4.12 Exchange Trunk	456,013	---	---	---	---	---	---	---	---	
42	CAT 4.12 Exch. Tr. Direct	0	---	0	0	0	0	0	0	0	
43	CAT 4.13 Exch. Ln. Msg., PL & WATS	2,203,951	---	---	---	---	---	---	---	---	
44	Reserved	0	---	---	---	---	---	---	---	---	
45	CAT 4.13 Direct	0	---	0	0	0	0	0	0	0	
46	CAT 4.23 Message, PL & WATS	1,540,206	---	---	---	---	---	---	---	---	
47	Reserved	0	---	---	---	---	---	---	---	---	
48	CAT 4.23 Direct	23,123	---	19,348	0	0	0	3,775	3,775	3,775	
49	CAT 4.3 H/R Message	0	---	---	---	---	---	---	---	---	
50	CAT 4.3 WATS	0	---	0	0	0	0	0	0	0	
51	CAT 4.3 Direct	0	---	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	0	

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE COMMUNICATIONS, INC.
 ENDING DECEMBER 31,2001 WITH KNOWN & MEASURABLE CHANGES

Intrastate

***** 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	---	0	0	0	0	0	0
71	Reserved	0	---	---	---	---	---	---	---
72	Reserved	0	---	---	---	---	---	---	---
73	CAT 1.3 Joint Msg., Cat. 1.1 & 1.2 PL	20,994,417	---	---	---	---	---	---	---
74	Other CAT 1 C&WF	0	---	0	0	0	0	0	0
75	CAT 2 C&WF	423,321	---	---	---	---	---	---	---
76	CAT 2 C&WF, Wideband	0	---	0	0	0	0	0	0
77	CAT 3 Joint Message & PLWATS	1,492,476	---	---	---	---	---	---	---
78	Reserved	0	---	---	---	---	---	---	---
79	CAT 3 Direct	98,030	---	86,863	0	0	0	11,167	11,167
80	CAT 4 Message	0	---	---	---	---	---	---	---
81	CAT 4 WATS	0	---	0	0	0	0	0	0
82	CAT 4 Direct	0	---	0	0	0	0	0	0
83	Allocable Support Leases	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	1,991	---	0	0	1,991	0	0	1,991
101	Materials and Supplies	235,576	---	---	---	---	---	---	---
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

MIDSTATE COMMUNICATIONS, INC.
 ENDING DECEMBER 31,2001 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)		
123	TPUC -- Short Term, Alloc.	0	---	---	---	---	---	---	---	
124	TPUC -- Short Term, Direct	0	---	0	0	0	0	0	0	
125	TPUC -- Long Term, Alloc.	793,511	---	---	---	---	---	---	---	
126	TPUC -- Long Term, Direct	0	---	0	0	0	0	0	0	
127										
128	RESERVES AND DEFERRALS:									
129	Acc. Depr. Support Assets	1,366,021	---	---	---	---	---	---	---	
130	Acc. Depr. COE Switching	3,493,967	---	---	---	---	---	---	---	
131	Acc. Depr. COE Operator	0	---	---	---	---	---	---	---	
132	Acc. Depr. COE Transmission	1,711,008	---	---	---	---	---	---	---	
133	Acc. Depr. IOT Equipment	0	---	---	---	---	---	---	---	
134	Acc. Depr. Cable and Wire Facilities	8,947,849	---	---	---	---	---	---	---	
135	Acc. Depr. Other Plant	0	---	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	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	0	
146										
147	OPERATING EXPENSES AND TAXES:									
148	Network Support, Alloc.	0	---	---	---	---	---	---	---	
149	Network Support, Direct	0	---	0	0	0	0	0	0	
150	General Support, Alloc.	63,204	---	---	---	---	---	---	---	
151	General Support, Direct	0	---	0	0	0	0	0	0	
152	Central Office Eq., Alloc.	159,435	---	---	---	---	---	---	---	
153	Central Office Eq., Direct	0	---	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	0	
158	Cable & Wire, Alloc.	263,474	---	---	---	---	---	---	---	
159	Cable & Wire, Direct	266,719	---	147,492	0	119,227	0	0	119,227	

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE COMMUNICATIONS, INC.
ENDING DECEMBER 31,2001 WITH KNOWN & MEASURABLE CHANGES

***** FCC PART 36 *****	Intrastate								
	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)	
176	Oth. Plt. and Equip., Alloc.	0	---	---	---	---	---	---	---
177	Oth. Plt. and Equip., Direct	0	---	0	0	0	0	0	0
178	Network Operations, Alloc.	80,552	---	---	---	---	---	---	---
179	Network Operations, Direct	0	---	0	0	0	0	0	0
180	Total Access Expense	631,635	---	631,635	0	0	0	0	0
181	Depr., Support Assets	198,784	---	---	---	---	---	---	---
182	Depr., COE Switching	552,300	---	---	---	---	---	---	---
183	Depr., COE Operator	0	---	---	---	---	---	---	---
184	Depr., COE Transmission	317,296	---	---	---	---	---	---	---
185	Depr., IOT Equipment	0	---	---	---	---	---	---	---
186	Depr., C&W Facilities	1,121,195	---	---	---	---	---	---	---
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	70,833	---	---	---	---	---	---	---
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	40,128	---	---	---	---	---	---	---
197	Foreign Directory	0	---	---	---	---	---	---	---
198	Bus. Ofc., EU Presubscription	21,873	---	---	---	---	---	---	---
199	Bus. Ofc., EU MTS & WATS	37,076	---	---	---	---	---	---	---
200	Bus. Ofc., EU Access, P/L & all Other	160,691	---	---	---	---	---	---	---
201	Bus. Ofc., IXC Special Access	160	---	---	---	---	---	---	---
202	Bus. Ofc., IXC Switched Access	2,343	---	---	---	---	---	---	---
203	Bus. Ofc., IXC B & C Services	104	---	---	---	---	---	---	---
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	57,531	---	---	---	---	---	---	---
208	Cust. Serv., CABS	17,565	---	---	---	---	---	---	---
209	Cust. Serv., EU Common Line	3,028	---	3,028	0	0	0	0	0
210	Other Cust. Serv., Alloc.	34,772	---	---	---	---	---	---	---
211	Other Cust. Serv., Direct	451	---	451	0	0	0	0	0
212	Exec. and Planning, Alloc.	184,595	---	---	---	---	---	---	---
213	Exec. and Planning, Direct	0	---	0	0	0	0	0	0

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

MIDSTATE COMMUNICATIONS, INC.
 ENDING DECEMBER 31,2001 WITH KNOWN & MEASURABLE CHANGES

Intrastate

***** 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)
230 Admin. & General, Allocable	236,780	---	---	---	---	---	---	---
231 Admin. & General, Direct	62,083	---	10,354	0	51,729	0	0	51,729
232 Non-income Taxes, Allocable	0	---	---	---	---	---	---	---
233 Non-income Taxes, Direct	2,488	---	815	0	1,673	0	0	1,673
234								
235 OTHER INCOME STATEMENT:								
236 State Income Tax Rate	0.00%	---	---	---	---	---	---	---
237 Federal Income Tax Rate	0.00%	---	---	---	---	---	---	---
238 Gross Receipts Tax Rate	4.00%	---	---	---	---	---	---	---
239 Rate of Return	10.00%	---	---	---	---	---	---	---
240 AFUDC	(288,788)	---	---	---	---	---	---	---
241 ITC Amortization	0	---	---	---	---	---	---	---
242 Other Return Adjustments	0	---	0	0	0	0	0	0
243 Contributions	8,503	---	---	---	---	---	---	---
244 Interest Expense	623,099	---	---	---	---	---	---	---
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
249 Uncollectibles	0	---	0	0	0	0	0	0
250 Other Revenue Adjustments	0	---	0	0	0	0	0	0
251 Other Revenue Taxes	0	---	0	0	0	0	0	0
252								

SOUTH DAKOTA PUC INTRASTATE ACCESS COST MODEL

 MIDSTATE COMMUNICATIONS, INC.
 ENDING DECEMBER 31,2001 WITH KNOWN & MEASURABLE CHANGES

			Interstate				Intrastate			
			Private Line		Private Line				TOTAL	
***** FCC PART 36 *****			Other	InterLATA	IntraLATA	InterLATA	IntraLATA	INTRASTATE		
(A)	TOTAL COMPANY (B)	Source/ Allocator (C)	(D)	(E)	(F)	(G)	(H)	(I)		
271 Working Loops	5,090	---	111	0	0	0	50	50	50	
272 Equivalent Interexchange Cct. Miles	63,414	---	0	0	0	0	0	0	0	
273 Interexchange Circuit Terminations	1,191	---	0	0	0	0	0	0	0	

CONFIDENTIAL

3



**SOUTH DAKOTA
PUBLIC UTILITIES COMMISSION**

500 East Capitol Avenue
Pierre, South Dakota 57501-5070
www.state.sd.us/puc

Bob Sahr, Chair
Gary Hanson, Vice-Chair
Jim Burg, Commissioner

Capitol Office
(605) 773-3201
(605) 773-3809 fax

Transportation/Warehouse
(605) 773-5280
(605) 773-3225 fax

Consumer Hotline
1-800-332-1782

MEMORANDUM TO COMMISSIONERS SAHR, HANSON AND BURG

FROM: Harlan Best

RE: Midstate Communications, Inc., Kimball, SD
Switched Access Revenue Requirement, TC02-067

DATE: September 3, 2003

Midstate Communications, Inc. (Midstate) filed an Intrastate Switched Access Cost Study pursuant to ARSD Chapters 20:10:27 to 20:10:29, inclusive on June 19 2002, based on the twelve months ended December 31, 2001. The cost study submitted by Midstate developed a revenue requirement of \$1,692,831. Midstate's cost study included an amount for Global Crossing uncollectibles. Midstate's access minutes of use for 2001 were 10,021,911. Midstate is a member of the Local Exchange Carrier Association (LECA). As a member of LECA, Midstate's revenue requirement and access minutes of use are part of the total revenue requirement and total access minutes of use used in the determination of the Carrier Common Line, Local Switching, and Common Transport rate elements for LECA.

On June 20, 2002, the Commission electronically transmitted notice of the filing and the intervention deadline of July 5, 2002, to interested individuals and entities. On July 5, 2002, the Commission received a Petition To Intervene from S&S Communications (S&S). On July 9, 2002, the Commission granted S&S intervention and voted to assess Midstate a \$1000 filing fee, subject to additional amounts as requested by the Executive Director up to the statutory limit of \$100,000. (Any questions regarding the amount expended should be addressed to Heather Forney.) On August 19, 2003, the Commission voted to issue a summary disposition to dismiss S&S as an intervening party.

Staff requested supporting information from Midstate on June 20, August 19, and October 3, 2002. Staff data requests were responded to by Midstate in a timely manner. Staff reviewed trial balances for 2001, supporting documentation for adjustments that were proposed by Midstate in the cost study, access minutes of use, and traffic factor support.

The cost study filed by Midstate included FCC frozen allocation factors. Staff requested Midstate to resubmit its cost study without the use of frozen allocation factors since Chapter 28 of the administrative rules does not allow allocation factors to be frozen in time. On November 26, 2002, Midstate submitted an amended cost study that reduced the revenue requirement to \$1,610,424.

Staff requested, and Midstate has agreed, to place contribution expenses on sheet V, line 243 and to amortized non-recurring cost study expense of \$5972 over three years. Staff opposed the inclusion of Global Crossing uncollectibles in the cost study. On August 26, 2003, Midstate, through its attorney Darla Rogers, agreed to remove the Global Crossing adjustment. On September 2, 2003, Midstate submitted a final revised cost study excluding the Global Crossing uncollectible. The revenue requirement for Midstate is \$1,592,684. This revenue requirement is acceptable to Midstate.

Respectively submitted: Harlan Best

cc Jolyn Doering, Martin Group

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE) ESTABLISHMENT OF SWITCHED) ACCESS REVENUE REQUIREMENT) FOR MIDSTATE COMMUNICATIONS,) INC.)))	FINAL DECISION AND ORDER GRANTING MOTION TO DISMISS ON SUMMARY DISPOSITION; NOTICE OF ENTRY TC02-067
---	--

On June 19, 2002, Midstate Communications, Inc. (Company) filed for approval by the Public Utilities Commission (Commission) its 2001 Intrastate Switched Access Cost Study. On June 20, 2002, the Commission electronically transmitted notice of the filing and the intervention deadline of July 5, 2002, to interested individuals and entities. On July 5, 2002, the Commission received a Petition to Intervene from S&S Communications (S&S). At its regularly scheduled meeting of July 9, 2002, the Commission granted intervention to S&S.

On July 11, 2003, Company filed a Motion to Dismiss and Motion for Extension of Time to Respond to Second Discovery Request (Company Motions). On July 24, 2003, S&S filed a Brief in Resistance to Motion to Dismiss and Motion for Extension of Time.

At its regular meeting on August 4, 2003, the Commission considered the Company Motions and voted unanimously to serve notice on the parties that S&S's Motion to Dismiss would be considered alternatively as a motion for summary judgment or as a motion to dismiss and to schedule the matter for hearing at the Commission's next regularly scheduled meeting on August 19, 2003. The Commission further voted unanimously to extend the time for Company's response to S&S's pending discovery requests until after decision on Company's Motion to Dismiss and the further order of the Commission. On August 8, 2003, the Commission issued a Notice of Intent to Consider Motion as One for Summary Judgment, Order for and Notice of Hearing; Order Extending Time for Response (Notice and Order) requesting the parties to file any affidavits or other proof demonstrating that a genuine issue of material fact exists or does not exist as to S&S's continuing interest in this proceeding sufficient to maintain party status, setting the matter for consideration and/or hearing on August 19, 2003, at 1:30 p.m. CDT at the Ramada Inn in Aberdeen, South Dakota, and extending the Company's time for response to discovery until after the issue of S&S's standing to maintain status as party is finally decided.

In response to the Commission's Notice and Order, on August 14, 2003, S&S filed an Affidavit of Les S. Sumption (Affidavit). On August 18, 2003, Company filed a Response of Companies Named in Above Dockets to Affidavit of Les S. Sumption. On August 19, 2003, the Commission, after hearing and considering the parties' filings and the arguments of counsel, voted unanimously (i) to decide that the assertions contained in the Affidavit were not sufficient to raise a genuine issue of material fact as to whether S&S continues to have an interest peculiar to it as opposed to an interest common to the public or the taxpayers in general and (ii) to grant Company's Motion to Dismiss. Accordingly, as its Final Decision on the Company's Motion to Dismiss and the Notice and Order, the Commission considering the Affidavit and the other documents and evidentiary showings in the record in the light most favorable to S&S, makes the following Findings of Fact, Conclusions of Law and Order.

FINDINGS OF FACT

1. On July 5, 2002, S&S filed a Petition to Intervene (Petition) with the Commission. At its regular meeting on July 9, 2002, the Commission voted unanimously to grant S&S's Motion to Intervene, and on July 26, 2002, the Commission issued an Order Granting Petition to Intervene. S&S has been a party to this proceeding since then.

2. The standards for intervention as a party in a proceeding before the Commission are set forth in SDCL 1-26-17.1 as follows:

A person who is not an original party to a contested case and whose pecuniary interests would be directly and immediately affected by an agency's order made upon the hearing may become a party to the hearing by intervention, if timely application therefor is made.

and in ARSD 20:10:01:15.05 as follows:

that by the outcome of the proceeding the petitioner will be bound and affected either favorably or adversely with respect to an interest peculiar to the petitioner as distinguished from an interest common to the public or to the taxpayers in general.

3. In the Petition, S&S based its assertion that its interest met these tests on the facts that "S&S is a switch-based interexchange carrier" that "provides both intra and interstate message telecommunications services to its subscribers" (Petition, ¶ 1), that to provide intrastate telecommunications services, S&S "requires . . . switched access services from the Rural Local Exchange Carriers in South Dakota" which include Company (Petition, ¶ 2), and that "[b]ecause S&S Communications purchases switched access services from [Company] any increase in the rates of such services will directly and immediately affect the pecuniary interests of S&S Communications as it will naturally affect S&S Communications' operating expenses." (Petition, ¶ 3).

4. On July 11, 2003, Company filed a Motion to Dismiss asserting that S&S no longer meets the standards for intervention set forth in SDCL 1-26-17.1 and ARSD 20:10:01:15.05 and therefore lacks standing to be a party in this case. The Company's basis for its motion is the Commission's decision in Docket No. TC02-166 to revoke S&S's certificate of authority to provide telecommunications services in South Dakota.

5. On August 8, 2003, the Commission issued a Notice of Intent to Consider Motion as One for Summary Judgment, Order for and Notice of Hearing; Order Extending Time for Response (Notice and Order) requesting the parties to file any affidavits or other proof demonstrating that a genuine issue of material fact exists or does not exist as to S&S's continuing interest in this proceeding sufficient to maintain intervenor party status.

6. The Commission takes official notice of the following matters of record in the Commission's files. On June 16, 2003, the Commission issued an Order to Show Cause and Notice of Hearing in Docket No. TC02-166 requiring S&S to appear and show cause as to why, *inter alia*, its certificate of authority to provide telecommunications services in South Dakota should not be revoked. On June 30 and July 2, 2003, the Commission held a contested case hearing on the Order to Show Cause. On July 2, 2003, following the conclusion of the evidentiary hearing and the arguments of the parties, the Commission unanimously voted to revoke S&S's certificate of authority to provide telecommunications services in South Dakota. On August 28, 2003, the Commission issued its Findings of Fact; Conclusions of Law; Notice of Entry of Order in Docket No. TC02-166 (TC02-166

Order). The TC02-166 Order was transmitted to S&S on August 29, 2003. In the TC02-166 Order, the Commission ordered *inter alia* that S&S's certificate of authority is revoked.

7. The Company's Motion to Dismiss and the Notice and Order provided sufficient notice to S&S of the Company's assertion of the Commission's action in Docket No. TC02-166 as a basis for the Commission's decision on the Motion to Dismiss to afford S&S a reasonable opportunity to refute the facts of record officially noticed in Finding 6 as provided for in SDCL 1-26-19(3).

8. The revocation of S&S's certificate of authority to provide intrastate interexchange services in the TC02-166 Order precludes S&S from utilizing the Company's switched access services to provide intrastate interexchange telecommunications services in South Dakota.

9. At the August 4, 2003 meeting at which the Company's Motion to Dismiss was first before the Commission, S&S stated that they were no longer paying for switched access services from Company.

10. In the Affidavit, Mr. Sumption states on behalf of S&S that "over the past several weeks several individuals and/or entities have expressed an interest in purchasing S&S Communications and/or its assets" (Affidavit, ¶ 5), that "S&S Communications is presently in negotiations to sell its business and/or assets" (Affidavit, ¶ 6) and that S&S's pecuniary interests will be directly and immediately affected by the Commission's decision in this matter "for the following reasons:

- (A) Subsequent to the sale, S&S Communications, regardless of the name by which it will do business, will have to purchase switched access services;
- (B) The individual and/or entity interested in purchasing S&S Communications and/or its assets has expressed some reluctance in following through with the purchase as a result of the rates presently charged for switched access services in South Dakota;
- (C) If the individual and/or entity interested in purchasing S&S Communications and/or its assets fails to follow through with the purchase, S&S Communications will be divested of a substantial amount of revenue that would have been directed to creditors and/or subscribers that lost service." (Affidavit, ¶ 7).

11. In the Affidavit, Mr. Sumption states that he is "one of the partners that owns and operates Intervenor S&S Communications." (Affidavit, ¶ 1).

12. Because S&S is a partnership, there is at least some question whether S&S could be sold to anyone as a legal entity. Furthermore, given the financial problems of S&S as documented in the TC02-166 Order and record, the Commission does not find it credible that anyone would acquire S&S as a legal entity and thereby render itself liable for S&S debts and liabilities.

13. Following revocation of its certificate of authority, S&S does not in any case have the legal right, as a matter of law, to convey to any purchaser of its assets or business either its certificate of authority or any other right to provide intrastate interexchange telecommunications services in South Dakota.

14. Following revocation of its certificate of authority, S&S does not have the legal right to continue to provide services that would involve the purchase of intrastate switched access services

from Company, and the Commission accordingly finds that the assertion stated in Affidavit, ¶ 7(A) fails as a matter of law to raise a genuine issue of material fact as to the assertion.

15. The statement in Affidavit ¶ 7(B), that "the individual and/or entity interested in purchasing S&S Communications and/or its assets has expressed some reluctance in following through with the purchase as a result of the rates presently charged for switched access services in South Dakota" is hearsay, is not legally admissible evidence and is therefore not a showing of evidence that is sufficient to raise a genuine issue of material fact as to the matter asserted. That the alleged speaker is not identified and apparently was not even identifiable as a person or entity weakens the credibility of the assertion even more.

16. Viewing the Affidavit and the other documents, admissions and evidence in the record in the light most favorable to S&S, no admissible evidence provided by or pointed to by S&S offers any concrete showing that a person or entity that has expressed interest in purchasing S&S's assets has a present intention to provide intrastate interexchange services in South Dakota and would thus incur switched access charges which could be affected by the decision in this proceeding.

17. Any person who might have an interest in purchasing the assets of S&S who is presently providing intrastate interexchange services in South Dakota has had an interest in the outcome of this proceeding that it could have asserted in a petition for intervention on its own behalf prior to now. No such petition has been filed.

18. Some concrete showing of current proximate interest is required as a condition of permitting S&S to maintain its status as an intervenor party.

19. S&S's mere assertion that it is offering telecommunications assets for sale which might possibly be sold to a person who does not now, but might desire to, provide intrastate interexchange services in South Dakota and who might theoretically have concerns about the Company's switched access revenue requirement is too speculative to meet the test for proof of standing as an intervenor and is not a sufficient showing of interest peculiar to S&S, as opposed to an interest common to the public at large, to justify S&S's intervenor party status in this proceeding.

20. Based upon the above findings, the Commission finds (i) that the Affidavit of S&S and the other documents and showings of evidence in the record in this proceeding are insufficient to demonstrate that a genuine issue of material fact is presented that would require a factual hearing as to a present interest of S&S in this proceeding that is sufficient to warrant its continued standing as an intervenor party and (ii) that after viewing all reasonable inferences to be drawn from the evidence in the record herein in favor of S&S, Company is entitled to a summary disposition as a matter of law granting Company's Motion to Dismiss S&S as an intervenor party.

21. The interests of the ultimate consumers of switched access services to be provided by Company are not peculiar to S&S as opposed to the general public and such consumer and general public interests are adequately represented in this proceeding by the Commission's Staff. Furthermore, given S&S's conduct toward the Commission and S&S's customers as set forth in the TC02-166 Order, the Commission does not find that S&S is an appropriate advocate for the interests of customers' or the general public's interests in this proceeding.

22. The evidence does not support a finding that S&S has acted in a dilatory or obstructionist manner while an intervenor party to this proceeding and such a finding has not been relied upon by the Commission in reaching its decision herein.

CONCLUSIONS OF LAW

1. The Company's Motion to Dismiss was properly filed. Notice of the Commission's intention to treat the Motion to Dismiss as a motion for summary disposition was properly filed and served upon the parties in accordance with SDCL 15-6-56 and *Richards v. Lenz*, 539 N.W.2d 80 (S.D. 1995).
2. Pursuant to SDCL 49-1-11(4), 1-26-17.1, 1-26-18, 15-6-12(c) and 15-6-56 and ARSD 20:10:01:15.05, the Commission has the authority both to deny intervention as a party for failure of the petitioner to make a sufficient showing of pecuniary interest peculiar to the petitioner and also to dismiss an intervenor party under either a motion to dismiss or a summary disposition, as appropriate, if the requisite pecuniary interest of the intervening party has ceased to exist.
3. A petition to intervene and subsequent substantive pleadings and positions asserted by an intervenor in a proceeding are "defenses or claims" subject to summary disposition pursuant to SDCL 1-26-18.
4. Intrastate switched access charges are charges made by a carrier's carrier to another carrier for use of telecommunications facilities to originate or terminate calls. ARSD 20:10:27:01(6). For a telecommunications company to be a direct purchaser and user of the Company's intrastate switched access services, as distinguished from a member of the general public indirectly purchasing such services as an end user, it must be a provider of intrastate interexchange telecommunications services. ARSD 20:10:27:01(2) and 20:10:27:02. The Commission's TC02-166 Order prohibits S&S from engaging in the provision of the intrastate interexchange services in South Dakota and hence from being a purchaser or user of switched access services. S&S is not a purchaser of Company's switched access services.
5. When challenging a summary judgment, the nonmoving party must substantiate his allegations with sufficient probative evidence that would permit a finding in his favor on more than mere speculation or conjecture. *The Estate of Frederis J. Elliot v. A&B Welding Supply Company*, 1999 S.D. 55, 594 N.W.2d 707 (1999).
6. SDCL 15-6-56(e) requires that an affidavit offered in support of opposition to a motion for summary judgment "shall be made on personal knowledge" and "shall set forth such facts as would be admissible in evidence."
6. The assertion in the Affidavit that "the individual and/or entity interested in purchasing S&S Communications and/or its assets has expressed some reluctance in following through with the purchase as a result of the rates presently charged from switched access services in South Dakota" is hearsay and is not a fact admissible in evidence.
7. The remaining assertions in the Affidavit amount to an argument that S&S has standing to intervene due to the ownership of assets whose value might be affected by the fact that they could be used by a potential purchaser to become a provider of intrastate interexchange service in South Dakota who would thus require switched access services of Company. This argument demonstrates only a mere possibility and is not a showing of interest in the Company's switched access revenue requirement that is sufficiently proximate to justify party intervenor status.
8. The interests of the consumers of switched access services in South Dakota are represented by the Commission Staff in this proceeding, and S&S has made no showing that Commission Staff is not providing adequate representation of such interest.

9. S&S has failed to make a sufficient showing that a genuine issue of material fact is presented as to a pecuniary interest peculiar to S&S in this proceeding and the Commission concludes that a genuine issue of material fact is not presented.

10. S&S's asserted pecuniary interest arising from its ownership of assets that might be used in South Dakota by a purchaser of such assets to provide telecommunications services that would require the purchase of switched access services from Company is not proof of a sufficiently proximate interest in the outcome of this proceeding to justify intervenor party status.

11. Company is entitled to disposition in its favor as a matter of law of its Motion to Dismiss considered as a motion for summary disposition.

12. Company's Motion to Dismiss is granted.

13. Despite its dismissal as a party to this proceeding, the partners of S&S and/or the owners of its assets may request the right to appear and be heard in this proceeding as non-party participants pursuant to ARSD 20:10:01:15.06.

It is therefore

ORDERED, that the Company's Motion to Dismiss S&S Communications as an intervenor party to this proceeding is granted and S&S Communications is accordingly dismissed as an intervenor party.

NOTICE OF ENTRY OF ORDER

PLEASE TAKE NOTICE that this Order was duly entered on the 9th day of September, 2003. Pursuant to SDCL 1-26-32, this Order will take effect 10 days after the date of receipt or failure to accept delivery of the decision by the parties.

Dated at Pierre, South Dakota, this 9th day of September, 2003.

CERTIFICATE OF SERVICE	
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By:	<u>Melaine Kalbo</u>
Date:	<u>9/9/03</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman *JK*

Gary Hanson
GARY HANSON, Commissioner

James A. Burg
JAMES A. BURG, Commissioner

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE ESTABLISHMENT)	ORDER APPROVING
OF SWITCHED ACCESS REVENUE)	REVENUE REQUIREMENT
REQUIREMENT FOR MIDSTATE)	
COMMUNICATIONS, INC.)	TC02-067

On June 19, 2002, Midstate Communications, Inc. (Midstate) filed for approval by the Public Utilities Commission (Commission) its 2001 Intrastate Switched Access Cost Study. On November 26, 2002 and September 2, 2003, Midstate filed amended 2001 Intrastate Switched Access Cost Studies.

On June 20, 2002, the Commission electronically transmitted notice of the filing and the intervention deadline of July 5, 2002, to interested individuals and entities. On July 5, 2002, the Commission received a Petition to Intervene from S&S Communications (S&S). At a regularly scheduled meeting of July 9, 2002, the Commission granted intervention to S&S. The Commission also voted to assess a filing fee as requested by the Executive Director up to the statutory limit of \$100,000. On July 11, 2003, the Commission received a Motion to Dismiss S&S as intervenor in this proceeding from Midstate. At its regularly scheduled meeting of August 19, 2003, the Commission granted the Motion to Dismiss. Staff filed a memorandum on September 3, 2003, with the concurrence of the company, setting forth a recommended revenue requirement and minutes of use. The Commission considered this matter at its September 16, 2003, meeting.

The Commission has jurisdiction over this matter pursuant to SDCL 1-26-17.1, 49-1A-9, 49-31-12.4, 49-31-12.6, 49-31-18, 49-31-19 and ARSD 20:10:01:15.02, 20:10:01:15.05, 20:10:27:07 and 20:10:27:08. Upon review of Midstate's filing, the Commission found that the revenue requirement and minutes of use as depicted in Staff's memorandum were fair and reasonable and should be approved. As the Commission's final decision in this matter, it is therefore

ORDERED, that Midstate's revenue requirement and minutes of use are hereby approved as revised and shall be incorporated in the Local Exchange Carriers Association's determination of switched access rates. (See TC02-090.)

Dated at Pierre, South Dakota, this 23rd day of September, 2003.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u><i>Hilaine Kalbo</i></u>
Date: <u>9/25/03</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman

Gary Hanson
GARY HANSON, Commissioner