

Revised 8/02/04

SUPPLEMENT TO
ANNUAL REPORT
KENTUCKY OPERATIONS ONLY

OF

Exact Legal Name of Reporting Utility

(Address of Utility)

TO THE
PUBLIC SERVICE COMMISSION
OF THE
COMMONWEALTH OF KENTUCKY

FOR THE CALENDAR YEAR ENDED DECEMBER 31, 20 ____

TELEPHONE UTILITIES - ANNUAL REPORT

Please furnish the following information, for KENTUCKY OPERATIONS only:

BASIC SERVICE:

* Average Residential Basic Service Monthly Bill \$ _____
* Not Including Taxes/Nonregulated Services

NAMES OF COUNTIES IN WHICH YOU FURNISH TELEPHONE SERVICE:

(If additional space is required, add additional sheet)

OFFICER OR OTHER PERSON TO WHOM CORRESPONDENCE SHOULD BE ADDRESSED CONCERNING THIS REPORT:

Name _____ Title _____

Address _____ City _____

State _____ Zip Code _____ Telephone Number _____

This information is to be kept current by prompt notification to the Commission of any changes until the report for the succeeding year has been submitted.

PRINCIPAL PAYMENT, INTEREST, AND LONG-TERM DEBT INFORMATION FOR THE YEAR ENDING DECEMBER 31, 20_____.

1. Amount of Principal payment during calendar year \$ _____

2. Is Principal current? Yes _____ No _____

3. Is Interest current? Yes _____ No _____

4. Has all long-term debt been approved by the Public Service Commission?

Yes _____ No _____ PSC Case Number _____

SERVICES PERFORMED BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT:

Are your financial statements examined by a Certified Public Accountant?

Yes _____ No _____

If yes, which service was performed?

Audit _____ Compilation _____ Review _____

Please enclose a copy of the accountant's report with the annual report

BALANCE SHEET ACCOUNTS

Schedule III
 Page 1 of 6
 KPSC Form T (Revised 8/04)

Company _____

Period Ended _____

Account (a)	Account Title (b)	Amount (c)
Current Assets		
1120	Cash and Equivalents	
1170	Receivables	
1171	Allowance For Doubtful Accounts	
1220	Inventories	
1280	Prepayments	
1350	Other Current Assets	
1406	Non-Regulated Investments	
1410	Other Noncurrent Assets	
1438	Deferred Maintenance and Retirements	
1500	Other Jurisdictional Assets - Net	
	Total Current Assets	

Account (a)	Account Title (b)	Beginning Balance (c)	Additions (d)	Retirements (e)	Transfer Adjustments (f)	Ending Balance (g)
	<u>Central Office - Transmission</u>					
2231	Radio Systems					
2232	Circuit Equipment					
	Total Central Office Transmission					
	<u>Information Origination/Termination</u>					
2311	Station Apparatus					
2321	Customer Premises Wiring					
2341	Large Private Branch Exchanges (PBX)					
2351	Public Telephone Terminal Equipment					
2362	Other Terminal Equipment					
	Total Information Origin./Termin.					
	<u>Cable & wire Facilities Assets</u>					
2411	Poles					
2421	Aerial Cable					
2422	Underground Cable					
2423	Buried Cable					
2424	Submarine and Deep Sea Cable					
2426	Intra-Building Network Cable					
2431	Aerial Wire					
2441	Conduit Systems					
	Total Cable & Wire Facilities Assets					

BALANCE SHEET ACCOUNTS

Schedule III
Page 5 of 6
KPSC Form T (Revised 8/04)

Company _____

Period Ended _____

Account (a)	Account Title (b)	Amount (c)
	Depreciation and Amortization	
3100	Accumulated Depreciation	
3200	Accumulated Depreciation - Held for Future Telecom Use	
3300	Accumulated Depreciation - Nonoperating	
3410	Accumulated Amortization - Capitalized Leases	
	Total Depreciation and Amortization	
	Net Telephone Plant (Total Tele. Plt. less Total Depreciation & Amortization)	
	Total Assets	
	Current Liabilities	
4000	Current Accounts and Notes Payable	
4040	Customers' Deposits	
4070	Income Taxes - Accrued	
4080	Other Taxes - Accrued	
4100	Net Current Deferred Operating Income Taxes	
4110	Net Current Deferred Nonoperating Income Taxes	
4130	Other Current Liabilities	
	Total Current Liabilities	
4200	Long Term Debt and Funded Debt	
	Other Liabilities and Deferred Credits	
4300	Other Long Term Liabilities and Deferred Credits	
4320	Unamortized Operating Investment Tax Credits - Net	
4330	Unamortized Nonoperating Investment Tax Credits - Net	
4340	Net Noncurrent Deferred Operating Income Taxes	
4341	Net Deferred Tax Liability Adjustments	
4350	Net Noncurrent Deferred Nonoperating Income Taxes	
4361	Deferred Tax Regulatory Adjustments - Net	
4370	Other Jurisdictional Liabilities/Deferred Credits - Net	
	Total Other Liabilities and Deferred Credits	

1. This schedule shall be filed annually on March 31 of each calendar year for the results of the preceding calendar year.
2. In the spaces provided, respondents shall enter the company name and the year representing the last month and year covered in the report.
3. This schedule consists of 5 pages.
4. On page 1, respondents shall enter in column (c) the revenues recorded in each of the accounts, identified in column (a) for the calendar year covered by the report.
5. On pages 2, 3, and 4, respondents shall enter in columns (d) through (g) the expense amounts attributable to the matrix for salaries and wages, benefits, rents, and other expenses. These matrix elements shall be totaled and reported in column (c).
6. On page 5, respondents shall enter in column (c) the dollar amounts recorded in each of the accounts identified in column (b) for the calendar year covered by the report.
7. In spaces provided, respondents shall enter subtotals for each account group of revenues and expenses and totals for each category. Total net income shall be reported on page 5 of this schedule.

Account (a)	Account Title (b)	Total (c)
	PLANT SPECIFIC OPERATION EXPENSE	
6112	Motor Vehicle Expense	
6113	Aircraft Expense	
6114	Tools and Other Work Equipment Expense	
	TOTAL NETWORK SUPPORT EXPENSE	
6121	Land & Building Expense	
6122	Furniture & Artworks Expense	
6123	Office Equipment Expense	
6124	General Purpose Computers Expense	
	TOTAL SUPPORT EXPENSE	
6211	Non-Digital Switching Expense	
6212	Digital Electronic Switching Expense	
	TOTAL CENTRAL OFF. SWITCH. EXP.	
6220	Operator Systems Expense	
6231	Radio Systems Expense	
6232	Circuit Equipment Expense	
	TOTAL CENTRAL OFF. TRANS. EXP.	
6311	Station Apparatus Expense	
6341	Large Private Branch Exchange (PBX) Expense	
6351	Public Telephone Terminal Equipment Expense	
6362	Other Terminal Equipment Expense	
	TOTAL INFO. ORIG./TERM. EQUIP.	
6411	Poles Expense	
6421	Aerial Cable Expense	
6422	Underground Cable Expense	
6423	Buried Cable Expense	
6424	Submarine and Deep Sea Cable Expense	
6426	Intrabuilding Network Cable Expense	
6431	Aerial Wire Expense	
6441	Conduit Systems Expense	
	TOTAL CABLE & WIRE EXPENSE	
	TOTAL PLANT SPC. EXPENSE	

INCOME STATEMENT ACCOUNTS

Schedule VI

Company _____

Page 4 of 4

Period Ended _____

KPSC FORM T (Revised 8/04)

Account (a)	Account Title (b)	Amount (c)
7100	Other Operating Income and Expenses	
	<u>Operating Taxes</u>	
7210	Operating Investment Tax Credits - Net	
7220	Operating Federal Income Taxes	
7230	Operating State and Local Income Taxes	
7240	Operating Other Taxes	
7250	Provision for Deferred Operating Income Tax - Net	
	TOTAL OPERATING TAXES	
7300	Nonoperating Income and Expense	
7400	Nonoperating Taxes	
7500	Interest and Related Items	
7600	Extraordinary Items	
	<u>Jurisdictional Differences & Nonregulated Income</u>	
7910	Income Effect of Jurisdictional Ratemaking Differences - Net	
7990	Nonregulated Net Income	
	NET INCOME	

TOTAL NUMBER OF EMPLOYEES AT END OF YEAR _____

NUMBER OF FULL TIME EMPLOYEES _____

NUMBER OF PART TIME EMPLOYEES _____

TOTAL COMPENSATION FOR THE YEAR \$ _____

1. This schedule shall be filed annually on March 31 of each calendar year for the results of the preceding calendar year.
2. In the spaces provided, respondents shall enter the company name and the year representing the last month and year covered in the report.
3. This schedule consists of 1 page.
4. In column (b) provide for each state or territory the total number of Central Office Switches. If more than one switch is housed in a single building or structure be sure to count each switch separately. Do not separately count each three digit telephone number prefix as a separate switch.
5. Where ISDN services are provided, use column (c) to show for 16 kb/sec control channels the number of such channels divided by 4. For similar services, provide the total number of control channels and indicate types included. Use a foot note if necessary.
6. In column (d) provide the number of 64kb/s or equivalent access lines or ISDN B channels where applicable. Do not include access lines connecting to a customer location PBX or Centrex.
7. In column (e) provide the number of analog 4khz access lines connecting to single or multi-line telephones.
8. In column (f) provide the number multiplied by 24 of DS-1 access lines (1.544 mb/s) connecting to a customer location PBX and/or Centrex.
9. In column (g) provide the number of equivalent 4khz analog circuits or trunks connecting to a customer location PBX or Centrex.
10. In column (h) provide the number of equivalent 4khz extension circuits connecting a Centrex or PBX on telephone company premises to telephones on the customer's premises.
11. In column (i) provide, in terms of equivalent 4khz Analog Circuits of 64kb/s data circuits, the number of other switched access lines not included in columns (c) - (h), and indicate the types in a footnote.

Schedule VIII
BY
KPSC FORM T (Revised 8/04)

ACCESS LINES IN SERVICE
CUSTOMER INSTRUCTIONS

1. This schedule shall be filed annually on March 31 of each calendar year for the results of the preceding calendar year.
2. In the spaces provided, respondents shall enter the company name and the year representing the last month and year covered in the report.
3. This schedule consists of 1 page.
4. In the appropriate columns, respondents shall enter the data called for by the column headings.
5. In column (h), the total access lines is the total of columns (b) through (g). Total access line should also equal the total of columns (c), (d), (e), (f), (g), (h) and (i) of Schedule S-2.

1. This schedule shall be filed annually on March 31 of each calendar year for the results of the preceding calendar year.
2. In the spaces provided, respondents shall enter the company name and the year representing the last month and year covered in the report.
3. This schedule consists of 1 page.
4. If data are not available as to the location of all access lines by states, the returns may be made in accordance with the location of the central office toll center through which the calls originate.
5. The numbers shown may be based on an actual count taken periodically during the year. Describe in a note the general characteristics of the methods employed in arriving at the numbers shown.
6. As used in the schedule, a "local call" means one between points both of which are within the local service area of the calling telephone, and a "toll call" means one to a point outside of the local service area of the calling telephone. Interlata toll calls are comprised of calls directed to interexchange carriers. Interlata toll calls are toll call handled by a local operating company within a given LATA. The number of toll calls should be based upon originating message volumes.
7. Include any Intralata-Interstate toll calls in column (c).
8. Billed minutes should be based on bills sent to customers. For calls where this data is unavailable, a statistically valid calculation may be made.
9. In column (d), the number of interstate toll calls includes outward calls, 800 service, directory service and dial-it service.
10. In column (f), the number of intrastate toll calls includes outward calls, 800 service, directory service, dial-it service, and optional calling plans.

Annual Report of _____

Year Ended
December 31, 20_____

SIGNATURE PAGE

I certify that I am the responsible accounting officer of the _____; that I have examined the foregoing report; that to the best of my knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 20____, to December 31, 20____, inclusive.

Date _____

(Signature)

(Title)

(Persons making willful false statements in this report form can be punished by fine or imprisonment under the provisions of the U.S. Code, Title 18, Section 1001)