

Approved by OMB
 3060-0512
 Edition Date: 12/2006

SUMMARY

Estimated Average Burden Hours Per Response: 88 hours

This document provides the Report Definition for FCC Report 43-01, the ARMIS Annual Summary Report, and lists revenue, revenue requirement, and demand data, which must be provided annually by study area. It contains the following:

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All monetary figures must be rounded to the nearest thousand dollars. All rates of return and percentage amounts must be entered in percent and must be rounded to 2 decimal places. All minutes of use figures must be rounded to the nearest thousand; all access line figures must be provided to the nearest whole number.

Items which need not be reported because they do not apply are designated by N/A. DO NOT override N/As. If a reporting carrier should wish to apply data to a field containing a N/A, the carrier should enter the amount(s) and an explanation as a footnote to the field. The amount(s) must not be entered in a N/A'd field. All other fields must be populated. If there are no data applicable to an open field, enter zero.

When errata occur, carriers must include in the transmittal letter a brief statement indicating the reason for the errata. Other explanatory notes must be included in the footnote section of the filing.

NOTICE: The ARMIS Annual Summary Report collects highly aggregated financial data reflecting the results of accounting, rate base, and cost allocation requirements prescribed in Parts 32, 64, 65, 36 and 69. This report also includes a demand analysis table containing interstate access demand data. The ARMIS Annual Summary Report specifies information requirements in a consistent format and is essential for the FCC to monitor revenue requirements, rate of return, jurisdictional separations and access charges. In addition, mid-sized incumbent local exchange carriers, as defined by Part 32.9000, shall certify compliance with Part 64.901 of the Commission’s rules (see Part 64.905) by filing a certification letter annually. This certification letter must be signed, under oath, by an officer of the company. Your response is mandatory.

The public reporting for this collection of information is estimated to average 88 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the required data, and completing and reviewing the collection of information. If you have any comments on this burden estimate, or how we can improve the collection and reduce the burden it causes you, please write to the Federal Communications Commission, AMD-PERM, Paperwork Reduction Project (3060-0512), Washington, DC 20554.

We will also accept your comments regarding the Paperwork Reduction Act aspects of this collection via the Internet if you send them to jboley@fcc.gov. **PLEASE DO NOT SEND YOUR RESPONSE TO THIS ADDRESS.**

Remember - You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid OMB control number or if we fail to provide you with this notice. This collection has been assigned an OMB control number of 3060-0512.

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ARMIS Annual Summary Report

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TABLE I – COST AND REVENUE – CLASS A ACCOUNT LEVEL REPORTING
(Dollars in thousands)

ROW	CLASSIFICATION (a)	Total (b)	Nonreg (c)	Adjustments (d)	Subject to Separations (f)	State (g)	Interstate (h)
	Revenues						
1010	Basic Local Services		N/A				
1020	Network Access Services		N/A				
1030	Toll Network Services		N/A				
1040	Miscellaneous		N/A				
1045	Nonregulated			N/A	N/A	N/A	N/A
1060	Uncollectibles						
1090	Total Operating Revenues						
	Expenses						
1120	Plant Specific						
1130	Plant Non-Specific						
1140	Customer Operations Marketing						
1150	Customer Operations Services						
1160	General & Administrative						
1170	Access						
1180	Depreciation/Amortization						
1185	FCC Expense Adjustment	N/A	N/A	N/A	N/A	N/A	
1190	Total Operating Expenses						
	Other Operating Items						
1290	Other Operating Income/Losses						
	Non-operating Items						
1320	Inc Effect/Jurisdictional Difference (Rev)		N/A				N/A
1330	Extraordinary Items (Rev)						
1365	Non-operating Income & Expenses						
1370	FCC Non-operating Adjustment (Exp)	N/A	N/A	N/A	N/A	N/A	
1390	Total Non-operating Items (Exp)						
	Other Taxes						
1410	State and Local Income						
1420	Other State and Local						
1490	Total Other Taxes						
	Federal Income Taxes						
1510	Fixed Charges (Exp)						
1520	IRS Income Adjustment (Rev)		N/A				
1530	FCC Taxable Income Adjustment (Rev)	N/A	N/A		N/A	N/A	
1540	ITC Amortization (Rev)						
1550	FCC ITC Adjustment (Rev)	N/A	N/A	N/A	N/A	N/A	
1590	Federal Income Taxes (Exp)						

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 (Dollars in thousands)

ROW	CLASSIFICATION (a)	Total (b)	Nonreg (c)	Adjustments (d)	Subject to Separations (f)	State (g)	Interstate (h)
	<u>Plant-in-Service</u>						
1620	Support Plant						
1630	Operator Systems Equipment						
1640	COE-Switching						
1650	COE-Transmission						
1660	Cable and Wire Facilities						
1670	IOT Equipment						
1680	Amortizable Assets						
1690	Total Plant In-Service						
	<u>Other Investments</u>						
1705	Other Jurisdictional Assets-Net		N/A				N/A
1710	Property Held for Future Use						
1720	Plant Under Construction						
1730	Plant Acquisition Adjustment						
1740	Investment in Nonaffiliated Companies						
1750	Other Deferred Charges						
1760	Inventories						
1770	Cash Working Capital	N/A	N/A	N/A	N/A	N/A	
1780	FCC Investment Adjustment	N/A	N/A	N/A	N/A	N/A	
1790	Total Other Investments						
	<u>Reserves</u>						
1820	Accumulated Depreciation						
1830	Accumulated Amortization						
1840	Deferred Operating Income Taxes						
1850	Customer Deposits						
1865	Other Long-term Liab. & Def. Credits						
1882	Deferred Tax Liabilities		N/A		N/A	N/A	N/A
1883	Other Jurisd. Liab. & Deferred Credit		N/A				N/A
1885	FCC Reserve Adjustment	N/A	N/A	N/A	N/A	N/A	
1890	Total Reserves						
	<u>Return Data</u>						
1910	Average Net Investment	N/A	N/A	N/A			
1915	Net Return	N/A	N/A	N/A	N/A	N/A	
1920	Rate of Return	N/A	N/A	N/A	N/A	N/A	
	<u>Miscellaneous Data</u>						
1950	Lifeline Adjustment	N/A	N/A	N/A			
1960	Universal Service Fund – High Loop Cost	N/A	N/A	N/A			

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TABLE I – COST AND REVENUE – CLASS A ACCOUNT LEVEL REPORTING

(Dollars in thousands)

ROW	CLASSIFICATION (a)	Common Line (m)	Traffic Sensitive			Special Access (s)	Billing & Collection (u)	IX (v)
			Switching (n)	Transport (p)	Total (r)			
	Revenues							
1010	Basic Local Services	N/A	N/A	N/A	N/A		N/A	N/A
1020	Network Access Services						N/A	
1030	Toll Network Services						N/A	
1040	Miscellaneous							
1045	Nonregulated	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1060	Uncollectibles							
1090	Total Operating Revenues							
	Expenses							
1120	Plant Specific							
1130	Plant Non-Specific							
1140	Customer Operations Marketing							
1150	Customer Operations Services							
1160	General & Administrative							
1170	Access						N/A	
1180	Depreciation/Amortization							
1185	FCC Expense Adjustment							
1190	Total Operating Expenses							
	Other Operating Items							
1290	Other Operating Income/Losses							
	Non-operating Items							
1320	Inc Effect/Jurisdictional Difference (Rev)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1330	Extraordinary Items (Rev)							
1365	Non-operating Income & Expenses							
1370	FCC Non-operating Adjustment (Exp)							
1390	Total Non-operating Items (Exp)							
	Other Taxes							
1410	State and Local Income							
1420	Other State and Local							
1490	Total Other Taxes							
	Federal Income Taxes							
1510	Fixed Charges (Exp)							
1520	IRS Income Adjustment (Rev)							
1530	FCC Taxable Income Adjustment (Rev)							
1540	ITC Amortization (Exp)							
1550	FCC ITC Adjustment (Rev)							
1590	Federal Income Taxes (Exp)							

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TABLE I – COST AND REVENUE - CLASS B ACCOUNT LEVEL REPORTING

(Dollars in thousands)

ROW	CLASSIFICATION (a)	Total (b)	Nonreg (c)	Adjustments (d)	Subject to Separations (f)	State (g)	Interstate (h)
	Revenues						
1010	Basic Local Services		N/A				
1020	Network Access Services		N/A				
1030	Toll Network Services		N/A				
1040	Miscellaneous		N/A				
1045	Nonregulated			N/A	N/A	N/A	N/A
1060	Uncollectible						
1090	Total Operating Revenues						
	Expenses						
1120	Plant Specific						
1130	Plant Non-Specific						
1140	Customer Operations Marketing						
1150	Customer Operations Services						
1160	General & Administrative						
1170	Access						
1180	Depreciation/Amortization						
1185	FCC Expense Adjustment	N/A	N/A	N/A	N/A	N/A	
1190	Total Operating Expenses						
	Other Operating Items						
1290	Other Operating Income/Losses						
	Non-operating Items						
1320	Inc Effect/Jurisdictional Difference (Rev)		N/A				N/A
1330	Extraordinary Items (Rev)						
1365	Non-operating Income & Expenses						
1370	FCC Non-operating Adjustment (Exp)	N/A	N/A	N/A	N/A	N/A	
1390	Total Non-operating Items (Exp)						
	Taxes						
1510	Fixed Charges (Exp)						
1520	IRS Income Adjustment (Rev)		N/A				
1530	FCC Taxable Income Adjustment (Rev)	N/A	N/A		N/A	N/A	
1550	FCC ITC Adjustment (Rev)	N/A	N/A	N/A	N/A	N/A	
1595	Taxes – Federal, State, & Other (Exp)						

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TABLE I – COST AND REVENUE - CLASS B ACCOUNT LEVEL REPORTING

(Dollars in thousands)

ROW	CLASSIFICATION (a)	Total (b)	Nonreg (c)	Adjustments (d)	Subject to Separations (f)	State (g)	Interstate (h)
	<u>Plant-in-Service</u>						
1620	Support Plant						
1630	Operator Systems Equipment						
1640	COE-Switching						
1650	COE-Transmission						
1660	Cable and Wire Facilities						
1670	IOT Equipment						
1680	Amortizable Assets						
1690	Total Plant In-Service						
	<u>Other Investments</u>						
1705	Other Jurisdictional Assets-Net		N/A				N/A
1710	Property Held for Future Use						
1720	Plant Under Construction						
1730	Plant Acquisition Adjustment						
1740	Investment in Nonaffiliated Companies						
1750	Other Deferred Charges						
1760	Inventories						
1770	Cash Working Capital	N/A	N/A	N/A	N/A	N/A	
1780	FCC Investment Adjustment	N/A	N/A	N/A	N/A	N/A	
1790	Total Other Investments						
	<u>Reserves</u>						
1820	Accumulated Depreciation						
1830	Accumulated Amortization						
1840	Deferred Operating Income Taxes						
1850	Customer Deposits						
1865	Other Long-term Liab. & Def. Credits						
1882	Deferred Tax Liabilities		N/A		N/A	N/A	N/A
1883	Other Jurisd. Liab. & Deferred Credits		N/A				N/A
1885	FCC Reserve Adjustment	N/A	N/A	N/A	N/A	N/A	
1890	Total Reserves						
	<u>Return Data</u>						
1910	Average Net Investment	N/A	N/A	N/A			
1915	Net Return	N/A	N/A	N/A	N/A	N/A	
1920	Rate of Return	N/A	N/A	N/A	N/A	N/A	
	<u>Miscellaneous Data</u>						
1950	Lifeline Adjustment	N/A	N/A	N/A			
1960	Universal Service Fund – High Loop Cost	N/A	N/A	N/A			

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TABLE I – COST AND REVENUE - CLASS B ACCOUNT LEVEL REPORTING

(Dollars in thousands)

ROW	CLASSIFICATION (a)	Common Line (m)	Traffic Sensitive			Special Access (s)	Billing & Collection (u)	IX (v)
			Switching (n)	Transport (p)	Total (r)			
	Revenues							
1010	Basic Local Services	N/A	N/A	N/A	N/A		N/A	N/A
1020	Network Access Services						N/A	
1030	Toll Network Services						N/A	
1040	Miscellaneous							
1045	Nonregulated	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1060	Uncollectible							
1090	Total Operating Revenues							
	Expenses							
1120	Plant Specific							
1130	Plant Non-Specific							
1140	Customer Operations Marketing							
1150	Customer Operations Services							
1160	General & Administrative							
1170	Access						N/A	
1180	Depreciation/Amortization							
1185	FCC Expense Adjustment							
1190	Total Operating Expenses							
	Other Operating Items							
1290	Other Operating Income/Losses							
	Non-operating Items							
1320	Inc Effect/Jurisdictional Difference (Rev)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1330	Extraordinary Items (Rev)							
1365	Non-operating Income & Expenses							
1370	FCC Non-operating Adjustment (Exp)							
1390	Total Non-operating Items (Exp)							
	Taxes							
1510	Fixed Charges (Exp)							
1520	IRS Income Adjustment (Rev)							
1530	FCC Taxable Income Adjustment (Rev)							
1550	FCC ITC Adjustment (Rev)							
1595	Taxes – Federal, State, & Other (Exp)							

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TABLE II – DEMAND ANALYSIS
 (Minutes in thousands, Lines in whole numbers)
 END OF YEAR VIEW

Row	Classification (a)	Annual (bb)
SWITCHED TRAFFIC SENS. DEMAND-MOU		
2050	Premium	
2060	Non-Premium	
COMMON LINE DEMAND - BILLABLE ACCESS LINES		
2090	Single Line Business Access Lines	
2100	Residence Lifeline Access Lines	
2110	Residence Non-Lifeline Access Lines	
2120	Multi-line Business Access Lines	
2140	Access Lines Subject To A Special Access Surcharge	
2150	Total Billable Access Lines	

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TABLE III – POLE AND CONDUIT RENTAL CALCULATION INFORMATION

Row	Row Title (a)	Amount (b)
Financial Information (\$000)		
100	Telecommunications Plant-in-Service	
101	Gross Investment – Poles	
102	Gross Investment – Conduit	
200	Accumulated Depreciation – Total Plant-in-Service	
201	Accumulated Depreciation – Poles	
202	Accumulated Depreciation – Conduit	
301	Depreciation Rate – Poles	
302	Depreciation Rate – Conduit	
401	Net Current Deferred Operating Income Taxes – Poles	
402	Net Current Deferred Operating Income Taxes – Conduit	
403	Net Current Deferred Operating Income Taxes – Total	
404	Net Non-current Deferred Operating Income Taxes – Poles	
405	Net Non-current Deferred Operating Income Taxes – Conduit	
406	Net Non-current Deferred Operating Income Taxes – Total	
501.1	Pole Maintenance Expense	
501.2	Pole Rental Expense	
501	Pole Expense	
502.1	Conduit Maintenance Expense	
502.2	Conduit Rental Expense	
502	Conduit Expense	
503	General & Administrative Expense	
504	Operating Taxes	
Operational Data (Actual)		
601	Equivalent Number of Poles	
602	Conduit System Trench Kilometers	
603	Conduit System Duct Kilometers	
700	Additional Rental Calculation Information	

TABLE I - COST AND REVENUE TABLE

GENERAL INSTRUCTIONS

Table I requires annual reporting, on an end-of-the-year basis, of revenue, expense, reserve and investment data for all aspects of the carriers' operations.

Note: The row and column instructions reflect both Class A and Class B account level reporting, unless otherwise noted.

ROW INSTRUCTIONS

Each row is an element related to a study area's revenue or revenue requirement.

Row Item Description

Revenues

1010. Basic Local Services - The total of Accounts 5001 through 5060. For those carriers reporting at the Class B account level, enter the total of Account 5000.
- 1020 Network Access Services - The total of Accounts 5081 through 5083.
- 1030 Toll Network Services - The total of Account 5100.
- 1040 Miscellaneous - The total of Accounts 5200 and 5230 (excluding nonregulated directory revenue). For those carriers reporting at the Class B account level, enter the total of Account 5200.
- 1045 Nonregulated - The balance of Account 5280. **Note:** Do not include uncollectibles in this row, see Row 1060.
- 1060 Uncollectibles - The total of Account 5300, which includes uncollectible regulated and nonregulated revenues. This amount is normally a positive amount to be subtracted from revenues in the calculation of Row 1090.
- 1090 Total Operating Revenues - The total of Rows 1010 through 1045 less Row 1060.

Expenses

- 1120 Plant Specific - The total of Accounts 6112 through 6114, 6121 through 6124, 6211 through 6220, 6231, 6232, 6311 through 6362, and 6411 through 6441. For those carriers reporting at the Class B account level, enter the total of Accounts 6110, 6120, 6210, 6220, 6230, 6310 and 6410.
- 1130 Plant Non-Specific - The total of Accounts 6511, 6512 and 6531 through 6535. For those carriers reporting at the Class B account level, enter the total of Accounts 6510 and 6530.

- 1140 Customer Operations Marketing - The total of Accounts 6611 and 6613. For those carriers reporting at the Class B account level, enter the total of Account 6610.
- 1150 Customer Operations Services - The total of Accounts 6621 through 6623. For those carriers reporting at the Class B account level, enter the total of Account 6620.
- 1160 General & Administrative - The total of Accounts 6720 and 6790.
- 1170 Access - The balance of Account 6540.
- 1180 Depreciation/Amortization - The total of Accounts 6561 through 6565. For those carriers reporting at the Class B account level, enter the total of Account 6560.
- 1185 FCC Expense Adjustment - This amount shall contain the net of: (1) expense and other tax items not included above which the Commission has expressly allowed for ratemaking purposes; and (2) expense and other tax items included above which the Commission has expressly excluded for ratemaking purposes. A positive value represents a net allowance and a negative value represents a net disallowance.
- 1190 Total Operating Expenses - The total of Rows 1120 through 1185.

Other Operating Items

- 1290 Other Operating Income/Losses - This amount shall contain the net of Accounts 7100 and 7990.

Non-operating Items

- 1320 Income Effects of Jurisdictional Ratemaking Differences (Net) (Revenue) - The balance of Account 7910. A positive value represents income and a negative value represents a loss.
- 1330 Extraordinary Items (Revenue) - The total of Account 7600. Amounts excluded from ratemaking are removed in Row 1370. A positive value represents an income and a negative value represents a loss.
- 1365 Non-operating Income and Expenses - The total of Account 7300. A positive value represents an income and a negative value represents a loss.
- 1370 FCC Non-operating Adjustment (Expense) - This amount shall contain the net of: (1) non-operating items not included above which the Commission has expressly allowed for ratemaking purposes; and (2) non-operating items included above which the Commission has expressly excluded for ratemaking purposes. A positive value represents an expense and a negative value represents income. This row will NOT include any AFUDC as a Part 65 Adjustment.
- 1390 Total Non-operating Items (Expense) - The total of Row 1370 less Rows 1320, 1330, and 1365. A positive amount represents an expense and a negative value represents income.

Other Taxes

- 1410 State and Local Income - The total of Account 7230 and the appropriate portion of Account 7250 for Column (b). For Column (c), enter the amount calculated pursuant to the reporting carrier's Cost Allocation Manual. Enter the amount applicable to SNFAs and intra-company transactions in Column (d). For Columns (f) through (v), allocate this amount between the state and interstate jurisdictions pursuant to Section 36.412, and allocate the interstate amount among the access elements pursuant to Section 69.402(a). **Note:** This row has no Class B account level reporting.
- 1420 Other State and Local - The balance of Account 7240 for Column (b). For Column (c) enter the amount calculated pursuant to the reporting carrier's Cost Allocation Manual. Enter the amount applicable to SNFAs and intra-company transactions in Column (d). Calculate this amount for the remaining columns pursuant to Section 36.412. **Note:** This row has no Class B account level reporting.
- 1490 Total Other Taxes - The total of Rows 1410 and 1420. **Note:** This row has no Class B account level reporting.

Federal Income Taxes

- 1510 Fixed Charges - Enter on this row only those amounts from Account 7500 that are attributable to operating fixed charges. The amount of operating fixed charges are obtained from total fixed charges less fixed charges attributable to non-operating net investment. Non-operating fixed charges are calculated by taking the ratio of non-operating net investment to the total net investment times total fixed charges.
- 1520 IRS Income Adjustment - This amount is the difference between taxable income reported for IRS purposes and the taxable income shown in accordance with Part 32. A positive value represents a net increase to taxable income and a negative value represents a net decrease to taxable income.
- 1530 FCC Taxable Income Adjustment - This row shall contain the net of: (1) taxable income not included above which the Commission has expressly allowed for ratemaking purposes; and (2) taxable income included above which the Commission has expressly excluded for ratemaking purposes. A positive value represents a taxable income allowance and a negative value represents a taxable income disallowance.
- 1540 Investment Tax Credit Amortization - Enter the balance of Account 7210 in Columns (b) and (c). Enter the amortized balance of Account 7210 in Columns (d) and (f) through (v). **Note:** This row has no Class B account level reporting.
- 1550 FCC Investment Tax Credit Adjustment - This row shall contain the net of: (1) ITC not included above which the Commission has expressly allowed for ratemaking purposes; and (2) the ITC included above which the Commission has expressly excluded for ratemaking purposes. A positive value represents a net allowance to amortized investment tax credit and a negative value represents a net disallowance.

- 1590 Federal Income Taxes - For Column (b), enter the total of Accounts 7220 and the appropriate portion of 7250 minus the amortized amount of Account 7210. For Column (c), enter the amount calculated pursuant to the reporting carrier's Cost Allocation Manual. For Columns (d) and (f) through (v), calculate this amount by applying the applicable statutory federal income tax rate to the adjusted taxable income (Row 1090 plus Rows 1290, 1520 and 1530 less Rows 1190, 1390, 1490, 1510) less (Rows 1540 and 1550). (I.e., tax rate x (1090 + 1290 + 1520 + 1530 - 1190 - 1390 - 1490 - 1510) - [1540 + 1550].) **Note:** This row has no Class B account level reporting.
- 1595 Taxes – Federal, State, & Other - **This row is only for those carriers reporting at the Class B account level.** For Column (b), enter the total of Account 7200. For Column (c), enter the amount calculated pursuant to the reporting carrier's Cost Allocation Manual. For Columns (d) and (e), enter the amount applicable to SNFA, Intra-Company, and Other Adjustment. For columns (f) through (v), enter the amount between the state and interstate jurisdictions pursuant to Section 36.412, and allocate the interstate amount among the access elements pursuant to Section 69.402(a). This should also include Net Federal Income Taxes as follows: Total Operating Revenues (Row 1090), Other Operating Income/Losses (Row 1290), IRS Income Adjustment (Row 1520), and FCC Taxable Income Adjustment (Row 1530) less Total Operating Expenses (Row 1190), Total Non-operating Items (Row 1390), Operating State Taxes, Operating Local Taxes, Operating Other Taxes, and Fixed Charges (Row 1510) times the applicable statutory federal income tax rate, less Investment Tax Credit Amortization and FCC Investment Tax Credit Adjustment (Row 1550). **Note: This amount represents what was reported on Rows 1490 and 1590 in prior years (1990 – 1998).**

Plant-In-Service

Plant-In-Service - All investment data reported in Columns (f) through (v) must be average investment calculated by one of two methods: (1) divide the sum of the average monthly investments by the number of months in the reporting period; (2) divide the sum of (a) one half of the investment balance at the end of the previous year, (b) one half of the investment balance at the end of the current reporting period, and (c) the end of the month investment balances for each month in the current reporting period, excluding the final month, by the number of months in the reporting period. Investment data reported in Columns (b), (c) and (d) are reported as booked at the end of the current reporting period. The averaging method used must be consistent with ARMIS Reports 43-03 and 43-04. **Note:** If another method is being used, please footnote.

- 1620 Support Plant- The total of Accounts 2111 through 2124. For those carriers reporting at the Class B account level, enter the total of Account 2110.
- 1630 Operator Systems Equipment - The balance of Account 2220.
- 1640 Central Office Equipment-Switching - The total of Accounts 2211 and 2212.
- 1650 Central Office Equipment-Transmission - The total of Accounts 2231 and 2232. For those carriers reporting at the Class B account level, enter the total of Account 2230.

- 1660 Cable and Wire Facilities - The total of Accounts 2411 through 2441. For those carriers reporting at the Class B account level, enter the total of Account 2410.
- 1670 Information Origination/Termination Equipment - The total of Accounts 2311 through 2362. For those carriers reporting at the Class B account level, enter the total of Account 2310.
- 1680 Amortizable Assets - The total of Accounts 2681, 2682 and 2690. For those carriers reporting at the Class B account level, enter the total of Accounts 2680 and 2690.
- 1690 Total Plant-In-Service - The total of Rows 1620, 1630, 1640, 1650, 1660, 1670 and 1680.

Other Investments

- 1705 Other Jurisdictional Assets-Net - The balance of Account 1500. A positive value represents an increase to assets and a negative value represents a decrease to assets.
- 1710 Property Held for Future Telecommunications Use – The balance of Account 2002. **Note:** Property owned and held for longer than two years must be excluded from the ratebase and ratemaking considerations by inclusion of the original costs and associated accumulated depreciation in Column (d) – Adjustments.
- 1720 Telecommunications Plant Under Construction - The balance of Account 2003. **Note:** Construction projects that have been suspended for six months or more must be excluded from the ratebase and ratemaking considerations by inclusion of all direct and indirect costs in Column (d) – Adjustments.
- 1730 Plant Acquisition Adjustment - The balance of Account 2005. Amounts excluded from ratemaking are removed in Row 1780.
- 1740 Investment in Nonaffiliated Companies - Enter the amounts from Account 1410 that are attributable to the acquisition cost of the Company's investment in securities issued or assumed by nonaffiliated companies and individuals, and also its investment advances to such parties and special deposits of cash for more than one year from date of deposit. The amount directly related to Class B Rural Telephone Bank Stock shall be included in the rate base. Amounts excluded from ratemaking are removed in Row 1780.
- 1750 Other Deferred Charges - The balance of Account 1438. Amounts excluded from ratemaking are removed in Row 1780.
- 1760 Inventories - The balance of Account 1220.
- 1770 Cash Working Capital - This amount equals that portion of investment required to meet current expenses. The calculation of this amount shall take into account revenue and expense items, which are received or paid for before the service is rendered and expense items received or disbursed after the service is rendered. This amount must be developed pursuant to CC Docket 86-497.

1780 FCC Investment Adjustment - This amount shall contain the net of: (1) non-operating items not included above which the Commission has expressly allowed for ratemaking purposes; and (2) non-operating items included above which the Commission has expressly excluded for ratemaking purposes. A positive value represents a net allowance and a negative value represents a net disallowance. This row will NOT include any Telecommunications Plant Under Construction as a Part 65 Adjustment.

1790 Total Other Investments - The total of Rows 1705 through 1780.

Reserves

1820 Accumulated Depreciation - The total of Accounts 3100 and 3200.

1830 Accumulated Amortization - The total of Account 3410. For those carriers reporting at the Class B account level, enter the total of Account 3400.

1840 Deferred Operating Income Taxes - The total of Accounts 4100 and 4340.

1850 Customer Deposits - The balance of Account 4040. This amount is separated between state and interstate by application of the interstate plant factor or special study. The interstate plant factor is calculated by dividing interstate plant-in-service by total plant-in-service.¹

1865 Other Long-term Liabilities and Deferred Credits - The balance of Account 4300. Amounts excluded from ratemaking are removed from Row 1885.

1882 Deferred Tax Liabilities – The balance of Accounts 4341 and 4361.

1883 Other Jurisdictional Liabilities and Deferred Credits - The balance of Account 4370.

1885 FCC Reserve Adjustment - This amount shall contain the net of: (1) reserve items not included above which the Commission has expressly included for ratemaking purposes; and (2) reserve items included above which the Commission has expressly excluded for ratemaking purposes. A positive value represents a net reserve allowance and a negative value represents a net reserve disallowance.

1890 Total Reserves - The total of Rows 1820 through 1885.

¹ This method for separation of customer deposits between state and interstate will be used as an interim measure until such time as provision is made for separation of customer deposits in Part 36 of the Commission's Rules. See Amendment of Part 65 of the Commission's Rules to Prescribe Components of the Rate Base and Net Income of Dominant Carriers, Report and Order, 3 FCC Rcd 269 (1987).

Return Data

- 1910 Average Net Investment - The total of Rows 1690 and 1790 less Row 1890.
- 1915 Net Return - The total of Rows 1090 and 1290 less Rows 1190, 1390, 1490 and 1590. For those carriers reporting at the Class B account level, enter the total of Rows 1090 and 1290 less 1190, 1390 and 1595.
- 1920 Rate of Return - Row 1915 divided by Row 1910, multiplied by 100. Round to 2 decimal places. All price cap companies should insert zeros in Columns (m), (n), (p), (r) and (s).

Miscellaneous Data

- 1950 Lifeline Adjustment - Enter this amount pursuant to Section 54.411.
- 1960 Universal Service Fund – High Loop Cost - Universal service fund high loop cost support received for the reporting period as calculated by the universal service fund administrator pursuant to Sections 36.601 – 641 (rural carriers) or Section 54.309 (non-rural carriers).

TABLE I - COLUMN DESCRIPTIONS

Each column is a cost category, access element, or summary thereof, specified in the Commission's Rules. Columns (b) and (c) shall be reported as booked. Column (d) shall contain booked and the off-book adjustments necessary to arrive at the amount subject to separations. The remaining columns shall be reported as adjusted.

<u>Column</u>	<u>Description</u>
b.	<u>Total</u> - This column reflects the operating results for each of the rows itemized in this report, and includes all regulated and nonregulated company operations for each row. These amounts are represented prior to separation between state and interstate jurisdictions and are reported as booked.
c.	<u>Nonregulated</u> - This column reflects the amount of each row pertaining to nonregulated activities in compliance with Docket 86-111. These amounts are reported as booked.
d.	<u>Adjustments</u> - This column reflects adjustments made to each row for costs related to shared network facility arrangements and intra-company subsidiary contracts. This column also includes all remaining adjustments such as prior period adjustments and adjustments necessary to arrive at the amount subject to separations. In addition, Part 36 study adjustments to reflect the reallocation of common power and common other costs between the COE accounts in Part 32 should be entered in this column. The affected rows are 1630, 1640 and 1650. These amounts are reported as booked.
f.	<u>Subject to Separations</u> - This column reflects that portion of each row that must be allocated between state and interstate jurisdictions pursuant to Part 36 of the Commission's Rules. Column (b) less Columns (c) and (d). This amount also equals the total of Columns (g) and (h) except for those rows where a N/A appears in Column (g).
g.	<u>State</u> - This column reflects that portion of each row that is allocated to the state jurisdiction for which this schedule is being filed, pursuant to Part 36 of the Commission's Rules. The cost of detariffed CPE shall be entered in this column pursuant to Section 36.142.
h.	<u>Interstate</u> - This column reflects that portion of each row that is allocated to the interstate jurisdiction for which this schedule is being filed, pursuant to Part 36 of the Commission's Rules.
m.	<u>Common Line</u> - This column reflects those amounts that are assigned to the common line access elements pursuant to Part 69 of the Commission's Rules.

Traffic Sensitive - These columns reflect those amounts that are assigned to the Traffic Sensitive Access elements and sub-elements pursuant to Part 69 of the Commission's Rules.

- n. Switching - This column reflects that portion of each row associated with connection of toll lines to toll lines, or toll lines to local central offices, exclusive of equal access costs if the exchange carrier has a separate equal access rate element. The amounts entered in this column are applicable to the Local Switching Access element pursuant to Part 69 of the Commission's Rules.
- p. Transport - This column reflects that portion of each line item applicable to charges assessed upon all interexchange carriers who use switching or transport facilities that are apportioned to the transport element or elements for purposes of apportioning net investment. The amounts entered in this column are assigned to the Transport Access elements pursuant to Part 69 of the Commission's Rules.
- r. Total Traffic Sensitive - This column reflects those amounts that are assigned to the Traffic Sensitive Access elements and sub-elements pursuant to Part 69 of the Commission's Rules.
Note: This column is the total of Columns (n) and (p), plus Traffic Sensitive - Information (charges assessed upon all interexchange carriers who are connected to assistance boards through interexchange directory assistance trunks).
- s. Special Access - This column reflects that portion of each row applicable to the total of all sub-elements that have been established for the use of equipment or facilities assigned to the Special Access element for purposes of apportioning net investment. The amounts entered in this column are assigned to the Special Access element pursuant to Part 69 of the Commission's Rules.
- u. Billing and Collection - This column reflects that portion of each row applicable to Billing and Collection services pursuant to Part 69 of the Commission's Rules.
- v. Interexchange (IX) - This column reflects that portion of each row applicable to Interexchange services pursuant to Part 69 of the Commission's Rules.

TABLE II - DEMAND ANALYSIS TABLE

ANNUAL DATA - END OF YEAR VIEW

GENERAL INSTRUCTIONS

Rows 2050 and 2060 of this table should contain annual data reported in thousands. Rows 2090 through 2150 should also be reported as end of the year data and reported in whole numbers.

Any row/column data entry which contains UNE data must be accompanied by an explanatory footnote identifying the types of UNEs (e.g., “UNE-P”) that are included.

ROW INSTRUCTIONS

Row Item Description

2050. Total Premium traffic sensitive MOU are calculated using premium local switching revenues and the appropriate rates. **Note:** All reseller’s minutes should be added to the calculated minutes for this row.
2060. Total Non-Premium traffic sensitive MOU are calculated using non-premium local switching revenues and the appropriate rates. **Note:** All reseller’s minutes should be added to the calculated minutes for this row.
2090. Single Line Business Access Lines subject to the single line business interstate end user common line charge, pursuant to Sections 69.104(h) and (n), excluding company official, off-premises extensions, and special access. Enter end-of-year, in-service amounts. Include resold lines, pursuant to Section 51.617(a).
2100. Residence Lifeline Access Lines for which the interstate end user common line charge, pursuant to Section 54.403 is reduced or waived. The decision to implement a lifeline plan is left to the individual state commission. Enter end-of-year, in-service amounts. Include resold lines, pursuant to Section 51.617(a).
2110. Residence Non-Lifeline Access Lines subject to the residence interstate end user common line charge, pursuant to Sections 69.104(f), (g), and (n). This count will include employee concession lines. Enter end-of-year, in-service amounts. Include resold lines, pursuant to Section 51.617(a).
2120. Multi-line Business Access Lines subject to the multiline business interstate end user common line charge, pursuant to Sections 69.104(b) and (o) including payphone lines, PBX trunks, Centrex CU trunks, hotel/motel LD trunks and Centrex CO lines. Enter end-of-year, in-service amounts. Include resold lines, pursuant to Section 51.617(a).

2140. Access Lines Subject To A Special Access Surcharge are the number of lines subject to the special access surcharge pursuant to Sections 69.5(c) and 69.115. Enter end-of-year, in-service amounts.
2150. Total Billable Access Lines are lines billed the end user common line charge or the special access surcharge. Enter the sum of Rows 2090 through 2140.

COLUMN INSTRUCTIONS

Column

- (bb) Annual – For Rows 2050 and 2060, enter the calculated amount. For Rows 2090 through 2150, enter the end of the year data for the reporting period.

TABLE III – POLE AND CONDUIT RENTAL CALCULATION INFORMATION

GENERAL INSTRUCTIONS

Table III requires annual reporting, on an end-of-the-year basis the financial and operational data for the carriers' operations.

Row Item Description

Financial Information:

- 100 Telecommunications Plant-in-Service – Account 2001.
- 101 Gross Investment – Poles – Account 2411.
- 102 Gross Investment – Conduit – Account 2441.
- 200 Accumulated Depreciation – Total Plant-in-Service – Account 3100.
- 201 Accumulated Depreciation – Poles – Total accumulated depreciation – Poles Investment (Account 2411).
- 202 Accumulated Depreciation – Conduit – Total accumulated depreciation – Conduit Investment (Account 2441).
- 301 Depreciation Rate – Poles – Enter the depreciation rate used by the carrier in accordance with Part 32, Section 32.2000(g) of the Commission's Rules. If the depreciation rate is 5.1%, enter 5.10.
- 302 Depreciation Rate – Conduit – Enter the depreciation rate used by the carrier in accordance with Part 32, Section 32.2000(g) of the Commission's Rules. If the depreciation rate is 3.2%, enter 3.20.
- 401 Net Current Deferred Operating Income Taxes–Pole – Enter the portion of Account 4100 that represents pole investment. **Note:** The amount that is reported on this row could be the booked amount, if the appropriate subsidiary records are maintained, or a calculated amount. If this amount is calculated, the proration formula used in the calculation must be the same as specified in the Order titled, Amendment of Rules and Policies Governing Pole Attachments, CC Docket No. 97-98, Implementation of Section 703(e) of the Telecommunications Act of 1996, CC Docket No. 97-151, FCC 01-170 (adopted May 22, 2001). An amount not reported here can not be used to calculate attachment rates.
- 402 Net Current Deferred Operating Income Taxes–Conduit –Enter the portion of Account 4100 that represents conduit investment. Also, see the note in Row 401.
- 403 Net Current Deferred Operating Income Taxes–Total – Account 4100.

- 404 Net Non-current Deferred Operating Income Taxes–Pole – Enter the portion of Account 4340 that represents pole investment. Also, see the note in Row 401.
- 405 Net Non-current Deferred Operating Income Taxes–Conduit– Enter the portion of Account 4340 that represents conduit investment. Also, see the note in Row 401.
- 406 Net Non-current Deferred Operating Income Taxes–Total – Account 4340.
- 501.1 Pole Maintenance Expense – Account 6411 (excluding pole rental expenses).
- 501.2 Pole Rental Expense – Account 6411 (excluding pole maintenance expenses).
- 501 Pole Expense – Account 6411 (Rows 501.1 + 501.2).
- 502.1 Conduit Maintenance Expense – Account 6441 (excluding conduit rental expenses).
- 502.2 Conduit Rental Expense – Account 6441 (excluding conduit maintenance expenses).
- 502 Conduit Expense – Account 6441 (Rows 502.1 + 502.2).
- 503 General & Administrative Expense – Account 6720.
- 504 Operating Taxes – The sum of Accounts 7210 through 7250.

Operational Data

601 Equivalent Number of Poles – The number of solely owned poles plus the sum of the products of the numbers of jointly owned poles times their ownership percentages. Where the ownership percentage is unknown, assume 50%. Do not include leased poles. Include poles used to support both local loop and interoffice facilities. Round to the nearest whole number.

Example:

<u>No. of Poles</u>	<u>%</u>	<u>Ownership</u>	<u>Equivalent No. of Poles</u>
4		10%	0.4
8		30%	2.4
20		50%	<u>10.0</u>
			12.8 (rounded to 13)

Conduit System - Pipes in the Conduit Systems account (Account 2441). This includes conduit, whether underground, in tunnels, or on bridges (which is reusable in place), through which cables are pulled. Include both local loop and interoffice facilities.

602 Conduit System Trench Kilometers – Total length of the trenches that contain the ducts.

603 Conduit System Duct Kilometers – The number of ducts times the trench kilometers.

700 Additional Rental Calculation Information – Enter (1) or (0). Enter (1) if rental rates are developed for attachments other than to poles or conduit. If none, enter (0). If (1) is entered, a footnote is required that provides all account numbers and balances used to establish the additional rental rates.

COLUMN INSTRUCTIONS

Column

(b) Amount – Enter the ending balance for the reporting period for all rows, except Row 700, identified in Column (a).