

1 Toledo Telephone Co., Inc.
 2 DEFERRED TAX RESPONSE
 3 12/31/2017

EXHIBIT 2

	12/31/2017 Book Basis	Regulated	Non-op	Non-reg
6 Plant/Investment GL Balance	37,034,559	35,647,784		1,386,775
8 Less - Plant Accumulated Depreciation	(20,312,387)	(19,010,797)		(1,301,590)
10 12/31/2017 Book Basis	16,722,172	16,636,987	-	85,185

	12/31/2017 Tax Basis			
14 Plant/Investment Tax Basis	37,092,265	35,705,388		1,386,877
16 Less: Plant Accumulated Tax Basis	(28,417,049)	(27,178,749)		(1,238,300)
18 12/31/2017 Adjusted Tax Basis	8,675,216	8,526,639	-	148,577

20 2017 Net Difference Book minus Tax	(8,046,956)	(8,110,348)	0	63,392	
22 Total Federal Deferred Taxes Liability					
23	21.0000%	(1,689,861)	(1,703,173)	0	13,312
24	34.0000%	(2,735,965)	(2,757,518)	0	21,553
25 Increase (Decrease) Liability		(1,046,104)	(1,054,345)	0	8,241

	Total Washington	Intrastate %	Washington Intrastate
30 2017 Net Difference Book minus Tax	(8,110,348)	70.92%	(5,751,859)

	Total Washington	Intrastate %	Washington Intrastate	
34 Federal Def. Taxes at 34% without federal tax reform rate change	(2,757,518)	70.92%	(1,955,632)	
35 Federal Def. Taxes at 21% with federal tax reform rate change at 12/31/17	(1,703,173)	70.92%	(1,207,890)	Q.1
36 Estimated Excess Def Taxes at 12/31/17	1,054,345		747,742	Q.2

37
 38 **Note: Washington Intrastate is calculated using the intrastate allocation from the 2016 Cost Study.**

40 Proposed 10 year amortization:	105,435		74,774	Q.4
--	----------------	--	---------------	-----