

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)  
Prior Year Balance Sheet

Company Name: (Below)  
The Toledo Telephone Company

ASSETS	Balance End of Year 2015 (A)	Part 64 Adj. to NonReg 2015 (B)	Adj. Balance End of Year 2015 (C)	LIABILITIES AND STOCKHOLDERS' EQUITY	Balance End of Year 2015 (A)	Part 64 Adj. to NonReg 2015 (B)	Adj. Balance End of Year 2015 (C)
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>			
1. Cash and Equivalents	1,271,028		1,271,028	25. Accounts Payable	582,049		582,049
2. Cash-RUS Construction Fund	4,988		4,988	26. Notes Payable	0		0
3. Affiliates:				27. Advance Billings and Payments	0		0
a. Telecom, Accounts Receivable			0	28. Customer Deposits	915,826		915,826
b. Other Accounts Receivable	-3,340		-3,340	29. Current Mat. L/T Debt	0		0
c. Notes Receivable	0		0	30. Current Mat. L/T Debt Rur. Dev.	0		0
4. Non-Affiliates:				31. Current Mat. - Capital Leases	0		0
a. Telecom, Accounts Receivable	137,982		137,982	32. Income Taxes Accrued	-507,528		-507,528
b. Other Accounts Receivable	748,740		748,740	33. Other Taxes Accrued	554,305		554,305
c. Notes Receivable	0		0	34. Other Current Liabilities	10,395		10,395
5. Interest and Dividends Receivable	0		0	35. Total Current Liabilities (25 thru 34)	1,555,047	0	1,555,047
6. Material-Regulated	211,111		211,111	<b>LONG-TERM DEBT</b>			
7. Material-Nonregulated	349,883	(349,883)	0	36. Funded Debt-RUS Notes	733,247		733,247
8. Prepayments	99,256		99,256	37. Funded Debt-RTB Notes	0		0
9. Other Current Assets	2,274,408		2,274,408	38. Funded Debt-FFB Notes	14,778,384		14,778,384
10. Total Current Assets (1 Thru 9)	5,094,056	-349,883	4,744,173	39. Funded Debt-Other	0		0
				40. Funded Debt-Rural Develop. Loan	0		0
<b>NONCURRENT ASSETS</b>				41. Premium (Discount) on L/T Debt	0		0
11. Investment in Affiliated Companies				42. Acquired Debt	0		0
a. Rural Development	0		0	43. Obligations Under Capital Lease	0		0
b. Nonrural Development	637,398		637,398	44. Adv. From Affiliated Companies	0		0
12. Other Investments				45. Other Long-Term Debt	0		0
a. Rural Development	0		0	46. Total Long-Term Debt (36 thru 45)	15,511,631	0	15,511,631
b. Nonrural Development	475,125		475,125	<b>OTHER LIAB. &amp; DEF. CREDITS</b>			
13. Nonregulated Investments (B1)	96,676	504,590	601,266	47. Other Long-Term Liabilities	1,514,071	1,404,677	2,918,748
14. Other Noncurrent Assets	0		0	48. Deferred Income Taxes	0		0
15. Deferred Charges	0		0	49. Other Deferred Credits (D)	0		0
16. Jurisdictional Differences	0		0	50. Other Jurisdictional Differences	0		0
17. Total noncurrent Assets (11 thru 16)	1,209,199	504,590	1,713,789	51. Total Other Liab. & Def. Credits (47 thru 50)	1,514,071	1,404,677	2,918,748
<b>PLANT, PROPERTY AND EQUIPMENT</b>				<b>EQUITY</b>			
18. Telecom Plant-in-Service	35,406,333	-669,898	34,736,435	52. Cap. Stock Outstanding & Subscribed	10,670		10,670
19. Property Held for Future Use	0		0	53. Additional Paid-in-Capital	0		0
20. Plant Under Construction	464,524	-10,095	454,429	54. Treasury Stock	0		0
21. Plant Adj., Nonop Plant & Goodwill	-16,195,130	525,286	-15,669,844	55. Membership and Capital Certificates	51,660		51,660
22. Accumulated Depreciation (CR.)	19,675,727	-154,707	19,521,020	56. Other Capital	0		0
23. Net Plant (18 thru 21 less 22)	25,978,982	0	25,978,982	57. Patronage Capital Credits	7,335,903	-1,404,677	5,931,226
24. TOTAL ASSETS (10+17+23)	25,978,982	0	25,978,982	58. Retained Earnings or Margins (B2)	7,398,233	(1,404,677)	5,993,556
				59. Total Equity (52 thru 58)	25,978,982	0	25,978,982
				60. TOTAL LIABILITIES AND EQUITY (35+46+51+59)			

Footnotes:  
(A) - As reported on RUS Form 479  
(B) - Part 64 adjustments from regulated to nonregulated.  
(C) - Adjusted Balance after Part 64

State USF Petition Filing Requirement -WAC 480-123-110(1)(e)  
Current Year Balance Sheet

Company Name: (Below)  
The Toledo Telephone Company

ASSETS	Balance End of Year 2016 (A)	Part 64 Adj to NonReg 2016 (B)	Adj. Balance End of Year 2016 (C)	LIABILITIES AND STOCKHOLDERS' EQUITY	Balance End of Year 2016 (A)	Part 64 Adj to NonReg 2016 (B)	Adj. Balance End of Year 2016 (C)
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>			
1. Cash and Equivalents	1,737,564		1,737,564	25. Accounts Payable	89,930		89,930
2. Cash-RUS Construction Fund	4,963		4,963	26. Notes Payable	0		0
3. Affiliates:				27. Advance Billings and Payments		(271)	-271
a. Telecom, Accounts Receivable			0	28. Customer Deposits			995,113
b. Other Accounts Receivable	1,344		1,344	29. Current Mat. L/T Debt			0
c. Notes Receivable			0	30. Current Mat. L/T Debt Rur. Dev.			0
4. Non-Affiliates:				31. Current Mat. - Capital Leases			0
a. Telecom, Accounts Receivable	170,211		170,211	32. Income Taxes Accrued	-32,972		-32,972
b. Other Accounts Receivable	299,818		299,818	33. Other Taxes Accrued	10,579		10,579
c. Notes Receivable			0	34. Other Current Liabilities	4,176		4,176
5. Interest and Dividends Receivable			0	35. Total Current Liabilities (25 thru 34)	1,066,826	-271	1,066,555
6. Material-Regulated	211,858		211,858	<b>LONG-TERM DEBT</b>			
7. Material-Nonregulated	90,235	(90,235)	0	36. Funded Debt-RUS Notes			0
8. Prepayments	63,078		63,078	37. Funded Debt-RTB Notes			0
9. Other Current Assets	2,517,801		2,517,801	38. Funded Debt-FFB Notes			14,213,465
10. Total Current Assets (1 Thru 9)	5,096,872	-90,235	5,006,637	39. Funded Debt-Other			0
				40. Funded Debt-Rural Develop. Loan			0
<b>NONCURRENT ASSETS</b>				41. Premium (Discount) on L/T Debt			0
11. Investment in Affiliated Companies				42. Required Debt			0
a. Rural Development			0	43. Obligations Under Capital Lease			0
b. Nonrural Development			658,587	44. Adv. From Affiliated Companies			0
12. Other Investments				45. Other Long-Term Debt			0
a. Rural Development			0	46. Total Long-Term Debt (36 thru 45)	14,213,465	0	14,213,465
b. Nonrural Development	494,955		494,955	<b>OTHER LIAB. &amp; DEF. CREDITS</b>			
13. Nonregulated Investments (B1)	76,859	253,760	330,619	47. Other Long-Term Liabilities			0
14. Other Noncurrent Assets			0	48. Deferred Income Taxes	1,705,056	1,164,403	2,869,459
15. Deferred Charges			0	49. Other Deferred Credits (D)			0
16. Jurisdictional Differences			0	50. Other Jurisdictional Differences			0
17. Total noncurrent Assets (11 thru 16)	1,230,401	253,760	1,484,161	51. Total Other Liab. & Def. Credits (47 thru 50)	1,705,056	1,164,403	2,869,459
				<b>EQUITY</b>			
<b>PLANT, PROPERTY AND EQUIPMENT</b>				52. Cap. Stock Outstanding & Subscribed			10,670
18. Telecom Plant-In-Service	35,802,950	-655,794	35,147,156	53. Additional Paid-in-Capital	10,670		0
19. Property Held for Future Use			0	54. Treasury Stock			0
20. Plant Under Construction	201,891	-39,483	162,408	55. Membership and Capital Certificates			0
21. Plant Adj. Nonop Plant & Goodwill			0	56. Other Capital	113,408		113,408
22. Accumulated Depreciation (CR.)	-17,693,353	531,752	-17,161,601	57. Patronage Capital Credits			0
23. Net Plant (18 thru 21 less 22)	18,311,488	-163,525	18,147,963	58. Retained Earnings or Margins (B2)	7,529,336	-1,164,132	6,365,204
				59. Total Equity (52 thru 58)	7,653,414	(1,164,132)	6,489,282
<b>24. TOTAL ASSETS (10+17+23)</b>	<b>24,638,761</b>	<b>0</b>	<b>24,638,761</b>	<b>60. TOTAL LIABILITIES AND EQUITY (35+46+51+59)</b>	<b>24,638,761</b>	<b>0</b>	<b>24,638,761</b>

Footnotes:

- (A) - As reported on RUS Form 479
- (B) - Part 64 adjustments from regulated to nonregulated.
- (C) - Adjusted Balance after Part 64
- (B1) - Part 64 offset to nonreg investment
- (B2) - Part 64 offset to retained earnings
- (D) - Excludes deferred taxes

State USF Petition Filing Requirement - WAC 480-123-110 (1)(e)  
Prior and Current Year Balance Sheet

Company Name: (Below)  
The Toledo Telephone Company

ASSETS	Adjusted Prior Year Balance 2015	Adjusted Current Year Balance 2016	LIABILITIES AND STOCKHOLDERS' EQUITY	Adjusted Prior Year Balance 2015	Adjusted Current Year Balance 2016
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents	1,271,028	1,737,564	25. Accounts Payable	582,049	89,930
2. Cash-RUS Construction Fund	4,988	4,963	26. Notes Payable	0	0
3. Affiliates:			27. Advance Billings and Payments	0	0
a. Telecom, Accounts Receivable	0	0	28. Customer Deposits	0	-271
b. Other Accounts Receivable	-3,340	1,344	29. Current Mat. L/T Debt	915,826	995,113
c. Notes Receivable	0	0	30. Current Mat. L/T Debt Rur. Dev.	0	0
4. Non-Affiliates:			31. Current Mat. - Capital Leases	0	0
a. Telecom, Accounts Receivable	137,982	170,211	32. Income Taxes Accrued	-507,528	-32,972
b. Other Accounts Receivable	748,740	299,818	33. Other Taxes Accrued	554,305	10,579
c. Notes Receivable	0	0	34. Other Current Liabilities	10,395	4,176
5. Interest and Dividends Receivable	0	0	35. Total Current Liabilities (25 - 34)	1,555,047	1,066,555
6. Material-Regulated	211,111	211,858	<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated	0	0	36. Funded Debt-RUS Notes	733,247	0
8. Prepayments	99,256	63,078	37. Funded Debt-RTB Notes	0	0
9. Other Current Assets	2,274,408	2,517,801	38. Funded Debt-FFB Notes	14,778,384	14,213,465
10. Total Current Assets (1 Thru 9)	4,744,173	5,006,637	39. Funded Debt-Other	0	0
			40. Funded Debt-Rural Develop. Loan	0	0
<b>NONCURRENT ASSETS</b>			41. Premium (Discount) on L/T Debt	0	0
11. Investment in Affiliated Companies			42. Reacquired Debt	0	0
a. Rural Development	0	0	43. Obligations Under Capital Lease	0	0
b. Nonrural Development	637,398	658,587	44. Adv. From Affiliated Companies	0	0
12. Other Investments			45. Other Long-Term Debt	0	0
a. Rural Development	0	0	46. Total Long-Term Debt (36-45)	15,511,631	14,213,465
b. Nonrural Development	475,125	494,955	<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
13. Nonregulated Investments	601,266	330,619	47. Other Long-Term Liabilities	0	0
14. Other Noncurrent Assets	0	0	48. Deferred Income Taxes	2,918,748	2,869,459
15. Deferred Charges	0	0	49. Other Deferred Credits	0	0
16. Jurisdictional Differences	0	0	50. Other Jurisdictional Differences	0	0
17. Total noncurrent Assets (11 thru 16)	1,713,789	1,484,161	51. Total Other Liab. & Def. Credits (47 thru 50)	2,918,748	2,869,459
			<b>EQUITY</b>		
<b>PLANT, PROPERTY AND EQUIPMENT</b>			52. Cap. Stock Outstanding & Subscribed	10,670	10,670
18. Telecom Plant-in-Service	34,736,435	35,147,156	53. Additional Paid-in-Capital	0	0
19. Property Held for Future Use	0	0	54. Treasury Stock	0	0
20. Plant Under Construction	454,429	162,408	55. Membership and Capital Certificates	0	0
21. Plant Adj., Nonop Plant & Goodwill	0	0	56. Other Capital	51,660	113,408
22. Accumulated Depreciation (CR.)	-15,669,844	-17,161,601	57. Patronage Capital Credits	0	0
23. Net Plant (18 thru 21 less 22)	19,521,020	18,147,963	58. Retained Earnings or Margins	5,931,226	6,365,204
			59. Total Equity (52 thru 58)	5,993,556	6,489,282
<b>24. TOTAL ASSETS (10+17+23)</b>	<b>25,978,982</b>	<b>24,638,761</b>	<b>59. TOTAL LIABILITIES AND EQUITY (35+46+51+59)</b>	<b>25,978,982</b>	<b>24,638,761</b>

Footnote:  
Adjusted Balances represents balances  
after Part 64 adjustments

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)  
 Prior and Current Year Rate Base

Company Name: (Below)  
 The Toledo Telephone Company

Line #	Description	B/S Line #	Adj. Balance End of Year 2015	Adj. Balance End of Year 2016	Average Adj End of Year Balance
<b>Average Rate Base:</b>					
1	Total Regulated Adjusted Telecom Plant-In-service	18	34,736,435	35,147,156	34,941,796
2	Total Property Held for Future Use	19	0	0	0
3	Total Regulated Adjusted Accumulated Depreciation (CR)	22	-15,669,844	-17,161,601	-16,415,723
4	Total Regulated Materials & Supplies	6	211,111	211,858	211,485
5	Deferred Income Taxes (CR)	48	-2,918,748	-2,869,459	-2,894,104
6	<b>Total Regulated Rate Base</b>		<b>16,358,954</b>	<b>15,327,954</b>	<b>15,843,454</b>

Footnotes:

1. Normal balance of deferred income taxes and accumulated depreciation is a credit.
2. Adjusted balance includes Part 64 adjustments

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)  
 Prior and Current Year Access Lines

Company Name: (Below)  
 The Toledo Telephone Company

Line #	Description	Prior Year End of Yr. Balance - 2015	Current Year End of Yr. Balance - 2016	Difference	% Change
<b>Access Lines:</b>					
1	Residential	1,303	1,460	157	12.0%
2	Business	262	339	77	29.4%
3	Total	1,565	1,799	234	15.0%

Note: If 2015 does not equal last year's petition and template, explain.

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)  
 Prior Year Income Statement

Company Name: (Below)  
 The Toledo Telephone Company

Line #	Description	Prior Year 2015 (A)	Part 64 Adj. to NonReg (B)	Prior Year Adjusted 2015 (C)
1	Local Network Services Revenues	435,373		435,373
2	Network Access Services Revenues	4,094,152	21,526	4,115,678
3	Long Distance Network Services Revenues			0
4	Carrier Billing and Collection Revenues	7,743	-7,408	335
5	Miscellaneous Revenues	52,147	-138	52,009
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	-181,154		-181,154
7	<b>Net Operating Revenues (1 thru 6)</b>	<b>4,408,261</b>	<b>13,980</b>	<b>4,422,241</b>
8	Plant Specific Operations Expense	601,160	-26,800	574,360
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	424,769	-92,791	331,978
10	Depreciation Expense	1,223,120	-13,760	1,209,360
11	Amortization Expense			0
12	Customer Operations Expense	266,245		266,245
13	Corporate Operations	826,063	-14,601	811,462
14	<b>Total Operations Expenses (8 thru 13)</b>	<b>3,341,357</b>	<b>-147,952</b>	<b>3,193,405</b>
15	Operating Income or Margins (7 less 14)	1,066,904	161,932	1,228,836
16	Other Operating Income and Expenses ( )			0
17	State and Local Taxes			0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	424,580	(208,242)	216,338
19	Other Taxes	287,451	(2,562)	284,889
20	<b>Total Operating Taxes (17+18+19)</b>	<b>712,031</b>	<b>-210,804</b>	<b>501,227</b>
21	<b>Net Operating Income or Margins (15+16-20)</b>	<b>354,873</b>	<b>372,736</b>	<b>727,609</b>
22	Interest on Funded Debt	354,108	(49,376)	304,732
23	Interest Expense - Capital Leases			0
24	Other Interest Expense	7,310		7,310
25	Allowance for Funds Used During Construction (CR)	-234,394		-234,394
26	<b>Total Fixed Charges (22+23+24-25)</b>	<b>127,024</b>	<b>-49,376</b>	<b>77,648</b>
27	Nonoperating Net Income	203,170		203,170
28	Extraordinary Items			0
29	Jurisdictional Differences			0
30	Nonregulated Net Income (B1)	411,779	-422,112	-10,333
31	<b>Total Net Income or Margins (21+27+28+29+30-26)</b>	<b>842,798</b>	<b>0</b>	<b>842,798</b>
32	Total Taxes Based on Income			
33	Retained Earning or Margins Beginning-of-Year	6,493,105	(1,404,677)	5,088,428
34	Miscellaneous Credits Year-to-Date	0	-	0
35	Dividends Declared (Common)			0
36	Dividends Declared (Preferred)			0
37	Other Debits Year-to-Date			0
38	Transfers to Patronage Capital			0
39	<b>Retained Earnings End-of-Period ((31+33+34)-(35+36+37+38))(A2)</b>	<b>7,335,903</b>	<b>-1,404,677</b>	<b>5,931,226</b>
40	Patronage Capital Beginning-of-Year			0
41	Transfers to Patronage Capital			0
42	Patronage Capital Credits Retired			0
43	<b>Patronage Capital End-of-Year (40+41-42)</b>	<b>0</b>	<b>0</b>	<b>0</b>
44	Annual Debt Service Payments	963,765		963,765
45	Cash Ratio ((14+20-10-11)/7)	0.6420	(24.6778)	0.5620
46	Operating Accrual Ratio ((14+20+26)/7)	0.9483	(29.1940)	0.8530
47	TIER ((31+26)/26)	7.6350	1.0000	11.8541
48	DSCR ((31+26+10+11)/44)	2.2754	#DIV/0!	2.2099

Footnotes:

- (A) As reported on RUS Form 479
- (A1) S Corps provide effective tax rate from Cost study on Page 9, Inc. Statement Summary Schedule Footnote
- (A2) Column A, Line 39 must equal Column A, Line 58 of Page 2, Balance Sheet
- (B) Part 64 adjustment from regulated to nonregulated
- (B1) Column B, automatic offset to Nonregulated Net Income (No impact to Retained Earnings)
- (C) Adjusted balance after Part 64 adjustments

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)  
Current Year Income Statement

Company Name: (Below)  
The Toledo Telephone Company

Line #	Description	Current Year 2016 (A)	Part 64 Adj. to NonReg (B)	Current Year Adjusted 2016 (C)
1	Local Network Services Revenues	441,342	-107	441,235
2	Network Access Services Revenues	4,176,420	16,333	4,192,753
3	Long Distance Network Services Revenues			0
4	Carrier Billing and Collection Revenues	7,255	-7,053	202
5	Miscellaneous Revenues	50,426		50,426
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	-6,003		-6,003
7	<b>Net Operating Revenues (1 thru 6)</b>	<b>4,669,440</b>	<b>9,173</b>	<b>4,678,613</b>
8	Plant Specific Operations Expense	804,352	-29,726	774,626
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	519,203	-111,373	407,830
10	Depreciation Expense	1,635,244	-14,484	1,620,760
11	Amortization Expense			0
12	Customer Operations Expense	275,917	0	275,917
13	Corporate Operations	916,551	-1,031	915,520
14	<b>Total Operations Expenses (8 thru 13)</b>	<b>4,151,267</b>	<b>-156,614</b>	<b>3,994,653</b>
15	Operating Income or Margins (7 less 14)	518,173	165,787	683,960
16	Other Operating Income and Expenses ( )			0
17	State and Local Taxes			0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	162,700	(81,615)	81,085
19	Other Taxes	191,052	342	191,394
20	<b>Total Operating Taxes (17+18+19)</b>	<b>353,752</b>	<b>-81,273</b>	<b>272,479</b>
21	<b>Net Operating Income or Margins (15+16-20)</b>	<b>164,421</b>	<b>247,060</b>	<b>411,481</b>
22	Interest on Funded Debt	296,072	(47,977)	248,095
23	Interest Expense - Capital Leases			0
24	Other Interest Expense	-574	3,947	3,373
25	Allowance for Funds Used During Construction (CR)	-117	-	-117
26	<b>Total Fixed Charges (22+23+24-25)</b>	<b>295,381</b>	<b>-44,030</b>	<b>251,351</b>
27	Nonoperating Net Income	-131,833		-131,833
28	Extraordinary Items			0
29	Jurisdictional Differences			0
30	<b>Nonregulated Net Income (B1)</b>	<b>456,226</b>	<b>-291,090</b>	<b>165,136</b>
31	<b>Total Net Income or Margins (21+27+28+29+30-26)</b>	<b>193,433</b>	<b>0</b>	<b>193,433</b>
32	Total Taxes Based on Income			
33	Retained Earning or Margins Beginning-of-Year	7,335,903	(1,164,132)	6,171,771
34	Miscellaneous Credits Year-to-Date	0	-	0
35	Dividends Declared (Common)			0
36	Dividends Declared (Preferred)			0
37	Other Debits Year-to-Date			0
38	Transfers to Patronage Capital			0
39	<b>Retained Earnings End-of-Period ((31+33+34)-(35+36+37+38))(A2)</b>	<b>7,529,336</b>	<b>-1,164,132</b>	<b>6,365,204</b>
40	Patronage Capital Beginning-of-Year			0
41	Transfers to Patronage Capital			0
42	Patronage Capital Credits Retired			0
43	<b>Patronage Capital End-of-Year (40+41-42)</b>	<b>0</b>	<b>0</b>	<b>0</b>
44	Annual Debt Service Payments	1,115,613		1,115,613
45	Cash Ratio ((14+20-10-11)/7)	0.6146	(24.3544)	0.5656
46	Operating Accrual Ratio ((14+20+26)/7)	1.0280	(30.7333)	0.9658
47	TIER ((31+26)/26)	1.6549	1.0000	1.7696
48	DSCR ((31+26+10+11)/44)	1.9039	#DIV/0!	1.8515

Footnotes:

- (A) As reported on RUS Form 479
- (A1) S Corps provide effective tax rate from Cost study on Page 9, Inc. Statement Summary Schedule Footnote
- (A2) Column A, Line 39 must equal Column A, Line 58 of Page 3, Balance Sheet
- (B) Part 64 adjustment from regulated to nonregulated
- (B1) Column B, automatic offset to Nonregulated Net Income (No Impact to Retained Earnings)
- (C) Adjusted balance after Part 64 adjustments

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)  
 Prior and Current Year Income Statement

Company Name:  
 The Toledo Telephone Company

Line #	Description	Adjusted Prior Year 2015	Adjusted Current Year 2016
1	Local Network Services Revenues	435,373	441,235
2	Network Access Services Revenues	4,115,678	4,192,753
3	Long Distance Network Services Revenues	0	0
4	Carrier Billing and Collection Revenues	335	202
5	Miscellaneous Revenues	52,009	50,426
6	Uncollectible Revenues (Normal Balance is debit or in brackets)	-181,154	-6,003
7	<b>Net Operating Revenues (1 thru 6)</b>	<b>4,422,241</b>	<b>4,678,613</b>
8	Plant Specific Operations Expense	574,360	774,626
9	Plant Nonspecific Operations Expense (excluding Depreciation & Amort.)	331,978	407,830
10	Depreciation Expense	1,209,360	1,620,760
11	Amortization Expense	0	0
12	Customer Operations Expense	266,245	275,917
13	Corporate Operations	811,462	915,520
14	<b>Total Operations Expenses (8 thru 13)</b>	<b>3,193,405</b>	<b>3,994,653</b>
15	Operating Income or Margins (7 less 14)	1,228,836	683,960
16	Other Operating Income and Expenses ( )	0	0
17	State and Local Taxes	0	0
18	Federal Income Taxes (A1) - (LINE IS ZERO IF COMPANY IS S CORP)	216,338	81,085
19	Other Taxes	284,889	191,394
20	<b>Total Operating Taxes (17+18+19)</b>	<b>501,227</b>	<b>272,479</b>
21	<b>Net Operating Income or Margins (15+16-20)</b>	<b>727,609</b>	<b>411,481</b>
22	Interest on Funded Debt	304,732	248,095
23	Interest Expense - Capital Leases	0	0
24	Other Interest Expense	7,310	3,373
25	Allowance for Funds Used During Construction	-234,394	-117
26	<b>Total Fixed Charges (22+23+24-25)</b>	<b>77,648</b>	<b>251,351</b>
27	Nonoperating Net Income	203,170	-131,833
28	Extraordinary Items	0	0
29	Jurisdictional Differences	0	0
30	Nonregulated Net Income	-10,333	165,136
31	<b>Total Net Income or Margins (21+27+28+29+30-26)</b>	<b>842,798</b>	<b>193,433</b>
32	Total Taxes Based on Income		
33	Retained Earning or Margins Beginning-of-Year	5,088,428	6,171,771
34	Miscellaneous Credits Year-to-Date	0	0
35	Dividends Declared (Common)	0	0
36	Dividends Declared (Preferred)	0	0
37	Other Debits Year-to-Date	0	0
38	Transfers to Patronage Capital	0	0
39	<b>Retained Earnings or Margins End-of-Period ((31+33+34)-(35+36+37+38))</b>	<b>5,931,226</b>	<b>6,365,204</b>
40	Patronage Capital Beginning-of-Year	0	0
41	Transfers to Patronage Capital	0	0
42	Patronage Capital Credits Retired	0	0
43	<b>Patronage Capital End-of-Year (40+41-42)</b>	<b>0</b>	<b>0</b>
44	Annual Debt Service Payments	963,765	1,115,613
45	Cash Ratio ((14+20-10-11)/7)	0.5620	0.5656
46	Operating Accrual Ratio ((14+20+26)/7)	0.8530	0.9658
47	TIER ((31+26)/26)	11.8541	1.7696
48	DSCR ((31+26+10+11)/44)	2.21	1.8515

Footnote  
 (A1) S Corporation Effective Tax Rate (2 decimal places):  
 Note:  
 Adjusted Income Statement reflects Part 64 Adjustments (Regulated to  
 Nonregulated).

	2015	2016



State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)  
 Prior and Current Year Access Revenue Detail

Company Name: (Below)  
The Toledo Telephone Company

Line #	Description	Part 32 Account	Prior Year 2015	Current Year 2016
1	End User Revenue (SLC, ARC, etc.)	5081	276,728	259,012
2	Switched Access (excluding USF):	5082		
2a	Intrastate		155,443	81,851
2b	Interstate (includes CAF)		796,638	745,945
3	Special Access:	5083		
3a	Intrastate		13,153	12,904
3b	Interstate		742,918	697,100
4	Federal USF (ICLS/HCL/SN)	Varies	1,724,950	2,075,701
5	State USF		405,848	320,153
6	Other*			
7	Total (must equal line 2 of Income Stmt.)		4,115,678	4,192,666
8	Line 2 of Income Stmt.		4,115,678	4,192,753
9	Difference		0	-87

Footnote:

\* - if > than 5% of Access revenue total, provide description below.

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)  
 Out-of-Period and Pro Forma Adjustments

Company Name: (Below)  
 The Toledo Telephone Company

Description of Out-of-Period (OOP) - 2016 (As Recorded) OR Pro Forma (PF) Adjustment for Current Year Petition or Reversing from Prior Year	Year	OOP or PF?	Part 32 Account	
			Debit	Credit
Adjustment #1:				
Adjustment #2:				
Adjustment #3:				
Adjustment #4:				
Adjustment #5:				

State USF Petition Filing Requirement -WAC 480-123-110 (1)(e)  
 Rate of Return and Consolidated Return on Equity

Company Name: (Below)  
 The Toledo Telephone Company

Line #	Description	2016 (A)	2016 (B)
1	Rate Base (Jan. 1)	16,358,954	16,358,954
2	Rate Base (Dec 31)	15,327,954	15,327,954
3	Average Rate Base	15,843,454	15,843,454
4	Net Operating Income	411,481	411,481
5	Out-of-Period Adjustments Net of FIT (1)		
6	Adjusted Net Operating Income	411,481	411,481
7	Earned Regulated Rate of Return	2.60%	2.60%

Footnotes:

- (1) Lines 5 & 12 will be completed by Staff
- (A) Column A to be completed by Company,
- (B) Column B should equal Column A, but may include any Staff Adjustments