

CenturyTel of Washington, Inc.
CenturyTel of Inter Island, Inc.
CenturyTel of Cowiche, Inc.
Results of Operations
Per Month, 3rd Quarter, 2009

Line No	Account Numbers	Account Description (a)	Washington Per Books July 2009	Washington Per Books August 2009	Washington Per Books September 2009
1		OPERATING REVENUES			
2	5000	Local Network Service	3,209,083	3,183,194	3,195,498
3	5080-5084	Network Access Service	5,913,201	5,961,169	6,404,161
4	5100	Long Distance Service	16,925	17,433	17,884
5	5200	Miscellaneous Revenues	415,244	398,795	364,252
6	5300	Uncollectible Revenue	(51,361)	(76,223)	(80,365)
			-	-	-
7		Total Operating Revenues	9,503,092	9,484,368	9,901,430
8		OPERATING EXPENSES			
9	6100-6499	Plant Specific Operations	2,033,088	1,902,196	2,289,311
10		Plant Non Specific Operations:			
11	6560	Depreciation & Amortization	2,805,257	2,807,046	2,819,786
12	6510-6540	Other Plant Non Specific Operations	759,681	988,380	878,112
13		Total Plant Non Specific	3,564,938	3,795,426	3,697,898
14	6610-6620	Customer Operations	935,982	919,093	870,740
15	6710-6790	Corporate Operations	916,693	1,748,687	1,188,392
16	7240	Other Operating Income Taxes	291,666	244,079	268,852
17	7200	Operating Income Taxes	615,686	300,533	553,897
20		Total Operating Expenses	8,358,053	8,910,014	8,869,090
21		NET OPERATING INCOME	<u>1,145,039</u>	<u>574,354</u>	<u>1,032,340</u>
22		RATE BASE:			
23		Telephone Plant in Service:			
24	2110	Land Support Assets	30,349,293	30,465,575	30,556,173
25	2210-2230	Central Office	241,416,191	242,736,032	243,966,412
26	2310	Information Origination/Termination	-	-	-
27	2410	Cable and Wire Facilities	374,263,960	374,443,784	374,670,316
28	2680	Amortizable Assets	46,687	46,687	46,687
29		Average Telecommunications Plant in Service	646,076,131	647,692,078	649,239,588
30	2002	Average Property Held for Future Telecomm. Use	-	-	-
31		Less: Accumulated Depreciation	-	-	-
32	3100	Accumulated Depreciation	412,829,495	415,296,025	411,787,585
33	3200	Accum. Depre. - Held for Future Telecomm. Use	-	-	-
34	3400	Accumulated Amortization	46,687	46,687	46,687
35		Average Accum. Depreciation and Amortization	412,876,182	415,342,712	411,834,272
36	4100,4340	Less: End of Period Deferred Income Taxes	51,815,063	51,618,977	51,418,427
38		TOTAL ADJUSTED RATE BASE	<u>181,384,886</u>	<u>180,730,389</u>	<u>185,986,889</u>

CenturyTel of Washington, Inc.
CenturyTel of Inter Island, Inc.
CenturyTel of Cowiche, Inc.
Results of Operations
Twelve Months Ended September 2009

Line No	Account Numbers	Account Description (a)	Washington Per Books (b)	Adjustments		Total Adjustments (see notes) (c)	Washington Per Books Restated (d)	Washington Restated Intrastate (e)
				(c1)	(c2)			
1		OPERATING REVENUES						
2	5000	Local Network Service	39,565,063			-	39,565,063	39,565,065
3	5080-5084	Network Access Service	74,949,464	(1,580,926)		(1,580,926)	73,368,538	21,828,026
4	5100	Long Distance Service	212,030			-	212,030	212,030
5	5200	Miscellaneous Revenues	4,181,706			-	4,181,706	3,861,290
6	5300	Uncollectible Revenue	(599,591)			-	(599,591)	(454,517)
			-			-	-	-
7		Total Operating Revenues	118,308,672	(1,580,926)		(1,580,926)	116,727,746	65,011,894
8		OPERATING EXPENSES						
9	6100-6490	Plant Specific Operations	25,080,289			-	25,080,289	17,715,211
10		Plant Non Specific Operations:				-	-	-
11	6560	Depreciation & Amortization	33,436,461		781,467	781,467	34,217,928	23,441,300
12	6510-6590	Other Plant Non Specific Operations	10,160,594			-	10,160,594	5,621,816
13		Total Plant Non Specific	43,597,055		781,467	781,467	44,378,522	29,063,116
14	6610-6690	Customer Operations	10,425,156			-	10,425,156	8,640,588
15	6710-6790	Corporate Operations	12,362,978			-	12,362,978	9,092,624
16	7240	Other Operating Income Taxes	3,530,345			-	3,530,345	2,480,353
17	7200	Operating Income Taxes	8,249,123		273,513	273,513	8,522,636	(692,999)
18	7910	Jurisdictional Differences	397,592			-	397,592	397,592
20		Total Operating Expenses	103,642,538	-	1,054,980	1,054,980	104,697,518	66,696,486
21		NET OPERATING INCOME	<u>14,666,134</u>	<u>(1,580,926)</u>	<u>(1,054,980)</u>	<u>(2,635,906)</u>	<u>12,030,227</u>	<u>(1,684,592)</u>
22		RATE BASE:						
23		Telephone Plant in Service:						
24	2110	Land Support Assets	30,148,758		682,356	682,356	30,831,113	22,801,211
25	2210-2230	Central Office	240,741,154		5,448,684	5,448,684	246,189,838	159,795,669
26	2310	Information Origination/Termination	-		-	-	-	-
27	2410	Cable and Wire Facilities	371,981,239		8,419,035	8,419,035	380,400,274	277,848,925
28	2680	Amortizable Assets	46,687		-	-	46,687	32,704
29		Average Telecommunications Plant in Service	642,917,838		14,550,075	14,550,075	657,467,912	460,478,509
30	2002	Average Property Held for Future Telecomm. Use	-		-	-	-	-
31		Less: Accumulated Depreciation	-		-	-	-	-
32	3100	Accumulated Depreciation	404,243,803		6,402,888	6,402,888	410,646,691	286,492,592
33	3200	Accum. Depre. - Held for Future Telecomm. Use	-		-	-	-	-
34	3400	Accumulated Amortization	46,687		-	-	46,687	32,704
35		Average Accum. Depreciation and Amortization	404,290,490		6,402,888	6,402,888	410,693,378	286,525,296
36	4100,4340	Less: End of Period Deferred Income Taxes	52,316,368		-	-	52,316,368	36,647,198
37	1500	Jurisdictional differences (Plant in Service)	(1,193,176)				(1,193,176)	(1,193,176)
38		TOTAL ADJUSTED RATE BASE	<u>185,117,803</u>		<u>8,147,187</u>	<u>8,147,187</u>	<u>193,264,990</u>	<u>136,112,840</u>
39		ANNUAL RATE OF RETURN						<u>-1.24%</u>

Adjustment Description:

- (c1) Prior Period Adjustment - To adjust for Out-of-Period revenues and the related tax effect.
- (c2) Depreciation Expense - To record the depreciation expense associated with the allowance for funds used during construction rate base adjustment
- (c3) Allowance for Funds Used During Construction - To adjust for previously capitalized interest on funds used during construction.