

CenturyTel of Washington, Inc.
CenturyTel of Inter Island, Inc.
CenturyTel of Cowiche, Inc.
Results of Operations
Per Month, 4th Quarter, 2009

Line No	Account Numbers	Account Description (a)	Washington Per Books October 2009	Washington Per Books November 2009	Washington Per Books December 2009
1		OPERATING REVENUES			
2	5000	Local Network Service	3,125,211	3,131,760	3,098,020
3	5080-5084	Network Access Service	5,640,974	5,923,546	6,009,543
4	5100	Long Distance Service	18,051	18,206	16,460
5	5200	Miscellaneous Revenues	(174,679)	481,319	551,535
6	5300	Uncollectible Revenue	217,939	(47,884)	(65,271)
7		Total Operating Revenues	8,827,495	9,506,947	9,610,286
8		OPERATING EXPENSES			
9	6100-6499	Plant Specific Operations	2,007,090	2,104,975	1,983,670
10		Plant Non Specific Operations:			
11	6560	Depreciation & Amortization	2,828,313	2,825,062	2,848,392
12	6510-6540	Other Plant Non Specific Operations	1,030,429	858,338	861,040
13		Total Plant Non Specific	3,858,742	3,683,400	3,709,432
14	6610-6620	Customer Operations	856,267	825,805	954,825
15	6710-6790	Corporate Operations	1,004,675	734,692	1,042,080
16	7240	Other Operating Income Taxes	279,886	924,638	355,812
17	7200	Operating Income Taxes	285,719	370,498	574,875
20		Total Operating Expenses	8,292,380	8,644,007	8,620,694
21		NET OPERATING INCOME	<u>535,115</u>	<u>862,939</u>	<u>989,592</u>
22		RATE BASE:			
23		Telephone Plant in Service:			
24	2110	Land Support Assets	30,235,735	29,718,782	29,751,739
25	2210-2230	Central Office	244,351,341	244,728,916	245,224,113
26	2310	Information Origination/Termination	-	-	-
27	2410	Cable and Wire Facilities	374,861,709	375,154,447	375,857,144
28	2680	Amortizable Assets	46,687	46,687	46,687
29		Average Telecommunications Plant in Service	649,495,472	649,648,832	650,879,683
30	2002	Average Property Held for Future Telecomm. Use	-	-	-
31		Less: Accumulated Depreciation	-	-	-
32	3100	Accumulated Depreciation	420,202,352	421,889,979	424,501,084
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	420,249,039	421,936,666	424,547,771
36	4100,4340	Less: End of Period Deferred Income Taxes	51,215,003	51,016,458	50,855,275
38		TOTAL ADJUSTED RATE BASE	<u>178,031,430</u>	<u>176,695,708</u>	<u>175,476,638</u>

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

Line No	Account Numbers	Account Description (a)	Washington	Adjustments		Total	Washington	Washington
			Per Books (b)	(c1)	(c2)	Adjustments (see notes) (c)	Per Books Restated (d)	Restated Intrastate (e)
1		OPERATING REVENUES						
2	5000	Local Network Service	38,791,730			-	38,791,730	38,791,730
3	5080-5084	Network Access Service	74,115,938	(1,442,606)		(1,442,606)	72,673,333	22,753,885
4	5100	Long Distance Service	209,037			-	209,037	209,037
5	5200	Miscellaneous Revenues	4,562,190			-	4,562,190	3,840,090
6	5300	Uncollectible Revenue	25,363			-	25,363	(141,029)
7		Total Operating Revenues	117,704,259	(1,442,606)		(1,442,606)	116,261,654	65,453,513
8		OPERATING EXPENSES						
9	6100-6490	Plant Specific Operations	24,733,433			-	24,733,433	17,370,018
10		Plant Non Specific Operations:						
11	6560	Depreciation & Amortization	33,663,348		781,467	781,467	34,444,815	22,918,075
12	6510-6590	Other Plant Non Specific Operations	10,377,096			-	10,377,096	6,228,392
13		Total Plant Non Specific	44,040,445		781,467	781,467	44,821,912	29,146,467
14	6610-6690	Customer Operations	10,500,022			-	10,500,022	8,583,947
15	6710-6790	Corporate Operations	12,436,644			-	12,436,644	9,113,623
16	7240	Other Operating Income Taxes	3,939,397			-	3,939,397	2,738,145
17	7200	Operating Income Taxes	7,664,302		273,513	273,513	7,937,815	(524,540)
18	7910	Jurisdictional Differences	310,478			-	310,478	310,478
20		Total Operating Expenses	103,624,722	-	1,054,980	1,054,980	104,679,702	66,738,138
21		NET OPERATING INCOME	<u>14,079,537</u>	<u>(1,442,606)</u>	<u>(1,054,980)</u>	<u>(2,497,586)</u>	<u>11,581,951</u>	<u>(1,284,625)</u>
					(c3)			
22		RATE BASE:						
23		Telephone Plant in Service:						
24	2110	Land Support Assets	29,751,739		665,132	665,132	30,416,871	21,193,837
25	2210-2230	Central Office	245,224,113		5,482,250	5,482,250	250,706,363	162,382,762
26	2310	Information Origination/Termination	-			-	-	-
27	2410	Cable and Wire Facilities	375,857,144		8,402,693	8,402,693	384,259,837	279,852,981
28	2680	Amortizable Assets	46,687			-	46,687	32,531
29		Average Telecommunications Plant in Service	650,879,683		14,550,075	14,550,075	665,429,758	463,462,111
30	2002	Average Property Held for Future Telecomm. Use	-			-	-	-
31		Less: Accumulated Depreciation	-			-	-	-
32	3100	Accumulated Depreciation	424,501,084		6,402,888	6,402,888	430,903,971	298,812,513
33	3200	Accum. Depre. - Held for Future Telecomm. Use	-			-	-	-
34	3400	Accumulated Amortization	46,687			-	46,687	32,531
35		Average Accum. Depreciation and Amortization	424,547,771		6,402,888	6,402,888	430,950,658	298,845,044
36	4100,4340	Less: End of Period Deferred Income Taxes	50,855,275			-	50,855,275	35,434,888
37	1500	Jurisdictional differences (Plant in Service)	(1,189,785)			-	(1,189,785)	(1,189,785)
38		TOTAL ADJUSTED RATE BASE	<u>174,286,853</u>		<u>8,147,187</u>	<u>8,147,187</u>	<u>182,434,040</u>	<u>127,992,394</u>
39		ANNUAL RATE OF RETURN						<u>-1.00%</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.