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# TELECOMMUNICATIONS COMPANIES

## ANNUAL REPORT

Barbara Young  
State Executive OR-WA  
United Telephone Co. the Northwest  
902 Wasco Street  
Hood River, OR 97031

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Full name and address of Company

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Correct name and address, if different than shown

### WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

#### for the YEAR ENDED DECEMBER 31, 2007

SECTION I			
<b>INQUIRIES CONCERNING THIS ANNUAL REPORT SHOULD BE ADDRESSED TO:</b>			
NAME: <u>Roger W. Hahn</u>	TITLE: <u>Manager Business Analysis</u>		
ADDRESS: <u>5454 W. 110<sup>th</sup> Street, MS: KSOPKJ0502-5042</u>			
CITY: <u>Overland Park</u>	STATE: <u>KS</u>	ZIP: <u>66211-1204</u>	
TELEPHONE: <u>913-345-7537</u>	FAX: <u>913-345-6756</u>	E-MAIL: <u>roger.hahn@ombark.com</u>	
<b>The company must notify the Commission, in writing, of any changes to the above information.</b>			

SECTION II	
<b>TYPE OF PAYMENT - DO NOT SEND CASH IN THE MAIL</b>  <input checked="" type="checkbox"/> Check <input type="checkbox"/> Money Order <input type="checkbox"/> AMEX <input type="checkbox"/> Visa <input type="checkbox"/> MasterCard  Credit Card Number: _____      Expiration Date: _____      Month/Year: _____	<b>For Commission Use Only</b>  Credit Card Authorization #: _____
<b>CERTIFICATION:</b> I, the undersigned, under penalty for false statement, certify that the information is true, valid and correct, that I am authorized to execute on behalf of the applicant, and that I agree to pay the above total amount according to card issuer agreement.	
Name (Printed) _____	Title _____
Signature _____	Date _____

For Commission Use Only	
Reception Number: _____	Reference Number: _____
001-111-02-68-170-01: _____	001-111-02-68-032-05: _____

Original to be mailed to the Washington Utilities and Transportation Commission, PO Box 47250, Olympia, WA 98504-7250  
Web Site: [www.utc.wa.gov](http://www.utc.wa.gov)

**SECTION III**

1. Have you attached the following additional documents (please check to show what's attached):

- X Income statement (required): use your regular form for this, or download a sample from the UTC.
- X Balance sheet (required): use your regular form for this, or download a sample from the UTC.
- X Regulatory Fee Calculation Schedule (required): provided with package or download from the UTC.
- Additional information if required under WAC 480-120-385 (1) (c) (i), (ii), or (iii).
- Other documents (please describe): \_\_\_\_\_

2. Washington Unified Business Identifier (UBI) No.: 93-0243730

*If you do not know your UBI Number you may be able to look it up through the Secretary of State's corporations website. You can also contact the Department of Licensing at (360)664-1400.*

**3 Services**

- a. Does your company provide operator services (automated or live assistance to customers in completing or billing a telephone call) at a call aggregator location, such as at a pay phone?  Yes  No
- b. Does your company provide local exchange services in Washington?  Yes  No

**4. Lines in service**

- a. If your company filed Form 477 with the FCC within the last 12 months for its Washington operations, please proceed to Section IV, otherwise proceed to 4. b. (below): **Filed Form 477**
- b. If the company did not file FCC Form 477 for its Washington operations within the last 12 months, please complete the following: **Not Applicable**

<p>Washington State Data as of December 31, 2007</p> <p>&gt; Voice telephone service provided to end users.</p> <p align="right">Total lines and channels you provided to end users.</p>	<p>(a) Total voice-grade equivalent lines and voice-grade equivalent wireless channels in service</p>
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SECTION IV

ANNUAL REPORT CERTIFICATION

I certify that I, Richard B. Green, the responsible account officer for UNITED TELEPHONE COMPANY OF THE NORTHWEST have examined the foregoing report; that, to the best of my knowledge, information and belief, all statements of fact contained in said report are true and said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 2007, to December 31, 2007, inclusive.

Name (Printed) Richard B. Green Title Vice President

Signature *Richard B. Green* Date 4-17-2008

SECTION V -- OPTIONAL

Companies that have been granted minimal regulation of their bundled telecommunications services under RCW 80.36.332 may use this section to certify compliance if so required by Commission order.

CERTIFICATION AS TO BUNDLED SERVICES

I am an officer of or attorney for UNITED TELEPHONE COMPANY OF THE NORTHWEST (the "Company") and hereby certify (or declare) under penalty of perjury under the laws of the State of Washington that as of the date of execution of this document, the Company's packages or bundles of telecommunications services that are offered on a minimally regulated basis comply with RCW 80.36.332 and with UTC Order # 01 in Docket UT- 071575

The foregoing is true and correct:

Name (Printed) LINDA K GARDNER Title VP REGULATORY ANALYSIS

Signature *Linda K Gardner* Date 4/17/08

SCHEDULE B-1 Balance Sheet Accounts		Page 1 of 6	
Ln	Account No. and Description	Total Company Amount (a)	Restatement of 12/31/06 Amount (b)
	<b>Assets</b>		
1	1120 Cash and Equivalents (Class B only)		
2	1130 Cash	1,171	
3	1140 Special Cash Deposits		
4	1150 Working Cash Advances		
5	1160 Temporary Investments		
6	Total Cash and Equivalents (lines 1-5)	1,171	
7	1180 Telecommunications Accounts Receivable	11,060	
8	1181 Less: Accounts Receivable Allowance - Telecommunications	(871)	
9	1190 Other Accounts Receivable	20,274	
10	1191 Less: Accounts Receivable Allowance - Other		
11	1200 Notes Receivable		
12	1201 Less: Notes Receivable Allowance		
13	1210 Interest and Dividends Receivable		
14	1220 Inventories		
15	Total Noncash Current Assets (lines 7-14)	30,464	
16	1280 Prepayments (Class B only)		
17	1290 Prepaid Rents	294	
18	1300 Prepaid Taxes		
19	1310 Prepaid Insurance		
20	1320 Prepaid Directory Expenses	10	
21	1330 Other Prepayments		
22	Total Prepayments (lines 16-21)	304	
23	Other Current Assets		
24	Total Current Assets (lines 6+15+22+23)	31,939	
25	1401 Investments in Affiliated Companies		
26	1402 Investments in Nonaffiliated Companies		
27	1405 Nonregulated Investments	101	
28	1407 Unamortized Debt Issuance Expense	74	
29	1408 Sinking Funds		
30	1415 Other Noncurrent Assets		
31	1437 Deferred Tax Regulatory Asset	1,435	
32	1438 Deferred Maintenance and Provisions	(421)	
33	1439 Deferred Charges	319	
34	1500 Other Jurisdictional Assets - Net		
35	Total Noncurrent Assets (lines 25-34)	1,508	

Ln	No.	Account No. and Description	Total Company Amount (a)	Reserve for Depreciation Amount (b)	Depreciable Rate Base as Adjusted (c)
			491,498	247,076	187,088
36	2001	Telecommunications Plant in Service (line 93)			
37	2002	Property held for future Telecommunications Use	2,532	920	
38	2003	Telecommunications Plant Under Construction - Short Term	1,458	530	
39	2004	Telecommunications Plant Under Construction - Long Term			
40	2005	Telecommunications Plant Adjustment			
41	2006	Nonoperating Plant	1,456	1	
42	2007	Goodwill		771	
43		Total Plant (lines 36-42)	496,944	249,298	188,768
44		Telecommunications Plant in Service			
45	2111	Land	869	344	
46	2112	Motor Vehicles	3,091	730	
47	2113	Aircraft			
48	2114	Tools and Other Work Equipment	2,411	145	
49	2115	Garage Work Equipment			
50	2116	Other Work Equipment			
51	2121	Buildings	24,261	7,523	
52	2122	Furniture	567	(60)	
53	2123.1	Office Support Equipment	380	36	
54	2123.2	Company Communications Equipment			
55	2124	General Purpose Computers	210	(3)	
56		Total Land and Support Assets (lines 45-55)	31,730	8,714	
57	2211	Analog Electronic Switching			
58	2212.1	Digital Electronic Switching	90,842	46,662	
59	2212.8	Switching Generic Software			
60	2215.2	Crossbar Switching			
61	2216.3	Other Electromechanical Switching			
62		Total Central Office - Switching (lines 57-61)	90,842	46,662	
63	2220	Operator Systems			
64	2231	Radio Systems	5,639	4,521	
65	2232	Circuit Equipment	109,846	58,747	
66		Total Central Office - Transmission (lines 64-66)	115,485	63,268	
67		Total Central Office Assets (lines 62-63+66)	206,327	109,930	
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LA	Account No. and Description	Total Company Amount (a)	Amortization Method Amount (b)	Depreciable Rate Base Adjusting (c)
68	2311 Station Apparatus	-	-	-
69	2321 Customer Premises Wiring	-	-	-
70	2341 Large Private Branch Exchange	-	-	-
71	2351 Public Telephone Terminal Equipment	800	487	-
72	2362 Other Terminal Equipment	800	487	-
73	Total Information Origination/Termination (lines 66-72)	8,152	4,235	-
74	Poles	49,814	22,899	-
75	2421.1 Aerial Cable - Metallic	7,655	3,647	-
76	2421.2 Aerial Cable - Nonmetallic	7,637	5,317	-
77	2422.1 Underground Cable - Metallic	2,393	1,524	-
78	2422.2 Underground Cable - Nonmetallic	141,445	79,730	-
79	2423.1 Buried Cable - Metallic	28,474	7,174	-
80	2423.2 Buried Cable - Nonmetallic	84	33	-
81	2424 Submarine Cable	1,063	610	-
82	2425 Deep Sea Cable	5,546	2,684	-
83	2426 Interbuilding Network Cable	252,493	127,853	-
84	2431 Aerial Wire	-	-	-
85	2441 Conduit Systems	-	-	-
86	Total Cable and Wire Facilities (lines 74-85)	252,493	127,853	-
87	2580 Amortizable Tangible Assets (Class B only)	-	-	-
88	2581 Capital Leases	148	93	-
89	2582 Leasehold Improvements	148	93	-
90	Total Amortizable Tangible Assets (lines 87-89)	296	186	-
91	2680 Intangibles	148	93	-
92	Total Other Assets (lines 90+91)	444	279	-
93	Telecommunications Plant in Service (lines 65+67+73+86+92)	481,498	247,076	187,086
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Ln.		Account No. and Description	Total Company Amount (a)	Washington Rate of Period Amount (b)	Washington Rate Base Adjusted (c)
<b>SCHEDULE B-1 Balance Sheet Accounts</b>					
<b>Accumulated Depreciation and Amortization</b>					
106	0100	Depreciation	341,446	166,224	
107	3200	Depreciation - Property Held for Future Telecom Use	-	2	
108	3300	Depreciation - Nonoperating	-	-	
109	3400	Amortization - Tangible (Class 2 only)	-	-	
110	3410	Amortization - Capital Leases	44	4	
111	3420	Amortization - Leasehold Improvements	-	-	
112		Total Amortization - Tangible Assets (lines 109, 111)	44	4	
113	3600	Amortization - Intangible	-	-	
114	3800	Amortization - Other	-	-	
115		Accumulated Deprec. & Amort.	341,490	166,231	125,398
116		Net Plant (line 43 less line 115)	155,454	83,067	63,371
117		Total Assets (lines 24+95+116)	189,900	83,067	
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		Page 5 of 6		
LG	Account No. and Description	Total Company Amount (a)	Washington End of Period Amount (b)	Intrastate Rate Base Adjusted (c)
	<b>Liabilities and Equity</b>			
141	4010 Accounts Payable	13,890		
142	4020 Notes Payable			
143	4030 Advanced Billing and Payments	42		
144	4040 Customer Deposits			
145	4050 Current Maturities - Long Term Debt	(273)		
146	4060 Current Maturities - Capital Leases	854		
147	4070 Income Taxes - Accrued	879		
148	4080 Other Taxes - Accrued	54		
149	4100.1 Net Current Deferred Operating Federal Income Tax	(282)		
150	4110.2 Net Current Deferred Operating State Income Tax	(30)	442	334
151	4110.1 Net Current Deferred Nonoperating Federal Income Tax			
152	4110.2 Net Current Deferred Nonoperating State Income Tax			
153	4120 Other Accrued Liabilities	5,229		
154	4130 Other Current Liabilities	20,414		
155	Total Current Liabilities (lines 141...154)	37,150		
156	4210 Funded Debt			
157	4220 Premium on Long Term Debt			
158	4230 Discount on Long Term Debt			
159	4240 Recquired Debt			
160	4250 Obligations Under Capital Leases			
161	4260 Advances from Affiliated Companies			
162	4270 Other Long Term Debt			
163	Total Long Term Debt (lines 156...162)	37,150		
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		Page 6 of 6		
LR	Account No. and Description	Total Company Amount (a)	Washington End of Period Amount (b)	Intrastate Rate Base Adjusted (c)
176	4310 Other Long Term Liabilities	4,113		
177	4320 Unamortized Operating Investment Tax Credits - Net			
178	4330 Unamortized Nonoperating Investment Tax Credits - Net	15,206		
179	4340.1 Net Noncurrent Deferred Operating Federal Income Tax	4,240	6,872	5,537
180	4340.2 Net Noncurrent Deferred Operating State Income Tax	(2,958)		
181	4341 Net Deferred Tax Liability Adjustments	14		
182	4350.1 Net Noncurrent Deferred Nonoperating Federal Income Tax			
183	4350.2 Net Noncurrent Deferred Nonoperating State Income Tax			
184	4350 Other Deferred Credits	2,522		
186	4931 Deferred Tax Regulatory Liability			
188	4937 Other Jurisdictional Liabilities and Deferred Credits - Net			
187	Total Other Liabilities and Deferred Credits (lines 176-186)	24,136		
188	Capital Stock	17,265		
189	4620 Additional Paid-In Capital	6,361		
190	4530 Treasury Stock			
191	4540 Other Capital	(3,118)		
192	4550 Retained Earnings (from line 208 below)	86,692		
193	Total Stockholders' Equity (lines 188-192)	107,200		
194	Total Liabilities and Equity (lines 135+163+187+193)	188,900		
195				
196	Additional Rate Base Adjustment:			
197	OPBES Liability		1,350	1,022
198	Adjusted Rate Base		74,404	56,477
200				
201	Retained Earnings			
202	460 Balance at January 1	85,461		
204	465 Net Income (from Schedule 1-1, line 348)	14,501		
205	470 Dividends Declared	19,367		
206	475 Miscellaneous Debits	3		
207	480 Miscellaneous Credits			
208	490 Balance at December 31 (lines 203+204-205+206+207)	85,692		
209				
210				

SCHEDULE I-1 Income Statement Accounts		Page 1 of 10		
Ln No.	Account Description (1)	Total Company Account Totals (b)	Washington Facilities Adjusted Account Totals (c)	Washington Facilities Adjusted Account Totals (d)
<b>INCOME STATEMENT ACCOUNTS</b>				
<b>LOCAL NETWORK SERVICES REVENUES</b>				
1				
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5	5000 Basic Local Service Revenue	31,801	14,835	14,835
6	5001 Basic Area Revenue			-
7	5002 Optional Extended Area Revenue			-
8	5003 Cellular Mobile Revenue			-
9	5004 Other Mobile Services Revenue			-
10	5010 Public Telephone Revenue			-
11	5040 Local Private Line Revenue	2,359	1,543	1,543
12	5050 Customer Premises Revenue	4	(1)	(1)
13	5060 Other Local Exchange Revenue	10,142	5,607	5,607
14	5069 Other Local Exchange Revenue Settlements			-
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	<b>TOTAL LOCAL NETWORK SERVICES REVENUES</b>	<b>\$ 44,305</b>	<b>\$ 21,984</b>	<b>\$ 21,984</b>
<b>NETWORK ACCESS SERVICES REVENUES</b>				
21	5080 Network Access Revenue			
22	5081 End User Revenue	13,147	7,256	-
23	5082 Switched Access Revenue	7,471	3,928	-
24	5083 Special Access Revenue	14,048	6,201	-
25	5084 State Access Revenue	20,069	10,000	10,000
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34				
	<b>TOTAL NETWORK ACCESS SERVICES REVENUES</b>	<b>\$ 54,735</b>	<b>\$ 27,384</b>	<b>\$ 10,000</b>

**SCHEDULE I-1 Income Statement Accounts**

Ln No.	Account No.	Account Description (a)	Total Company Account Totals (b)	Washington Regulatory Adjusted Account Totals (c)	Page 2 of 10	
					Washington Regulatory Adjusted Account Totals (d)	Washington Regulatory Adjusted Account Totals (e)
<b>INCOME STATEMENT ACCOUNTS</b>						
<b>LONG DISTANCE NETWORK SERVICES REVENUES</b>						
35		Long Distance Message Revenue	400	199		207
36		Unidirectional Long Distance Revenue				
37		Long Distance Inward-Only Revenue	(2)	3		3
38		Long Distance Outward-Only Revenue				
39		Subvoice Grade Long Distance Private Network Revenue	7	7		7
40	5100	Voice Grade Long Distance Private Network Revenue				
41	5110	Audio Program Grade Long Distance Private Network Revenue				
42	5111	Video Program Grade Long Distance Private Network Revenue				
43	5112	Digital Transmission Long Distance Private Network Revenue				
44	5120	Other Long Distance Private Network Revenue	98	54		17
45	5121	Other Long Distance Revenue	2	2		2
46	5122	Other Long Distance Revenue Settlements				
47	5123					
48	5124					
49	5125					
50	5126					
51	5128					
52	5129					
53	5160					
54	5169					
55						
56		<b>TOTAL LONG DISTANCE NETWORK SERVICES REVENUE</b>	<b>505</b>	<b>264</b>		<b>236</b>
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SCHEDULE I-1 Income Statement Accounts		Page 3 of 10		
Ln No.	Account Description (a)	Total Company Account Totals (b)	Washington Utilities Adjusted Accounts (c)	Washington Utilities Adjusted Accounts Totals (d)
<b>INCOME STATEMENT ACCOUNTS</b>				
<b>MISCELLANEOUS REVENUES</b>				
70	Miscellaneous Revenues		82	82
71	Directory Revenue	239	214	160
72	Rent Revenue	1,085	95	-
73	Corporate Operations Revenue	91	-	-
74	Miscellaneous Revenue		1	1
75	Special Billing Arrangements Revenue	2	0	0
76	Customer Operations Revenue	1	-	-
77	Plant Operations Revenue		240	240
78	Other Incidentals Regulated Revenue	493	-	-
79	Other Revenue Settlements		792	568
80	Carrier Billing and Collection Revenue	1,729	-	-
81	Non Regulated Operating Revenue	0	-	-
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83				
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	<b>TOTAL MISCELLANEOUS REVENUES</b>	\$ 3,633	\$ 1,424	\$ 1,050
<b>UNCOLLECTIBLE REVENUES</b>				
5300	Uncollectible Revenue			
5301	Uncollectible Revenue - Telecommunications	513	293	241
5302	Uncollectible Revenue - Other			
	<b>TOTAL UNCOLLECTIBLE REVENUE</b>	\$ 513	\$ 293	\$ 241
	<b>TOTAL OPERATING REVENUES</b>	\$ 102,667	\$ 50,764	\$ 39,023

Ln No.	Account No.	Account Description (a)	Total Company Account Totals (b)	(Working) Requirements Adjusted Account Totals (c)	(Working) Requirements Adjusted Account Totals (c)
<b>INCOME STATEMENT ACCOUNTS</b>					
<b>PLANT SPECIFIC OPERATIONS EXPENSE</b>					
105		Network Support Expenses			5
106	6110	Motor Vehicle Expense	12	6	-
107	6112	Aircraft Expense		-	-
108	6113	Special Purpose Vehicles Expense		-	-
109	6114	Garage Work Equipment Expense	47	26	19
110	6115	Other Work Equipment Expense			
111	6116				
112	6120	General Support Expenses	2,202	972	731
113	6121	Land and Building Expense		-	-
114	6122	Furniture and Airworks Expense	1	0	0
115	6123	Office Equipment Expense	1,859	987	743
116	6124	General Purpose Computers Expense			
117	6210	Central Office Switching Expenses			
118	6211	Analog Electronic Expense	2,023	975	734
119	6212	Digital Electronic Expense		-	-
120	6215	Electro - Mechanical Expense	0	0	-
121	6220	Operators System Expense			
122	6230	Central Office Transmission Expenses	14	7	5
123	6231	Radio Systems Expense	1,738	902	679
124	6232	Circuit Equipment Expense			
125	6310	Information Origination/Termination Expenses	36	19	14
126	6311	Station Apparatus Expense	1	0	0
127	6341	Large Private Branch Exchange Expense	42	29	21
128	6351	Public Telephone Terminal Equipment Expense			
129	6362	Other Terminal Equipment Expense			

SCHEDULE I - Income Statement Accounts		Page 5 of 10			
Ln No.	Account No.	Account Description	Total Company Account Totals (b)	Washington Representative Adjusted Account Totals (c)	Washington Representative Adjusted Account Totals (c)
<b>INCOME STATEMENT ACCOUNTS</b>					
<b>PLANT SPECIFIC OPERATIONS EXPENSE (CONT'D)</b>					
140		Cable and Wire Facilities Expenses			
141	8410	Poles Expense	2,502	504	380
142	6411	Aerial Cable Expense	2,191	869	639
143	6421	Underground Cable Expense	108	24	18
144	6422	Buried Cable Expense	4,972	2,607	1,968
145	6423	Submarine Cable Expense			
146	6424	Deep Sea Cable Expense			
147	6425	Intrabuilding Network Cable Expense	3	2	2
148	6426	Aerial Wire Expense			
149	6431	Conduit Systems Expense	1	2	2
150	6441				
151		TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	\$ 17,750	\$ 7,932	\$ 5,980
152					
153		<b>PLANT NONSPECIFIC OPERATIONS EXPENSE</b>			
154		Other Property Plant & Equipment Expenses			
155	6510	Property Held For Future			
156	6511	Telecommunications Use Expense	(55)	(81)	(24)
157	6512	Provisioning Expense			
158		Network Operations Expenses			
159	6530	Power Expense	753	330	250
160	6531	Network Administration Expense	797	555	420
161	6532	Testing Expense	2,129	1,100	833
162	6533	Plant Operations Administration Expense	774	359	272
163	6534	Engineering Expense	844	379	287
164	6535	Access Expense			
165	6540		3,859	1,244	800
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Page 6 of 10

Ln No.	Account No.	Account Description (a)	Total Company Account Totals (b)	Washington Reported Adjusted (c)		Washington Available Adjusted (d)	
				State	Other	State	Other
<b>INCOME STATEMENT ACCOUNTS</b>							
<b>PLANT NONSPECIFIC OPERATIONS EXPENSE (CONT'D)</b>							
175		Depreciation and Amortization Expenses					
176		Depreciation Expense - Telecommunications					
177		Plant In Service					
178		Depreciation Expense - Property Held for Future Telecommunications Use					
179	6560	Amortization Expense - Tangible	33,217		17,411		13,192
180	6561	Amortization Expense - Intangible					
181	6562	Amortization Expense - Other					
182							
183							
184	6563		2				
185	6564						
186	6565						
187							
188							
189							
190							
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192							
193							
194							
195	6610						
196	6611		1,018		539		401
197	6612		2,902		1,540		1,146
198	6613		288		152		113
199							
200	6620						
201	6621		412		218		162
202	6622		209		110		82
203	6623		4,168		2,140		1,592
204							
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209							
		<b>TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSE</b>	<b>\$ 42,320</b>	<b>\$ 21,347</b>	<b>\$ 16,031</b>		
<b>CUSTOMER OPERATIONS EXPENSE</b>							
		Marketing					
		Product Management					
		Sales					
		Product Advertising					
		Services					
		Call Completion Services					
		Number Services					
		Customer Services					
		<b>TOTAL CUSTOMER OPERATIONS EXPENSE</b>	<b>\$ 8,986</b>	<b>\$ 4,699</b>	<b>\$ 3,496</b>		

SCHEDULE I - Income Statement Accounts		Page 7 of 10			
Lr. No.	Account No.	Account Description (a)	Total Company Account Totals (b)	Washington State Public Utility Account Totals (c)	Washington State Public Utility Account Totals (d)
<b>INCOME STATEMENT ACCOUNTS</b>					
<b>CORPORATE OPERATIONS EXPENSE</b>					
210	6710	Executive and Planning	130	69	52
211	6711	Executive	98	52	39
212	6712	Planning			
213	6720	General and Administrative			
214	6721	Accounting and Finance	1,083	574	431
215	6722	External Relations	717	381	286
216	6723	Human Resources	1,197	628	472
217	6724	Information Management	1,730	922	693
218	6725	Legal	296	157	118
219	6726	Procurement	344	184	138
220	6727	Research and Development	0	(0)	(0)
221	6728	Other General and Administrative	6,165	3,066	2,338
222	6790	Provision for Uncollectible Notes Receivable			
223					
224					
225					
226					
227					
228					
229					
230			\$ 11,761	\$ 6,096	\$ 4,568
231					
232					
233			\$ 80,827	\$ 40,017	\$ 30,076
234					
235					
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243					
244					



Ln No.		Account No.	Account Description (a)	Total Company Account Totals (b)	Washington Regulatory Adjusted Account Totals (c)	Washington Regulatory Adjusted Account Totals (d)	Page 8 of 10
<b>SCHEDULE I-1 Income Statement Accounts</b>							
245			<b>INCOME STATEMENT ACCOUNTS</b>				
246							
247							
248							
249							
250			<b>OTHER OPERATING INCOME AND EXPENSE</b>				
251		7100	Other Operating Income and Expense				
252		7110	Income from Custom Work				
253		7130	Return from Nonregulated Use of Regulated Facilities				
254		7140	Gains and Losses from Foreign Exchange				
255		7150	Gains and Losses from Disposition of Land and Airwork				
256		7160	Other Operating Gains and Losses				
257							
258			<b>TOTAL OTHER OPERATING INCOME AND EXPENSE</b>				
259							
260							
261							
262							
263			<b>OPERATING TAXES</b>				
264		7200	Operating Taxes	9,497	4,497	(784)	
265		7210	Operating Investment Tax Credits - Net	814			
266		7230	Operating Federal Income Taxes	5,346	3,718	2,732	
267		7240	Operating State and Local Income Taxes	(4,208)	(2,043)	356	
268		7250	Provision for Deferred Operating Income Taxes - Net				
269							
270			<b>TOTAL OPERATING TAXES</b>	10,448	6,171	2,304	
271							
272							
273							
274							
275							
276							
277							
278							
279							

**SCHEDULE 1-1 Income Statement Accounts** Page 9 of 10

Ln No.	Account No.	Account Description (e)	Total Company Account Totals (b)	Operating Income (c)	Nonoperating Income (d)
280		<b>INCOME STATEMENT ACCOUNTS</b>			
281		<b>NONOPERATING INCOME AND EXPENSE</b>			
282		Nonoperating Income and Expense:			
283		Dividend Income	1,049	982	730
284		Interest Income		13	10
285		Income from Sinking and Other Funds			
286	7300	Allowance for Funds Used During Construction			
287	7310	Gains or Losses from the Disposition of Certain Property	48		
288	7320	Other Nonoperating Income	171	91	68
289	7330	Special Charges	(31)	(18)	(14)
290		<b>TOTAL NONOPERATING INCOME AND EXPENSE</b>	<b>1,237</b>	<b>1,068</b>	<b>794</b>
291					
292		<b>NONOPERATING TAXES</b>			
293		Nonoperating Taxes:			
294	7400	Nonoperating Investment Tax Credits - Net			
295	7410	Nonoperating Federal Income Taxes	373	197	147
296	7420	Nonoperating State and Local Income Taxes	37		
297	7430	Nonoperating Other Taxes			
298	7440	Provision for Deferred Nonoperating Income Taxes - Net	63	31	23
299	7450	<b>TOTAL NONOPERATING TAXES</b>	<b>473</b>	<b>228</b>	<b>169</b>
300					
301					
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314					

Ln No.	Account No.	Account Description (b)	Total Company Account Totals (b)	Income Statement Accounts
315		<b>INCOME STATEMENT ACCOUNTS</b>		
316		<b>INTEREST AND RELATED ITEMS</b>		
317		Interest and Related Items	1,657	1,263
318	7500	Interest on Funded Debt	-	-
319	7510	Interest Expense - Capital Leases	6	5
320	7520	Amortization of Debt Issuance Expense	(120)	(91)
321	7530	Other Interest Deductions		
322	7540			
323		<b>TOTAL INTEREST AND RELATED ITEMS</b>	<b>\$ 2,983</b>	<b>\$ 1,177</b>
324				
325				
326				
327				
328				
329				
330		<b>EXTRAORDINARY ITEMS</b>		
331	7600	Extraordinary Items		
332	7610	Extraordinary Income Credits		
333	7620	Extraordinary Income Charges		
334	7630	Current Income Tax Effect of Extraordinary Items - Net		
335	7640	Provision for Deferred Income Tax Effect of Items - Net		
336		<b>TOTAL EXTRAORDINARY ITEMS</b>	<b>\$ -</b>	<b>\$ -</b>
337				
338				
339				
340		<b>Income Effects of Jurisdictional Rate-making Differences - Net</b>		
341	7910			
342		<b>NET INCOME - Regulated</b>	<b>\$ 9,172</b>	<b>\$ 3,874</b>
343				96
344		<b>Nonregulated Net Income</b>	<b>5,428</b>	
345				
346		<b>NET INCOME - Regulated and NonRegulated</b>	<b>\$ 14,601</b>	<b>\$ 5,254</b>
347				96
348				
349				