

Company Name: Central Montana Communications, Inc.

General Information

Year: 2012

1	Legal Name of Respondent: Central Montana Communications, Inc.	RECEIVED BY 2013 MAY -1 A 9:28 PUBLIC SERVICE COMMISSION
2	Name Under Which Respondent Does Business: Triangle Communications	
3	Date of Incorporation: 7/1/1993	
4	Address to send Correspondence Concerning Report: PO Box 751 Havre, MT 59501	
5	Person Responsible for This Report: Mark Majeres	
5a.	Telephone Number: (406) 394-2726	
Control Over Respondent		
1	If direct control over the respondent was held by another entity at the end of year provide the following:	
	1a. Name and address of the controlling organization or person: Triangle Telephone Cooperative Association, Inc. PO Box 1220, Havre, MT 59501-1220	
	1b. Means by which control was held: Stock Ownership	
	1c. Percent Ownership: 100%	

Board of Directors		
Line No.	Name of Director and Address (City, State) (a)	Fees Paid During Year (b)
1	Verlin Reichelt, Big Sandy, MT 59520	4652
2	Richard Stuker, Chinook, MT 59523	5725
3	Thomas Bangs, Inverness, MT 59530	4696
4	Richard Pokorny, Big Sandy, MT 59520	5158
5	Paul Van Cleve, Big Timber, MT 59011	4584
6	Douglas Lowry, Big Timber, MT 59011	4904
7	Donald Bitz, Box Elder, MT 59521	4720
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18	Chairman of the Board:	
19	Richard Stuker	
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Officers

Year: 2012

Line No.	Title of Officer (a)	Department Over Which Jurisdiction is Exercised (b)	Name and Address of Person Holding Office at Year End (c)
1	President		Richard Stuker, Chinook, MT 59523
2	Vice President		Richard Pokorny, Big Sandy, MT 59520
3	Secretary/Treasurer		Paul Van Cleve, Big Timber, MT 59011
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Total Company Balance Sheet

Year: 2012

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		CURRENT ASSETS:		
2	1120	Cash and Equivalents	8,351,064	867,693
3	1180	Telecommunications Accounts Receivable - Net	987,365	984,112
4	1190	Other Accounts Receivable - Net	977,263	1,210,468
5	1200	Notes Receivable - Net	18,852	28,624
6	1210	Interest and Dividends Receivable	7,778	4,035
7	1220	Materials and Supplies		
8	* 1280	Prepayments	137,652	75,736
9	^ 1290	Prepaid Rents		
10	^ 1300	Prepaid Taxes		
11	^ 1310	Prepaid Insurance		
12	^ 1320	Prepaid Directory Expenses		
13	^ 1330	Other Prepayments	137,652	75,736
14	1350	Other Current Assets		
15		Total Current Assets	10,479,974	3,170,668
16		NONCURRENT ASSETS:		
17	1401	Investments in Affiliated Companies	30,562	29,990
18	1402	Investments in Nonaffiliated Companies	4,713,978	2,269,696
19	1406	Nonregulated Investments	1,947	52,560
20	1407	Unamortized Debt Issuance Expense		
21	1408	Sinking Funds		
22	1410	Other Noncurrent Assets		
23	1438	Deferred Maintenance and Retirements		
24	1439	Deferred Charges		
25	1500	Other Jurisdictional Assets - Net		
26		Total Noncurrent Assets	4,746,487	2,352,246
27		PROPERTY, PLANT, & EQUIPMENT:		
28	2001	Telecommunications Plant in Service	99,670,255	81,588,443
29	2002	Property Held for Future Telecommunications Use		
30	2003	Plant Under Construction - Short Term	2,120,889	12,509,615
31	2004	Plant Under Construction - Long Term	1,209,815	2,391,191
32	2005	Telecommunications Plant Adjustment		2,656,541
33	2006	Nonoperating Plant		
34	2007	Goodwill		10,288,260
35	3100	Accumulated Depreciation	(35,677,125)	(33,399,438)
36	3200	Accumulated Depreciation - Held for Future Use		
37	3300	Accumulated Depreciation - Nonoperating		
38	3400	Accumulated Amortization		(12,944,801)
39		Net Property, Plant, & Equipment	67,323,834	63,089,811
40		TOTAL ASSETS	82,550,295	68,612,725

^ Subaccount of account marked with a *.

Total Company Balance Sheet

Year: 2012

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
41		CURRENT LIABILITIES:		
42	4010	Accounts Payable	1,726,434	2,015,152
43	4020	Notes Payable		
44	4030	Advance Billing and Payments	381,886	405,450
45	4040	Customer Deposits	42,895	43,255
46	4050	Current Maturities - Long Term Debt	3,916,000	3,193,000
47	4060	Current Maturities - Capital Leases		
48	4070	Income Taxes - Accrued	11,249,048	9,814,960
49	4080	Other Taxes - Accrued	713,700	605,949
50	4100	Net Current Deferred Operating Income Taxes		
51	4110	Net Current Deferred Nonoperating Income Taxes		
52	4120	Other Accrued Liabilities	201,293	226,324
53	4130	Other Current Liabilities		
54		Total Current Liabilities	18,231,256	16,304,090
55		LONG-TERM DEBT:		
56	4210	Funded Debt		
57	4220	Premium on Long-Term Debt		
58	4230	Discount on Long-Term Debt		
59	4240	Reacquired Debt		
60	4250	Obligations Under Capital leases		
61	4260	Advances From Affiliated Companies		
62	4270	Other Long-Term Debt	30,470,349	20,740,900
63		Total Long-Term Debt	30,470,349	20,740,900
64		OTHER LIABILITIES AND DEFERRED CREDITS:		
65	4310	Other Long-Term Liabilities		
66	4320	Unamort. Oper. Invest. Tax Credits - Net		
67	4330	Unamort. Nonoper. Invest. Tax Credits - Net		
68	4340	Net Noncurrent Deferred Oper. Income Taxes		
69	4350	Net Noncurrent Deferred Nonoper. Income Taxes		
70	4360	Other Deferred Credits		
71	4370	Other Jurisdictional Liab. and Def. Credits		
72		Total Other Liabilities and Deferred Credits		
73		STOCKHOLDERS' EQUITY:		
74	4510	Capital Stock		
75	4520	Additional Paid-In Capital	6,390,000	6,390,000
76	4530	Treasury Stock		
77	4540	Other Capital		
78	4550	Retained Earnings	27,458,690	25,177,735
79		Total Stockholders' Equity	33,848,690	31,567,735
80		TOTAL LIAB. AND STOCKHOLDERS' EQUITY	82,550,295	68,612,725

Total Company Income Statement

Year: 2012

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues	3,630,930	3,731,054
3	5080	Network Access Revenues	12,663,762	12,498,986
4	* 5100	Long Distance Message Revenue		(21)
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		(21)
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue	178,165	187,741
10	^ 5230	Directory Revenue	39,943	41,384
11	^ 5240	Rent Revenue	45,117	51,231
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue	814	1,008
14	^ 5270	Carrier Billing and Collection Revenue	92,291	94,118
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue	14,589	17,547
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	16,458,268	16,400,213
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense	470,458	479,466
21	6210	Central Office Switching Expense	298,956	282,341
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	479,688	397,065
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	634,620	601,443
26	^ 6431	Aerial Wire Expense	96,815	87,283
27	^ 6441	Conduit Systems Expense	537,805	514,160
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	855,552	759,608
30	6540	Access Expense	679,844	744,978
31	6560	Depreciation and Amortization Expense	4,965,971	4,371,949
32	6610	Marketing	39,067	42,492
33	6620	Services	1,015,154	972,876
34	6710	Executive and Planning	175,138	172,919
35	6720	General and Administrative	991,993	1,011,337
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)	10,606,441	9,836,474
38	7100	Other Operating Income and Expense	(495)	(556)
39	7200	Operating Taxes	2,539,397	2,910,240
40		Net Operating Income (L.17-L.37+L.38-L.39)	3,311,935	3,652,943
41	7300	Nonoperating Income and Expense	59,206	157,287
42	7400	Nonoperating Taxes	202,909	264,109
43	7500	Interest and Related Items	747,564	502,079
44	7600	Extraordinary Items		
45	7910	Effects of Juris. Ratemaking Diff. - Net		
46	7990	Nonregulated Net Income	139,713	(12,424)
47		NET INCOME (L.40+L.41-L.42-L.43-L.44+L.45-L.46)	2,280,955	3,056,466

^ Subaccount of the account marked with a *.

Montana Total State Income Statement

Year: 2012

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues	3,630,930	3,731,054
3	5080	Network Access Revenues	12,663,762	12,498,986
4	* 5100	Long Distance Message Revenue		(21)
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		
8	^ 5169	Other Long Distance Revenue Settlements		(21)
9	* 5200	Miscellaneous Revenue	178,165	187,741
10	^ 5230	Directory Revenue	39,943	41,384
11	^ 5240	Rent Revenue	45,117	51,231
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue	814	1,008
14	^ 5270	Carrier Billing and Collection Revenue	92,291	94,118
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue	14,589	17,547
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	16,458,268	16,400,213
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense	470,458	479,466
21	6210	Central Office Switching Expense	298,956	282,341
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	479,688	397,065
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	634,620	601,443
26	^ 6431	Aerial Wire Expense	96,815	87,283
27	^ 6441	Conduit Systems Expense	537,805	514,160
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	855,552	759,608
30	6540	Access Expense	679,844	744,978
31	6560	Depreciation and Amortization Expense	4,965,971	4,371,949
32	6610	Marketing	39,067	42,492
33	6620	Services	1,015,154	972,876
34	6710	Executive and Planning	175,138	172,919
35	6720	General and Administrative	991,993	1,011,337
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)	10,606,441	9,836,474
38	7100	Other Operating Income and Expense	(495)	(556)
39	7200	Operating Taxes	2,539,397	2,910,240
40		Net Operating Income (L.17-L.37+L.38-L.39)	3,311,935	3,652,943

^ Subaccount of the account marked with a *.

Montana Intrastate Income Statement

Year: 2012

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues	3,630,930	3,731,054
3	5080	Network Access Revenues	1,533,662	1,834,296
4	* 5100	Long Distance Message Revenue		
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue	178,165	187,741
10	^ 5230	Directory Revenue	39,943	41,384
11	^ 5240	Rent Revenue	45,117	51,231
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue	814	1,008
14	^ 5270	Carrier Billing and Collection Revenue	92,291	94,118
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue	14,589	17,547
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	5,328,168	5,735,544
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense	152,305	167,681
21	6210	Central Office Switching Expense	96,783	98,741
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	155,293	138,863
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	205,451	210,339
26	^ 6431	Aerial Wire Expense	31,343	30,525
27	^ 6441	Conduit Systems Expense	174,108	179,814
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	276,975	265,653
30	6540	Access Expense	220,091	260,536
31	6560	Depreciation and Amortization Expense	1,607,674	1,528,974
32	6610	Marketing	12,647	14,860
33	6620	Services	328,644	340,238
34	6710	Executive and Planning	56,699	60,474
35	6720	General and Administrative	321,146	353,689
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)	3,433,708	3,440,048
38	7100	Other Operating Income and Expense	(160)	(194)
39	7200	Operating Taxes	822,099	1,017,780
40		Net Operating Income (L.17-L.37+L.38-L.39)	1,072,201	1,277,522

^ Subaccount of the account marked with a *.

Montana Intrastate Regulated Income Statement

Year: 2012

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues	3,630,930	3,731,054
3	5080	Network Access Revenues	836,882	995,035
4	* 5100	Long Distance Message Revenue		
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue		
10	^ 5230	Directory Revenue		
11	^ 5240	Rent Revenue		
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue		
14	^ 5270	Carrier Billing and Collection Revenue		
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue		
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	4,467,812	4,726,089
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense	127,712	138,169
21	6210	Central Office Switching Expense	81,156	81,363
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	130,218	114,423
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	172,276	173,320
26	^ 6431	Aerial Wire Expense	26,282	25,153
27	^ 6441	Conduit Systems Expense	145,994	148,167
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	232,251	218,898
30	6540	Access Expense	184,553	214,682
31	6560	Depreciation and Amortization Expense	1,348,078	1,259,874
32	6610	Marketing	10,605	12,245
33	6620	Services	275,577	280,356
34	6710	Executive and Planning	47,543	49,830
35	6720	General and Administrative	269,289	291,439
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)	2,879,258	2,834,599
38	7100	Other Operating Income and Expense	(134)	(160)
39	7200	Operating Taxes	689,352	838,651
40		Net Operating Income (L.17-L.37+L.38-L.39)	899,068	1,052,679

^ Subaccount of the account marked with a *.

Average Rate Base - Total State

Year: 2012

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	99670253	81588443
2	3100	Accumulated Depreciation	35677125	33399438
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	63993128	48189005

Average Rate Base - Intrastate

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	99670253	81588443
2	3100	Accumulated Depreciation	35677125	33399438
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	63993128	48189005

Average Rate Base - Regulated Intrastate

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	99670253	81588443
2	3100	Accumulated Depreciation	35677125	33399438
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7+L.8)	63993128	48189005

Statement of Cash Flows

Year: 2012

Line No.	Item Description (a)	Amount (b)	Amount (c)
1	Increase/(decrease) in Cash & Cash Equivalents		
2	Cash Flows from Operating Activities:		
3	Net Income		2280955
4	Reconciliation Adjustments:		
5	Depreciation & Amortization	4965971	
6	Provision for Accounts Receivable Losses		
7	Deferred Income Taxes - Net		
8	Unamortized Investment Tax Credits (ITCs) - Net		
9	Allowance for Funds Used During Construction (AFUDC)		
10	Change in Operating Receivables - Net	238407	
11	Change in Materials, Supplies & Inventories - Net		
12	Change in Operating Payables & Accrued Liabilities - Net	-315069	
13	Change in Other Assets & Deferred Credits - Net	-61916	
14	Change in Other Liabilities & Deferred Credits - Net		
15	Other (explained on back of this page)	1516808	
16	Total Adjustments		6344201
17	Net Cash Provided by/(Used in) Operating Activities		8625156
18	Cash Inflows/Outflows From Investing Activities:		
19	Construction/Acquisition of Property, Plant & Equipment (net of	-9199993	
20	AFUDC & Capital Lease Related Acquisitions)		
21	Proceeds from Disposals of Property, Plant & Equipment		
22	Investments In & Advances to Affiliates		
23	Proceeds from Repayment of Advances		
24	Other Investing Activities (explained on back of this page)	-2394241	
25	Net Cash Provided by/(Used in) Investing Activities		-11594234
26	Cash Flows from Financing Activities:		
27	Net Incr./(Decr.) in Short-Term Debt, Original maturity <= 3 mo.		
28	Advances from Affiliates		
29	Repayment of Advances from Affiliates		
30	Proceeds from Issuances of Long-Term Debt	19472280	
31	Repayment of Long-Term Debt	-3187512	
32	Payment of Capital Lease Obligations		
33	Proceeds from Issuing Common Stock/Parent Co. Equity Investment		
34	Repurchase of Treasury Shares		
35	Dividends Paid		
36	Other Financing Activities (explained on back of this page)	-5832319	
37	Net Cash Provided by Financing Activities		10452449
38	Effect of Exchange Rate Changes on Cash		
39	Net Increase/(Decrease) in Cash & Cash Equivalents		7483371
40	Cash & Cash Equivalents at Beginning of Period		867693
41	Cash & Cash Equivalents at End of Period		8351064

Company Name: Central Montana Communications, Inc.

SCHEDULE 9a

Statement of Cash Flows

Year: 2012

Line 15.	Other Operating Activities	
	Accrued Income Taxes	1,434,088
	Other Taxes Accrued	107,752
	Other Accrued Liabilities	<u>-25,032</u>
		<u>1,516,808</u>
Line 24.	Other Investing Activities	
	Triangle Telephone Cooperative Capital Credits	-572
	National Information Solutions Cooperative	-2,644
	Mountain View Coop	181
	Bonds	-2,550,054
	Rural Telephone Finance Cooperative Capital Credits	108,235
	Nonregulated Investment in Other Terminal Equipment	<u>50,613</u>
		<u>-2,394,241</u>
Line 36.	Other Financing Activities	
	REA Notes	<u>-5,832,319</u>

Year: 2012

Receivables and Investments-Affiliated & Nonaffiliated Companies

Line No.	Name of Affiliate or Company (a)	Account 1160 Temporary Investments (b)	Account 1180 Telecom. Accounts Receivable (c)	Account 1181 Accts. Rec. Telecom. Allowance (d)	Account 1190 Other Accounts Receivable (e)	Account 1191 Accounts Receivable Allow. - Other (f)	Account 1200 Notes Receivable (g)	Account 1201 Notes Receivable Allowance (h)	Account 1210 Interest and Dividends Receivable (i)	Account 1401 Investments in Affil. Companies (j)	Account 1402 Investments in Nonaffil. Companies (k)
1	NRUCFC	7500000	1002637	-15272							
2	Subscriber Receivables				8010						
3	Reg and Nonreg sales				45583						
4	AT&T				682460						
5	NECA				386						
6	NCRPC				93471						
7	MILEC				118334						
8	Other Inter-Exc Carriers				-24845						
9	Triangle Comm System				56556						
10	USAC E-Rate				-303						
11	Accts Rec Other - Unpaid					-3745				30562	
12	Accts Rec Other - Uncoll					-5648					989546
13	Accts Rec Other - Intra					98307					19874
14	Accts Rec Other - Inter					-98307					158233
15	Accts Rec Other - Pool										526
16	Invest In Triangle Tele										-30
17	RTFC										826
18	Electric Cooperatives										3543691
19	NISC										1000
20	Farmers Union - GF										312
21	Farmers Union - Moore										
22	Mountain View Coop										
23	Bonds										
24	NECA										
25	Mid Rivers Coop										
26											
27											
28											
29											
30	Totals	7500000	1002637	-15272	979652	-9393				30562	4713978

Net Plant in Service - Detail

Year: 2012

Line No.	Account (a)	Description (b)	Beginning of Year Balance (c)	Additions (d)	Retirements (e)	Sales & Transfers (f)	End of Year Account 2001 Balance (g)	Year End Accumulated Depreciation (h)	End of Year Net Plant Balance (i)
1	* 2110	Land and Support Assets	4902648	755044	181971		5475721		5475721
2	^ 2111	Land	73542				73542		73542
3	^ 2112	Motor Vehicles	2103965	226768	90567		2240166	1340476	899690
4	^ 2113	Aircraft							
5	^ 2114	Special Purpose Vehicles	472168	4029	91404		384793	160510	224283
6	^ 2115	Garage Work Equipment							
7	^ 2116	Other Work Equipment	108327				108327	45143	63184
8	^ 2121	Buildings	2144646	524247			2668893	1270921	1397972
9	^ 2122	Furniture							
10	^ 2123	Office Equipment							
11	^ 2124	General Purpose Computers							
12	2211	Analog Electronic Switching							
13	2212	Digital Electronic Switching							
14	2215	Electro-Mechanical Switching	5304901	921524	553745		5672680	2027560	3645120
15	2220	Operator Systems							
16	2231	Radio Systems							
17	2232	Circuit Equipment	16975174	2890855	950710		18915319	10310496	8604823
18	* 2310	Information Orig & Term Equip	24856				24856		
19	^ 2311	Station Apparatus							
20	^ 2321	Customer Premises Wiring							
21	^ 2341	Large Private Branch Exchanges							
22	^ 2351	Public Telephone Term. Equip.							
23	^ 2362	Other Terminal Equipment	24856				24856		
24	2411	Poles	332661	43727	147		376241	24856	45117
25	* 2420	Cable and Wire Facilities	53952865	16223674	1066264		69110275	331124	69110275
26	^ 2421	Aerial Cable	4131935	818953	69688	-6451	4874749	833267	4041482
27	^ 2422	Underground Cable	2766273	500439	490		3266222	732611	2533611
28	^ 2423	Buried Cable	47054657	14904282	996086	6451	60969304	18512569	42456735
29	^ 2424	Submarine Cable							
30	^ 2425	Deep Sea Cable							
31	^ 2426	Intrabuilding Network Cable							
32	2431	Aerial Wire	90809		177		90632	85970	4662
33	2441	Conduit Systems	4529				4529	2353	2176
34		Totals	81588443	20834824	2753014		99670253	35677856	63992397

^ Subaccount of the account marked with a *.

Analysis of Plant Held for Future Use

Year: 2012

Line No.	Location and Description of Property (a)	Date Included in Account 2002 (b)	Book Cost of Property at Beginning of Year (c)	Additions During the Year (d)	Retirements During the Year (e)	Transfers and Adjustments Charges and (Credits) (f)	Book Cost of Property at End of Year (g)
1	Not Applicable						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30	Totals (Sum L.1 to L.29)						

Average Cost of Long Term Debt

Year: 2012

Line No.	Description (a)	Issue Date (b)	Maturity Date (c)	Principal Amount (d)	Gross Proceeds (e)	Net Proceeds (f)	Net Per \$100 (g)	Outstanding Per Balance Sheet (h)	Yield to Maturity (i)	Annual Net Cost (j)	Amortization of Premium or Discount (k)	Total Cost (%) (l)
1	Not Applicable											
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30	Total											

Year: 2012

Cost of Preferred Stock

Line No.	Description (a)	Date of Issuance (b)	Method of Offering (c)	Call Redemption Price (d)	Par Value Of Issue (e)	Gross Proceeds Amounts (f)	Net Proceeds Amounts (g)	Net Proceeds Per \$100 (h)	Cost of Money (i)	Principal Outstanding (j)	Annual Cost (k)	Embedded Cost (l)
1	Not Applicable											
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20												
21												
22												
23												
24												
25												
26												
27												
28												
29												
30	Totals (Sum L.1 to L.29)											

Analysis of Common Stock

Year: 2012

Line No.	(a)	Avg. Number of Shares Outstanding (b)	Book Value (per share) (c)	Earnings (per share) (d)	Dividends (per share) (e)	Retention Ratio (f)	Market Price High (g) Low (h)	Price/Earnings Ratio (i)
1	Year Ended December 31:	Not Applicable						
2								
3								
4								
5								
6								
7								
8	Month by Month Data:							
9	January							
10	February							
11	March							
12	April							
13	May							
14	June							
15	July							
16	August							
17	September							
18	October							
19	November							
20	December							
21								
22								
23								

Capital Stock and Funded Debt Reacquired or Retired During the Year

Year: 2012

Line No.	Description of Security (a)	Call or Retirement Date (b)	Number of Shares (c)	Principal Amount (d)	Reacquisition or Retirement Cost (e)	Gain or (Loss) (f)	Retirement or Reacquisition (g)
1	Not Applicable						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30	Totals (Sum L.1 to L.29)						

Total Company Expense Matrix

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
1	*	Network Support Expense	31965	22163	50184	319253	-423565	
2	^	Motor Vehicle Expense	29358	20425	50184	300757	-400724	
3	^	Aircraft Expense						
4	^	Special Purpose Vehicles Expense	2607	1738		18496	-22841	
5	^	Garage Work Equipment Expense						
6	^	Other Work Equipment Expense						
7	*	General Support Expense	48754	39070	218690	154070	9874	470458
8	^	Land and Building Expense	48754	39070	163068	115805	9874	376571
9	^	Furniture and Artworks Expense						
10	^	Office Equipment Expense			55622	8632		64254
11	^	General Purpose Computers Expense				29633		29633
12	*	Central Office Switching Expense						
13	^	Analog Electronic Expense	99578	65235		105783	28360	298956
14	^	Digital Electronic Expense	76284	49482		36381	21804	183951
15	^	Electro-Mechanical Expense	23294	15753		69402	6556	115005
16	^	Operator Systems Expense						
17	*	Central Office Transmission Expense	102157	67473	11100	270259	28699	479688
18	^	Radio Systems Expense	42	22				64
19	^	Circuit Equipment Expense	102115	67451	11100	270259	28699	479624
20	*	Information Origination/Termination Expense						
21	^	Station Apparatus Expense						
22	^	Large Private Branch Exchange Expense						
23	^	Public Telephone Terminal Equipment Exp.						
24	^	Other Terminal Equipment Expense						
25	*	Cable and Wire Facilities Expense	260946	179327	18955	95737	79655	634620
26	^	Poles Expense	34	6	18955	7569	12	26576
27	^	Aerial Cable Expense	46969	33311		2776	13759	96815
28	^	Underground Cable Expense	656	480		247	950	2333
29	^	Buried Cable Expense	213287	145530		85145	64934	508896
30	^	Submarine Cable Expense						
31	^	Deep Sea Cable Expense						
32	^	Intrabuilding Network Cable Expense						
33	^	Aerial Wire Expense						
34		Subtotals	543,400	373,268	298,929	945,102	(276,977)	1,883,722

^ Subaccount of the account marked with a *.

Total Company Expense Matrix

Year: 2012

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
35	^	Conduit Systems Expense						
36	6441	Other Property Expenses			17916	219595	-121996	855552
37	*	Network Operations Expense	434591	305446		133812		133812
38	^	Power Expense				21564	22847	434449
39	^	Network Administration Expense	218041	156745	15252	897	4535	24561
40	^	Testing Expense	11293	7836				44427
41	^	Plant Operations Expense	103634	69968	2664	17539	-149378	218303
42	^	Engineering Expense	101623	70897		45783		679844
43		Access Expense				4965971		4965971
44		Depreciation - Telecomm. Plant in Service						
45		Depreciation-Prop. for Future Telecom. Use						
46		Amortization Expense - Tangible						
47		Amortization Expense - Intangible						
48		Amortization - Other						
49	*	Marketing	10546	6359		22162		39067
50	^	Product Management						
51	^	Sales	2693	1393		20401		24487
52	^	Product Advertising	7853	4966		1761		14580
53		Call Completion Services	10431	7304		340		18075
54		Number Services	4897	2677		29715		37289
55		Customer Services	284196	212287	22236	441070		959789
56		Executive	72884	43511		47983		164378
57		Planning	3546	2147		5067		10760
58		Accounting and Finance	111293	69838	14832	101370		297333
59		External Relations	62673	45305		93189		201167
60		Human Relations	35787	23894		33815		93496
61		Information Management	53508	39673		14692		107873
62		Legal				7044		7044
63		Procurement						
64		Research and Development						
65		Other General and Administrative						
66		Provision for Uncollectible Notes Receivable	56084	59128	2555	167262		285029
67		Totals	1,683,836	1,190,837	356,468	7,774,221	(398,973)	10606389

^ Subaccount of the account marked with a *.

Total State Expense Matrix

Line No.	Acct. No. (a)	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
1	*	Network Support Expense	Not Applicable					#VALUE!
2	^	Motor Vehicle Expense						
3	^	Aircraft Expense						
4	^	Special Purpose Vehicles Expense						
5	^	Garage Work Equipment Expense						
6	^	Other Work Equipment Expense						
7	*	General Support Expense						
8	^	Land and Building Expense						
9	^	Furniture and Artworks Expense						
10	^	Office Equipment Expense						
11	^	General Purpose Computers Expense						
12	*	Central Office Switching Expense						
13	^	Analog Electronic Expense						
14	^	Digital Electronic Expense						
15	^	Electro-Mechanical Expense						
16		Operator Systems Expense						
17	*	Central Office Transmission Expense						
18	^	Radio Systems Expense						
19	^	Circuit Equipment Expense						
20	*	Information Origination/Termination Expense						
21	^	Station Apparatus Expense						
22	^	Large Private Branch Exchange Expense						
23	^	Public Telephone Terminal Equipment Exp.						
24	^	Other Terminal Equipment Expense						
25	*	Cable and Wire Facilities Expense						
26	^	Poles Expense						
27	^	Aerial Cable Expense						
28	^	Underground Cable Expense						
29	^	Buried Cable Expense						
30	^	Submarine Cable Expense						
31	^	Deep Sea Cable Expense						
32	^	Intrabuilding Network Cable Expense						
33	^	Aerial Wire Expense						
34		Subtotals	#VALUE!					#VALUE!

^ Subaccount of the account marked with a *

Total State Expense Matrix

Line No.	Acct. No.	Description (b)	Salaries and Wages (c)	Benefits (d)	Rents (e)	Other Expenses (f)	Clearances (g)	Total (h)
35	^	Conduit Systems Expense	Not Applicable					
36	6441	Other Property Expenses						
37	*	Network Operations Expense						
38	^	Power Expense						
39	^	Network Administration Expense						
40	^	Testing Expense						
41	^	Plant Operations Expense						
42	^	Engineering Expense						
43		Access Expense						
44		Depreciation - Telecomm. Plant in Service						
45		Depreciation-Prop. for Future Telecom. Use						
46		Amortization Expense - Tangible						
47		Amortization Expense - Intangible						
48		Amortization - Other						
49	*	Marketing						
50	^	Product Management						
51	^	Sales						
52	^	Product Advertising						
53		Call Completion Services						
54		Number Services						
55		Customer Services						
56		Executive						
57		Planning						
58		Accounting and Finance						
59		External Relations						
60		Human Relations						
61		Information Management						
62		Legal						
63		Procurement						
64		Research and Development						
65		Other General and Administrative						
66		Provision for Uncollectible Notes Receivable						
67		Totals	#VALUE!					#VALUE!

^ Subaccount of the account marked with a *

Pension Costs

Year: 2012

1	Plan Name NTCA Savings Plan			
2	Defined Benefit Plan? _____	Defined Contribution Plan? _____		
3	Actuarial Cost Method? _____	IRS Code: _____		
4	Annual Contribution by Employer: <u>\$383,920</u>	Is the Plan Over Funded? _____		
5				
	Item	Current Year	Last Year	% Change
6	Change in Benefit Obligation			
7	Benefit obligation at beginning of year			
8	Service cost			
9	Interest Cost			
10	Plan participants' contributions			
11	Amendments			
12	Actuarial Gain			
13	Acquisition			
14	Benefits paid			
15	Benefit obligation at end of year			
16	Change in Plan Assets			
17	Fair value of plan assets at beginning of year			
18	Actual return on plan assets			
19	Acquisition			
20	Employer contribution			
21	Plan participants' contributions			
22	Benefits paid			
23	Fair value of plan assets at end of year			
24	Funded Status			
25	Unrecognized net actuarial loss			
26	Unrecognized prior service cost			
27	Prepaid (accrued) benefit cost			
28				
29	Weighted-average Assumptions as of Year End			
30	Discount rate			
31	Expected return on plan assets			
32	Rate of compensation increase			
33				
34	Components of Net Periodic Benefit Costs			
35	Service cost			
36	Interest cost			
37	Expected return on plan assets			
38	Amortization of prior service cost			
39	Recognized net actuarial loss			
40	Net periodic benefit cost			
41				
42	Montana Intrastate Costs:			
43	Pension Costs			
44	Pension Costs Capitalized			
45	Accumulated Pension Asset (Liability) at Year End			
46	Number of Company Employees:			
47	Covered by the Plan			
48	Not Covered by the Plan			
49	Active			
50	Retired			
51	Deferred Vested Terminated			

Pension Costs

Year: 2012

1	Plan Name NTCA Savings Plan			
2	Defined Benefit Plan? _____	Defined Contribution Plan? _____		
3	Actuarial Cost Method? _____	IRS Code: _____		
4	Annual Contribution by Employer: <u>\$59,813</u>	Is the Plan Over Funded? _____		
5				
	Item	Current Year	Last Year	% Change
6	Change in Benefit Obligation			
7	Benefit obligation at beginning of year			
8	Service cost			
9	Interest Cost			
10	Plan participants' contributions			
11	Amendments			
12	Actuarial Gain			
13	Acquisition			
14	Benefits paid			
15	Benefit obligation at end of year			
16	Change in Plan Assets			
17	Fair value of plan assets at beginning of year			
18	Actual return on plan assets			
19	Acquisition			
20	Employer contribution			
21	Plan participants' contributions			
22	Benefits paid			
23	Fair value of plan assets at end of year			
24	Funded Status			
25	Unrecognized net actuarial loss			
26	Unrecognized prior service cost			
27	Prepaid (accrued) benefit cost			
28				
29	Weighted-average Assumptions as of Year End			
30	Discount rate			
31	Expected return on plan assets			
32	Rate of compensation increase			
33				
34	Components of Net Periodic Benefit Costs			
35	Service cost			
36	Interest cost			
37	Expected return on plan assets			
38	Amortization of prior service cost			
39	Recognized net actuarial loss			
40	Net periodic benefit cost			
41				
42	Montana Intrastate Costs:			
43	Pension Costs			
44	Pension Costs Capitalized			
45	Accumulated Pension Asset (Liability) at Year End			
46	Number of Company Employees:			
47	Covered by the Plan			
48	Not Covered by the Plan			
49	Active			
50	Retired			
51	Deferred Vested Terminated			

Other Post Employment Benefits (OPEBS)

	Item	Current Year	Last Year	% Change
1	Regulatory Treatment:			
2	Commission authorized - most recent			
3	Docket number: _____			
4	Order number: _____			
5	Amount recovered through rates	Not Applicable		#VALUE!
6	Weighted-average Assumptions as of Year End			
7	Discount rate			
8	Expected return on plan assets			
9	Medical Cost Inflation Rate			
10	Actuarial Cost Method			
11	Rate of compensation increase			
12	List each method used to fund OPEBs (ie: VEBA, 401(h)) and if tax advantaged:			
13				
14				
15	Describe any Changes to the Benefit Plan:			
16				
17	TOTAL COMPANY			
18	Change in Benefit Obligation			
19	Benefit obligation at beginning of year			
20	Service cost			
21	Interest Cost			
22	Plan participants' contributions			
23	Amendments			
24	Actuarial Gain			
25	Acquisition			
26	Benefits paid			
27	Benefit obligation at end of year			
28	Change in Plan Assets			
29	Fair value of plan assets at beginning of year			
30	Actual return on plan assets			
31	Acquisition			
32	Employer contribution			
33	Plan participants' contributions			
34	Benefits paid			
35	Fair value of plan assets at end of year			
36	Funded Status			
37	Unrecognized net actuarial loss			
38	Unrecognized prior service cost			
39	Prepaid (accrued) benefit cost			
40	Components of Net Periodic Benefit Costs			
41	Service cost			
42	Interest cost			
43	Expected return on plan assets			
44	Amortization of prior service cost			
45	Recognized net actuarial loss			
46	Net periodic benefit cost			
47	Accumulated Post Retirement Benefit Obligation			
48	Amount Funded through VEBA			
49	Amount Funded through 401(h)			
50	Amount Funded through Other _____			
51	TOTAL			
52	Amount that was tax deductible - VEBA			
53	Amount that was tax deductible - 401(h)			
54	Amount that was tax deductible - Other _____			
55	TOTAL			

Other Post Employment Benefits (OPEBS) Continued

Year: 2012

	Item	Current Year	Last Year	% Change
1	Number of Company Employees:	Not Applicable		
2	Covered by the Plan			
3	Not Covered by the Plan			
4	Active			
5	Retired			
6	Spouses/Dependants covered by the Plan			
7	Montana			
8	Change in Benefit Obligation			
9	Benefit obligation at beginning of year			
10	Service cost			
11	Interest Cost			
12	Plan participants' contributions			
13	Amendments			
14	Actuarial Gain			
15	Acquisition			
16	Benefits paid			
17	Benefit obligation at end of year			
18	Change in Plan Assets			
19	Fair value of plan assets at beginning of year			
20	Actual return on plan assets			
21	Acquisition			
22	Employer contribution			
23	Plan participants' contributions			
24	Benefits paid			
25	Fair value of plan assets at end of year			
26	Funded Status			
27	Unrecognized net actuarial loss			
28	Unrecognized prior service cost			
29	Prepaid (accrued) benefit cost			
30	Components of Net Periodic Benefit Costs			
31	Service cost			
32	Interest cost			
33	Expected return on plan assets			
34	Amortization of prior service cost			
35	Recognized net actuarial loss			
36	Net periodic benefit cost			
37	Accumulated Post Retirement Benefit Obligation			
38	Amount Funded through VEBA			
39	Amount Funded through 401(h)			
40	Amount Funded through other _____			
41	TOTAL			
42	Amount that was tax deductible - VEBA			
43	Amount that was tax deductible - 401(h)			
44	Amount that was tax deductible - Other			
45	TOTAL			
46	Montana Intrastate Costs:			
47	Pension Costs			
48	Pension Costs Capitalized			
49	Accumulated Pension Asset (Liability) at Year End			
50	Number of Montana Employees:			
51	Covered by the Plan			
52	Not Covered by the Plan			
53	Active			
54	Retired			
55	Spouses/Dependants covered by the Plan			

Payments for Services to Persons Other Than Employees

Year: 2012

Line No.	Name of Recipient (a)	Nature of Service (b)	Total Company Cost (c)	Total State Cost (d)	Intrastate Cost (e)
1	Buckentin Construction	Construction Services	26250	26250	26250
2	Spa Motel	Employee Boarding	31268	31268	31268
3	Ayers LTD, Inc.	Construction Services	40220	40220	40220
4	Jamieson Motors Inc	Fleet Management	42461	42461	42461
5	Fergus Electric Cooperative	Power & Pole Attachments	43131	43131	43131
6	Global Fiber Vision	Electronic Equipment	43781	43781	43781
7	Beartooth Chevrolet	Fleet Management	43974	43974	43974
8	North Star Dodge	Fleet Management	49720	49720	49720
9	Tilleman Motor Company	Fleet Management	53978	53978	53978
10	GVNW, Inc.	Cost Consulting	66363	66363	66363
11	AT&T	Carrier Access Billing	71656	71656	71656
12	Blaine County Treasurer	Property Taxes	121953	121953	121953
13	NorthWestern Energy	Power & Pole Attachments	122415	122415	122415
14	Meagher County Treasurer	Property Taxes	132045	132045	132045
15	Fergus County Treasurer	Property Taxes	141219	141219	141219
16	Judith Basin County Treasurer	Property Taxes	153068	153068	153068
17	Universal Service Admin Co	Universal Service Funds	155631	155631	155631
18	Wheatland County Treasurer	Property Taxes	155900	155900	155900
19	Central Montana Comm Inc.	Telephone Service	224823	224823	224823
20	Montana Department of Revenue	Taxes and Fees	240541	240541	240541
21	Phillips County Treasurer	Property Taxes	267478	267478	267478
22	National Information Systems Coop.	Data Processing Services	312937	312937	312937
23	Chouteau County Treasurer	Property Taxes	343255	343255	343255
24	Track Utilities Inc	Construction Services	372848	372848	372848
25	Triangle Communication System	Internet & Long Distance Services	717553	717553	717553
26	Heberly and Associates	Engineering Services	1018569	1018569	1018569
27	Calix Inc	Electronic Equipment	1611089	1611089	1611089
28	Triangle Telephone Cooperative	Office, Equip. & Switching Rental	2600733	2600733	2600733
29	JKL Associates Inc.	Construction Services	3560875	3560875	3560875
30	Hill County Electric Cooperative	Office and Equipment Rental	5743603	5743603	5743603
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49	Total				18509337

Subscriber Line Usage Data

Year: 2012

Line No.	Description (a)	This Year (b)	% of Total (c)	Last Year (d)	% of Total (e)
1	Toll Usage:				
2	Interstate, InterLATA	19491042	55.14%	16800662	45.90%
3	Interstate, IntraLATA	1875	0.01%	2136	0.01%
4	Total Interstate Usage	19492917	55.15%	16802798	45.91%
5	Intrastate, InterLATA	6524293	18.46%	6581641	17.98%
6	Intrastate, IntraLATA	9330649	26.40%	13214898	36.11%
7	Total Intrastate Usage	15854942	44.85%	19796539	54.09%
8	Total Toll Usage	35347859	100.00%	36599337	100.00%
9	Centrex				
10	Local				
11	Total Minutes	35347859	100.00%	36599337	100.00%

Central Office and Access Line Statistics

Year: 2012

Line No.	Wire Center (a)	Type of Office (b)	Residential (c)	ISDN (d)	ADSL (e)	Lifeline Customers (f)	Residential LMS Customers (g)	Single Line Business (h)	Multi-Line Business (i)	Customer Owned Coin (j)	Company Owned Coin (k)	Other (l)	% of Lines w/ T. Tone (m)	Total Access Lines (n)
1	353 - Harlem	Host	582		416	157	6		351	1				934
2	374 - Moore	Remote	232		218	1	5		53					285
3	383 - Dodson	Remote	91		52	8	1		13					104
4	423 - Hobson	Remote	293		181	3	20		75					368
5	473 - Judith Gap	Remote	99		59		5		15					114
6	547 - White Sulphur Spr	Host	666		439	18			276					942
7	566 - Starford	Occam	287		217	6	38		93					380
8	567 - Denton	Occam	205		152	3	10		61					266
9	572 - Martinsdale	Remote	148		75				24					172
10	622 - Fort Benton	Host	516		361	11	35		335					851
11	632 - Harlowton	Remote	572		396	8			243	2				817
12	654 - Malta	Host	956		738	26	91		444					1400
13	737 - Geraldine	Remote	235		150	2	10		47					282
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32														
33	Total		4882		3454	243	221		2030	3				6915

NOTE: Additional blank schedules are being provided for your convenience.

Central Office and Switch Information

Year: 2012

Line No.	Wire Center (a)	Office Configuration (Host, Remote, Stand alone) (b)	Type of Switch (c)	Switch Vendor/ Manufacturer (d)	Switch Model No. (e)	Switch Line Capacity (f)	Year Deployed (g)
1	353 - Harlem	Host	Digital	Genband	C15	7,500	2010
2	374 - Moore	Remote	Digital	Occam	BLC	240	2012
3	383 - Dodson	Remote	Digital	Norther Telco	RSLE	192	1994
4	423 - Hobson	Remote	Digital	Norther Telco	RSLE	1,024	1995
5	473 - Judith Gap	Remote	Digital	Norther Telco	RSLE	192	1995
6	547 - White Sulphur Spr	Host	Digital	Genband	C15	7,500	2010
7	566 - Stanford	Occam	Digital	Occam	BLC	934	2007
8	567 - Denton	Occam	Digital	Occam	BLC	672	2007
9	572 - Martinsdale	Remote	Digital	Norther Telco	RSLE	192	1996
10	622 - Fort Benton	Host	Digital	Genband	C15	7,500	2009
11	632 - Harlowton	Remote	Digital	Norther Telco	RSC	1,600	1999
12	654 - Malta	Host	Digital	Genband	C15	7,500	2010
13	737 - Geraldine	Remote	Digital	Norther Telco	RSLE	1,024	1995
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NOTE: Additional blank schedules are being provided for your convenience.

Construction Budget - Montana

Year: 2013

Line No.	Description (a)	2013 (b)
1	Central Office Assets:	
2		
3	Harlem & Dodson Exchange Upgrade	575000
4	Harlem & Dodson Exchange Upgrade	8150500
5		
6		
7		
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26		
27	Total Switching and Central Office Projects over \$500,000	8725500
28	Miscellaneous Central Office Projects not over \$500,000	1150000
29	Total Central Office Budget (Total of Line 27 & Line 28)	9875500
30	Other Projects over \$500,000:	
31		
32	Harlem & Dodson Exchange Upgrade	900000
33	White Sulphur Springs Exchange Upgrade	550000
34	White Sulphur Springs Exchange Upgrade	900000
35		
36		
37		
38		
39		
40		
41	Total Other Projects over \$500,000	2350000
42	Miscellaneous projects not over \$500,000	1147275
43	Total Construction Budget (Total of Lines 29, 41 & 42)	13372775

Montana Total State Construction Expenditures

Line No.	FCC Part 32 Account No. (a)	Description (b)	This Year (c)	Last Year (d)	Percent Change (e)
1	2110	General Support Assets	5475722	4902649	11.69%
2	2210	Central Office Assets	5672680	5304901	6.93%
3	2220	Operator Systems			
4	2230	Central Office Transmission	18915319	16975174	11.43%
5	2310	Information/Termination Assets	24856	24856	0.00%
6	2410	Cable and Wire Facilities Assets	69581676	54380862	27.95%
7	2680	Amortizable Tangible Assets			
8	2690	Intangibles			
9		Total Construction Expenditures	99670253	81588442	22.16%

Montana Employee Counts

Year: 2012

Line No.	Category (a)	Beginning of Year (b)	End of Year (c)
1	Employees are provided through a Joint Use Agreement with Hill County		
2	Electric Cooperative, Inc. Areas where joint use employees are used follow:		
3			
4	Staff	30	30
5	Outside Plant	19	22
6			
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43	Totals (Sum of Lines 1 through 42)	49	52

Compensation of Top 10 Montana Based Employees

Year: 2012

Line No.	Name/Title (a)	Base Salary (b)	Bonuses (c)	Other Compensation (d)	Total Compensation (e)	Total Compensation Last Year (f)	% Increase Total Compensation (g)
1	Central Montana Communications, Inc. has no employees. Employee services are provided through service agreements with Hill County Electric Cooperative, Inc.						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11	Totals (Sum L.1 to L.10)						

Compensation of Top 5 Corporate Employees - SEC Information

Line No.	Name/Title (a)	Base Salary (b)	Bonuses (c)	Other Compensation (d)	Total Compensation (e)	Total Compensation Last Year (f)	% Increase Total Compensation (g)
1	Not Applicable						
2							
3							
4							
5							
6	Totals (Sum L.1 to L.5)						

Montana Composite Statistics

Year: 2012

Line No.	Account No.	Description (a)	Amount (b)
1		Plant (Intrastate Only) (000 Omitted)	
2	2001	Plant in Service	99670
3	2003 - 2004	Construction Work in Progress	3331
4	2005	Plant Acquisition Adjustments	
5	2002	Plant Held for Future Use	
6	1220	Materials & Supplies	
7		(Less):	
8	3100 - 3400	Depreciation & Amortization Reserves	-35677
9	4360.2	Contributions in Aid of Construction	
10		NET BOOK COSTS	67324
11		Revenues & Expenses (Intrastate Only) (000 Omitted)	
12	5000 - 5300	Operating Revenues	16458
13	6560	Depreciation & Amortization Expenses	4966
14		Federal & State Income Taxes	1096
15		Other Taxes	1443
16		Other Operating Expenses	4834
17		TOTAL Operating Expenses	12339
18		Net Operating Income	4119
19		Other Income	-81
20		Other Deductions	1757
21		NET INCOME	2281
22		Access Lines in Service (Intrastate Only)	
23		Residential Access Lines	4882
24		Business Access Lines	1904
25		PBX Access Lines	129
26		Other Access Lines	
27		Total Number of Access Lines	6915
28		Average Number of Calls Per Access Line	
29		Local Calls	130
30		Toll Calls (Intra- or Interstate)	225
31		Total Number of Calls Per Access Line (Total of Line 29 & Line 30 divided by Line 27)	355
32		Other Statistics (Intrastate Only)	
33		Average Residential Monthly Bill	69
34		Gross Plant Investment per Access Line	14895

Depreciation - Montana Intrastate Regulated

Year: 2012

Line No.	Acct No. (a)	Description (b)	Composite Rate % (c)	Total Expense \$ (d)
1	2112	Motor Vehicles	9.7%	215,180
2	2114	Special Purpose Vehicles	7.0%	29,333
3	2115	Garage Work Equipment	8.4%	
4	2116	Other work Equipment	2.8%	3,033
5	2121	Buildings	3.8%	87,788
6	2122	Furniture	5.5%	
7	2123.1	Office Support Equipment	13.4%	
8	2123.2	Company Communications Equipment	5.3%	
9	2124	General Purpose Computers	6.5%	
10	2211	Analog Electronic Switching Equipment	9.3%	223,075
11	2212	Digital Electronic Switching Equipment	7.0%	206,543
12	2215	Step By Step Switching Equipment	9.5%	
13	2215	Crossbar Switching Equipment	11.6%	
14	2220	Operator System	12.5%	
15	2231	Radio Systems	7.5%	
16	2232	Circuit DDS	10.7%	1,897,242
17	2232	Circuit Digital	9.6%	
18	2232	Circuit Analog	10.7%	
19	2351	Public Telephone Terminating Equipment	3.0%	
20	2362	Other Terminal Equipment	16.0%	
21	2411	Poles	4.7%	15,843
22	2421	Aerial Cable Metallic	5.4%	78,689
23	2421	Aerial Cable Nonmetallic	4.2%	115,294
24	2422	Underground Cable Metallic	4.4%	3,551
25	2422	Underground Cable Nonmetallic	4.8%	131,329
26	2423	Buried Cable Metallic	3.9%	896,267
27	2423	Buried Cable Nonmetallic	4.2%	1,062,709
28	2424	Submarine Cable Metallic	2.3%	
29	2424	Submarine Cable Nonmetallic	3.3%	
30	2426	Intrabuilding Network Cable Metallic	5.5%	
31	2426	Intrabuilding Network Cable Nonmetallic	11.3%	
32	2431	Aerial Wire	13.4%	
33	2441	Conduit Systems	2.1%	95
34				
35		COMPOSITE TOTAL		4,965,971
36	Please list the Montana Public Service Commission Docket Order No. approving these depreciation rates Docket Number _____ Order Number _____			
37				
38				
39				
40				

Company Name: Central Montana Communications, Inc.

SCHEDULE 30a

Amortization - Montana Intrastate Regulated

Year: 2012

Line No.	Acct No. (a)	Description (b)	Composite Rate % (c)	Total Expense \$ (d)
1		Not Applicable		
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35		COMPOSITE TOTAL		
36	Please list the Montana Public Service Commission Docket Order No. approving these amortization rates			
37				
38				
39				
40				
		Docket Number _____	Order Number _____	

Montana Regulatory Capital Structure & Costs

Year: 2012

Line No.	Description (a)	% Cap. Str. (b)	% Cost Rate (c)	Weighted Cost (d)
	Commission Accepted - Most Recent	Not applicable		
1	Docket Number _____			
2	Order Number _____			
3				
4	Common Equity			
5	Preferred Stock			
6	Long Term Debt			
7	Other			
8	Total			
9				
10	Actual at Year End			
11				
12	Common Equity			
13	Preferred Stock			
14	Long Term Debt			
15	Other			
16	Total			

Network Access - Charges and Revenues

Year: 2012

Line No.	Description (a)	Access Charges Paid (b)	Access Revenues Received (c)
1	Montana - Total State		12663762
2			
3	Montana - Intrastate		1533662
4			
5	Montana - Intrastate Regulated		836882
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Affiliate Transactions - Products & Services Provided to Utility

Year: 2012

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges to Utility (d)	% Total Affil. Revenues (e)	Charges to MT Utility (f)
1	Triangle Telephone Cooperative, Inc.	Office Rent	Floor Space	179,844		
2	Triangle Telephone Cooperative, Inc.	Equipment Rent	Average hourly operating exp.	7,236		
3	Triangle Telephone Cooperative, Inc.	Expense Reimbursements	Actual amounts charged	937,079		
4	Triangle Telephone Cooperative, Inc.	Long Distance Service	Actual amounts billed	578,623		
5	Triangle Telephone Cooperative, Inc.	Construction Material	Actual cost	149,821		
6	Triangle Telephone Cooperative, Inc.	Expense Allocations	Actual cost	14,510		
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30	TOTAL			\$1,867,113		

Affiliate Transactions - Products & Services Provided by Utility

Year: 2012

Line No.	Affiliate Name (a)	Products & Services (b)	Method to Determine Price (c)	Charges to Affiliate (d)	% Total Affil. Revenues (e)	Charges to MT Utility (f)
1	Triangle Telephone Cooperative, Inc.	Equipment Rent	Average hourly operating exp.	20,252		
2	Triangle Telephone Cooperative, Inc.	Billing and Collection	Actual Cost	90,585		
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30	TOTAL			\$110,837		

Montana Intrastate Regulated Earned Rate of Return

Year: 2012

Line No.	Description Rate Base (a)	This Year (b)	Last Year (c)	Percent Change (d)
1				
2	2001 Plant in Service	99,670,253	81,588,443	22.16%
3	2002 Prop. Held for Future Telecommunications Use			
4	3100-3200 (Less) Accumulated Depreciation	(35,677,125)	(33,403,481)	-6.81%
5	Plant in Service	63,993,128	48,184,962	32.81%
6				
7	Additions			
8	1220 Materials & Supplies			
9	1280 Prepayments			
10	Other Additions			
11	TOTAL Additions			
12				
13	Deductions			
14	4100 Current Deferred Operating Income Taxes			
15	4320 Unamortized Operating Investment Tax Credits			
16	4340 Noncurrent Deferred Operating Income Taxes			
17	Customer Advances for Construction			
18	Other Deductions			
19	TOTAL Deductions			
20	TOTAL Rate Base	63,993,128	48,184,962	32.81%
21				
22	Net Earnings			
23				
24	Rate of Return on Average Rate Base	4.070%	6.850%	-40.58%
25				
26	Rate of Return on Average Equity	6.970%	10.170%	-31.47%
27				
28	Major Normalizing Adjustments & Commission			
29	<u>Ratemaking adjustments to Utility Operations</u>			
30				
31				
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42				
43	Adjusted Rate of Return on Average Rate Base	4.070%	6.850%	-40.58%
44				
45	Adjusted Rate of Return on Average Equity	6.970%	10.170%	-31.47%

Other Taxes Paid

Year: 2012

Line No.	Description (a)	Last Year (b)	This Year (c)
1	Montana Telephone Company License Tax		
2	Montana Public Service Commission Tax	17307	9259
3	Montana Consumer Counsel Tax	5314	4823
4	911 Emergency Telephone Fee		
5	Montana Telecommunications Access Service (TDD)		
6	Montana Corporate License Tax	340590	241656
7	Personal Property Tax		
8	Real Property Tax	1213018	1429094
9			
10			
11			
12	Total	1576229	1684832

SCHEDULE 37

Universal Service Funds Received

Year: 2012

Line No.	Description (a)	Last Year (b)	This Year (c)
13	Funds received from Montana Sources		
14	Funds received from Federal Sources	4444143	3914647
15			
16			
17			
18			
19			
20			
21			
22			
23			
24	Total	4444143	3914647