

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES OF THE ) CASE NO.  
LEWISPORT TELEPHONE COMPANY ) 93-133

O R D E R

IT IS ORDERED that Lewisport Telephone Company, Inc. ("Lewisport") shall file the original and 12 copies of the following information with the Commission, with a copy to all parties of record, by August 27, 1993. In the event that a response to individual items becomes extraordinarily voluminous, Lewisport shall file an original and two copies of that response, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information requested herein has been provided with the original application, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. When applicable, the information requested herein should be provided for total Kentucky operations and Kentucky jurisdictional operations,

separately. If the information cannot be provided by this date, Lewisport should submit a motion for an extension of time stating the reason an extension is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission.

1. Provide capital structure at the end of each of the periods as shown in Format 1.

2. a. Provide a list of all outstanding issues of long-term debt as of the end of the latest calendar year and the end of the test period together with the related information as shown in Format 2a. Provide a separate schedule for each time period. Report in Column (k) of Format 2a, page 2 of 3, the actual dollar amount of debt cost for the test year. Compute the actual and annualized composite debt cost rates and report them in Column (j) of Format 2a, page 2 of 3.

b. Provide an analysis of end-of-period, short-term debt and a calculation of the average and end-of-period cost rates as shown in Format 2b.

3. List all outstanding issues of preferred stock as of the end of the latest calendar year and the end of the test period as shown in Format 3, pages 1 and 2. Provide a separate schedule for each time period. Report in Column (h) of Format 3, page 2, the actual dollar amount of preferred stock cost accrued and/or paid during the test year. Compute the actual and annualized preferred stock cost rate and report the results in Column (h) of Format 3, page 2.

4. a. List all issues of common stock during the most recent 5-year period as shown in Format 4a.

b. Provide the common stock information on a quarterly and yearly basis for the most recent 5 calendar years available, and through the latest available quarter as shown in Format 4b.

c. Provide monthly market price figures for common stock for each month during the most recent 5-year period and for the months through the date the application is filed as shown in Format 4c. List all stock splits by date and type.

5. Provide a computation of fixed charge coverage ratios for the 4 most recent calendar years and for the test period as shown in Format 5.

6. Provide a detailed analysis of the retained earnings account for the test period and the 12-month period immediately preceding the test period.

7. Provide rates of return as requested in Format 7.

8. a. Provide a schedule of the present and proposed rates, charges, terms and conditions, and service rates and regulations which Lewisport seeks to change, shown in comparative form.

b. Provide a detailed analysis of customers' bills, adjusted to actual usage and in such detail that the revenues from the present and proposed rates can be readily determined.

c. Provide a schedule of test-period revenues for each rate schedule per book rates, present rates annualized, and proposed rates annualized.

d. Provide a schedule setting forth the effect upon average customer bills.

e. Provide a statement setting forth estimates of the effect that the new rate or rates will have upon the revenues of the utility, the total amount of money resulting from the increase or decrease, and the percentage increase or decrease.

f. Provide a schedule showing by service category (i.e., local network, private line, intraLATA toll, etc.) the amount and percent of any proposed increase or decrease in revenue distributed to each category. This schedule is to be accompanied by a statement which explains in detail the methodology or basis used to allocate the requested increase or decrease in revenue to each of the respective service categories.

g. Provide a schedule showing how the increase or decrease in (f) above was further distributed to each service category (i.e., local network, private line, intraLATA toll, etc.). This schedule is to be accompanied by a statement which explains, in detail, the methodology or basis used to allocate the increase or decrease.

h. Provide a statement showing by cross-outs and italicized inserts all proposed changes in rates, charges, terms and conditions, and service rules and regulations for each rate or charge. A copy of the current tariff may be used.

9. a. In comparative form, provide a total Kentucky and Kentucky jurisdictional income statement for the test period and the 12-month period immediately preceding the test period.

b. Provide a schedule showing the total company capital, by category, allocated to Kentucky and discuss the methodology used to derive the allocated amounts.

10. a. Provide a trial balance as of the last day of the test period (all income statement accounts should show activity for 12 months) showing account number, account title, and amount. Provide this information on a total Kentucky and Kentucky jurisdictional basis. Show the balance in each control account and all underlying subaccounts per Lewisport's books.

b. Provide a detailed chart of accounts used during the test period.

c. Provide an exhibit showing the separation factors used to determine jurisdictional revenues, expenses, investment, reserves, and deferrals.

d. Provide a schedule using Format 10d and the total Kentucky account balances provided above as the starting point in column b.

11. Provide the following monthly account balances and a calculation of the average (13-month) account balances for the test period for the total Kentucky and Kentucky jurisdictional operations:

- a. Plant in service (Account 2001).
- b. Property held for future use (Account 2002).
- c. Construction work in progress (Account 2004) (Separate this balance into CWIP eligible for capitalized interest) and other CWIP (Account 2003).

- d. Plant acquisition adjustment (Account 2005).
- e. Capital leases (Account 2681-2682).
- f. Plant purchased or sold (Account 1439).
- g. Depreciation reserve (Account 3100).
- h. Depreciation reserve (Account 3300).
- i. Amortization reserve by account (3410, 3420, 3500 and 3600).
- j. Inventories (Account 1220) (include all accounts and subaccounts).
- k. Prepayments (Accounts 1290, 1300, 1310, 1320, and 1330).
- l. Balance in accounts payable applicable to each account in (i) above. (If actual is indeterminable, give reasonable estimate.)
- m. Unamortized investment credit - Pre-Revenue Act of 1971.
- n. Unamortized investment credit - Revenue Act of 1971.
- o. Accumulated deferred income taxes.
- p. A summary of customer deposits as shown in Format 11p to this request.
- q. Balance in accounts payable applicable to amounts included in utility plant in service. (If actual is indeterminable, give reasonable estimate.)
- r. Balance in accounts payable applicable to amounts included in plant under construction. (If actual is indeterminable, give reasonable estimate.)
- s. Investments in affiliated companies (Account 1401).
- t. Investments in nonaffiliated companies (Account 1402).
- u. Nonregulated investment (Account 1406).
- v. Deferred maintenance and retirements (Account 1438).

12. Provide schedules in comparative form showing by month for the test period, the 12 months preceding the test period, and any available months subsequent to the test period, the total Kentucky and Kentucky jurisdictional balance in each plant and reserve account or subaccount which is included in Lewisport's chart of accounts in Format 12.

13. Provide the following information for each item of property held for future use at the end of the test period:

- a. Description of property.
- b. Location.
- c. Date purchased.
- d. Cost.
- e. Estimated date to be placed in service.
- f. Brief description of intended use.
- g. Current status of each project.

14. Provide the journal entries relating to the purchase of utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise since Lewisport's inception. Also, provide a schedule showing the calculation of the acquisition adjustment at the date of purchase of each item of utility plant, the amortization period, and the unamortized balance at the end of the test period.

15. Provide the detailed workpapers showing calculations supporting all accounting, pro forma, end-of-period, and proposed rate adjustments in the rate application made to revenue, expense, investment, and reserve accounts for the test period and a detailed

narrative explanation of each adjustment including the reason why each adjustment is required. Explain in detail all components used in each calculation including the methodology employed and all assumptions applied in the derivation of each adjustment. Index each calculation to the accounting, pro forma, end-of-period, and proposed rate adjustment which it supports.

16. a. Provide a schedule showing a comparison of the balance in the total Kentucky and Kentucky jurisdictional revenue accounts for each month of the test period to the same month of the preceding 12 months for each revenue account or subaccount included in Lewisport's chart of accounts. Include appropriate footnotes to show the month any rate increase was granted and the month the full increase was recorded in the accounts. See Format 12.

b. For each of the 12 months in the test period show the revenues deferred or reserved, the month they were deferred or reserved, and the reason for the deferral or reserve. Also show if any revenues were reversed from a deferral or reserve account and were not originally recorded in the test period.

17. a. Provide a schedule showing a comparison of the balance in the total Kentucky and Kentucky jurisdictional operating expense accounts for each month of the test period to the same month of the preceding 12 months for each account or subaccount included in Lewisport's chart of accounts. See Format 12.

b. Provide a schedule in comparative form showing the total Kentucky and Kentucky jurisdictional operating expense account balance for the test year and each of the 5 years preceding



the test year for each account or subaccount included in Lewisport's annual report (KPSC Form T, Schedule I-1, pages 3-7). Show the percentage of increase of each year over the prior year.

c. Provide a schedule for the 12 months of the test period separating wages from other expenses as shown in Format 17c.

d. Provide a schedule of total Kentucky and Kentucky jurisdictional salaries and wages for the test period and each of the 5 calendar years preceding the test year in the format as shown in Format 17d. Provide this information for union and non-union employees separately. Show for each time period the amount of overtime pay, the amount of executive bonuses and incentive payments, and the amount of membership dues and fees paid to or on behalf of employees to health clubs, country clubs, etc.

e. Provide a schedule showing the percentage of increase in salaries and wages for both union and non-union employees for the test year and the 5 preceding years. If the response to Items 17(d) and 17(e) are different, provide an explanation of such difference. Provide current union contracts.

18. a. Provide the amount of excess deferred federal income taxes resulting from the reduction in the corporate tax rate from 48 percent to 46 percent in 1979, as of the end of the test period.

b. Provide the amount of excess deferred federal income taxes resulting from the reduction in the corporate tax rate from 46 percent to 34 percent in 1986, as of the end of the test period.

19. Provide the following tax data with all supporting information and calculations for the test period for total Kentucky and Kentucky jurisdictional operations:

a. Income taxes:

- (1) Federal operating income taxes deferred - accelerated tax depreciation.
- (2) Federal operating income taxes deferred - other (explain).
- (3) Federal income taxes - operating.
- (4) Income credits resulting from prior deferrals of federal income taxes.
- (5) Investment tax credit net.
  - (i) Investment credit realized.
  - (ii) Investment credit amortized - Pre-Revenue Act of 1971.
  - (iii) Investment credit amortized - Revenue Act of 1971.
- (6) Provide the information in 19(a)(1) through 19(a)(4) for state income taxes.
- (7) Reconciliation of book to taxable income as shown in Format 19a (7), pages 1 and 2, and a calculation of the book federal and state income tax expense for the test period using book taxable income as the starting point.
- (8) A copy of federal and state income tax returns for the taxable year ended during the test period including supporting schedules.
- (9) Schedule of franchise fees paid to cities, towns, or municipalities during the test period including the basis of these fees.

b. An analysis of Kentucky other operating taxes in the format as shown in attached Format 19b.

20. Provide a schedule of total Kentucky and Kentucky jurisdictional net operating income per average access line per company books for the test year and the 5 calendar years preceding the test period. This data should be provided as shown in Format 20 attached.

21. Provide the comparative operating statistics as shown in Format 21 attached, pages 1, 2, 3 and 4.

22. Provide a schedule of total Kentucky and Kentucky jurisdictional average plant-in-service per average access line by account per company books for the test period and the 5 calendar years preceding the test year. This data should be provided as shown in Format 22.

23. Provide a statement of plant-in-service per company books for the test period. This data should be presented as shown in Format 23.

24. Provide the following information. If any amounts were allocated, show a calculation of the factor used to allocate each amount.

a. A detailed analysis of all charges booked during the test period for advertising expenditures. This analysis should include a complete breakdown of Account 6613 - Product Advertising as shown in Format 24a attached and further should show any nonproduct-related advertising such as corporate image, stock and bond issues, and employment advertisements included in any other expense accounts. The analysis should be specific as to the purpose of the expenditure and the expected benefit to be derived.

Expenses allocated from either the parent company or from affiliated companies should so be identified.

b. An analysis of Account 6728 - Other General and Administrative Expenses for the test period. This analysis should show a complete breakdown of this account as shown in attached Format 24b and further provide all detailed working papers supporting this analysis. At a minimum, the workpapers should show the date, vendor, reference (i.e., voucher no., etc.), dollar amount, and brief description of each expenditure. Detailed analysis is not required for individual amounts of less than \$500 provided the items are grouped by classes as shown in Format 24b attached.

c. An analysis of Account 7370 - Special Charges for the test period. This analysis should show a complete breakdown of these accounts as shown in attached Format 24c and further provide all detailed working papers supporting this analysis. At a minimum, the workpapers should show the date, vendor, reference (i.e., voucher no., etc.), dollar amount, and brief description of each expenditure. Detailed analysis is not required for individual amounts of less than \$500 provided the items are grouped by classes as shown in Format 24c attached.

25. Provide a detailed analysis of expenses incurred during the test period for professional services, as shown in Format 25, and all working papers supporting the analysis. At a minimum, the working papers should show the payee, dollar amount, reference (i.e., voucher no., etc.), account charged, hourly rates and time

charged to the company according to each invoice, and a description of the service provided.

26. Provide a detailed analysis of contributions for charitable and political purposes (in cash or services), if any, recorded in accounts other than Account 7370. This analysis should indicate the amount of the expenditure, the recipient of the contribution, and the specific account charged. If amounts are allocated show a calculation of the factor used to allocate each amount and its source. Also identify for the test period the amounts of contributions for charitable and political purposes allocated or billed direct to Kentucky operations from affiliated companies in accounts other than 7370.

27. Describe Lewisport's lobbying activities and provide a schedule showing the name of the individual, his salary, the organizations or trade associations involved in, and all company-paid or reimbursed expenses or allowances, and the account charged for all personnel for whom a principal function is that of lobbying, on the local, state, or national level. If any amounts are allocated, show a calculation of the factor used to allocate each amount. Also identify any lobbying activities billed direct to Kentucky operations by affiliates.

28. Provide the dollar amount of employee concession telephone service for the 12 months of the test period as shown in Format 28 attached.

29. Provide the following information with regard to uncollectible accounts for the test period and 5 preceding calendar years (taxable year acceptable) for total Kentucky:

- a. Reserve account balance at the beginning of the year.
- b. Charges to reserve account (accounts charged off).
- c. Credits to reserve account.
- d. Current year provision.
- e. Reserve account balance at the end of the year.
- f. Percent of provision to total local service and intralata toll revenue.

30. a. Provide a listing of non-utility property and property taxes and accounts where amounts are recorded.

b. Provide a schedule for all non-utility property giving a description, the date purchased, and the cost.

31. Provide employee data for all Lewisport employees as shown in Format 31 attached.

32. Provide a calculation of the rate or rates used to capitalize interest during construction for the test period and the 3 preceding calendar years. Provide a narrative explanation of each component entering into the calculation of this rate.

33. Provide all information, as soon as it is known, which would have a material effect on net operating income, rate base, and cost of capital which occurred after the test period and was not incorporated in the filed testimony and exhibits.

34. Provide a detailed monthly income statement on a Kentucky combined and Kentucky jurisdictional basis for each month after the test period including the month in which the hearing ends, as they become available.

35. Provide the names and mailing addresses of each of Lewisport's directors.

36. Provide a schedule showing, for the test period and the year preceding the test period with each year shown separately, the following information regarding Lewisport's investments in subsidiaries and joint ventures:

a. Name of subsidiary or joint venture.

b. Date of initial investment.

c. Amount and type of investment made for each of the 2 years included in this report.

d. Balance sheet and income statement for the test period and the year preceding the test period. Where only internal statements are prepared, furnish copies of these.

e. Show on a separate schedule all dividends or income of any type received by Lewisport from its subsidiaries or joint ventures for each of the 2-year report periods and indicate how this income is reflected in the reports filed with the Commission and the stockholder reports.

f. Name of officers of each of the subsidiaries or joint ventures, officer's annual compensation, and portion of compensation charged to the subsidiary or joint venture. Also,

indicate the position each officer holds with Lewisport and the compensation received from Lewisport.

37. Provide the following data relating to affiliated or parent company:

a. Consolidated parent and subsidiaries balance sheet, income statement, and statement of changes in financial position for the test period and the last 4 calendar years.

b. Schedule showing balance sheet, income statement, and retained earnings adjusting entries for the Kentucky subsidiary in its consolidation with the parent company and affiliated companies and any effect upon intrastate Kentucky operations.

c. Schedule of company's home office and/or inter-company charges; monthly for the test period and yearly for the last 4 calendar years. List the type of goods or services provided (i.e., supplies capitalized, data service, management services, etc.). The amount by type from each billing unit and the method used in billing (i.e., direct or allocated) and basis for allocating common charges. Also provide any studies available that show the cost/benefit of each service provided to Kentucky ratepayers by the home office or inter-company charges.

d. Schedule of federal income tax reductions due to filing a consolidated parent tax return for the last 4 taxable years. Show source and type of reduction, and method and basis of allocating to companies and states.

e. A calculation of the average (13-month) and the end-of-period debt and equity ratio and average (13-month) and



end-of-period composite interest cost and preferred stock cost for the 12 months of the test period for the parent company and for the consolidated companies including all subsidiaries.

38. Provide the latest available Embedded Direct Analysis.

39. Provide a written explanation of all pro forma adjustments made to normalize the test period intrastate access and/or intraLATA revenues. Provide any other information Lewisport deems necessary to explain the debits and credits to its intrastate access and/or intraLATA revenues in order to normalize its revenues for the test period.

40. Provide a full description of the methodology used in total factor productivity studies by Lewisport. Moreover, provide the annual factors for the total company Kentucky combined and Kentucky jurisdictional operations for the test period and the preceding 5 years.

41. Provide a schedule reflecting expenses associated with proceedings before the Commission that are included in test period operating expenses. The analysis should be by Case No. using Format 41.

42. Provide a list of current rate case filings before each state commission which has jurisdiction over the company or sister companies.

43. Provide detailed bills for all individual payments made to any affiliated company for each month of the test period.

44. Explain how each affiliated company expense is allocated to the Kentucky operation. If different allocation methods are used, explain each in detail.

45. Provide any studies available that show the cost/benefit of each service provided to the Kentucky ratepayers by any affiliated company which bills expenses to the Kentucky operation.

46. a. Provide balance sheet, income statement, and retained earnings statements for each affiliated company which bills the Kentucky operation, for each month of the test period and the last 4 calendar years.

b. Provide the actual rate of return on equity for each affiliated company which bills the Kentucky operation for the test period and for each of the last 4 years.

47. If any carrying charges are billed to the Kentucky operation for any investment, expense, or return on investment utilized by corporate headquarters, etc., provide workpapers showing the calculations for all charges allocated for the test period and for the latest 4 years.

48. Provide an estimate of costs associated with personal use of company vehicles by company employees.

49. Provide the dollar amount of aircraft expenses, if any, allocated to Kentucky and describe what benefits accrued to the Kentucky ratepayers from such charges.

50. Provide an analysis of Kentucky clearing accounts for each month of the test period.

51. Provide one copy of any and all computer diskettes which contain formal exhibits and workpapers in support of the notice of filing and testimony in this proceeding as well as any computer diskettes which contain any workpapers supporting any other adjustments in this proceeding.

52. a. Provide on a total Kentucky and Kentucky jurisdictional basis a determination of rate base and capitalization (including JDIC) at the end of the test period with supporting documentation and workpapers.

b. Provide a reconciliation of any difference between the level of rate base and capitalization for each of these amounts.

c. Provide a reconciliation of the jurisdictional rate base determined above and the rate base presented in the testimony.

53. With reference to section 10 (11) (6) (h) page 2 of the application, provide the following information relating to the calculation of the tax conversion factor:

a. Explain the basis for using the federal income tax rate of 32.31 percent (show calculation).

b. Explain the basis for using the effective state rate of 4.97 percent (show calculation).

54. Provide a narrative explaining Lewisport's affiliation with TDS. Provide any journal entries made on the books of Lewisport associated with TDS's acquisition of Lewisport.

55. With reference to Adjustment G - Depreciation Expense, provide the following information:

a. Explain why Lewisport chose to reject the 1990 Average Depreciation Schedules.

b. With reference to Schedule 10(11) (6) (a), state and explain any deviations in rates listed in column (e) from the actual 1990 average depreciation schedule costs.

c. With reference to Handley testimony, page 13, lines 12-14, elaborate on the statement that "Lewisport will review the schedules and propose adoption of either 1990 or 1993 depreciation rates." Also, explain the factors Lewisport will consider in reaching its decision as to which schedule it will adopt. Also, since Lewisport has previously rejected the 1990 schedule, explain why Lewisport would be eligible to now qualify to adopt the 1990 schedules and/or any other schedules.

56. With reference to Section 10.(11) (6) (t) (1) of the application, which concerns affiliate charges, provide the following information concerning the \$365,249 in billed test-year affiliate charges. State the amounts that:

- a. were charged to regulated expense accounts.
- b. were charged to regulated balance sheet accounts.
- c. were charged to non-regulated expense accounts.
- d. were charged to non-regulated balance sheet

accounts.

e. Identify the amount and the associated reference of all adjustments related to affiliate transactions included in Lewisport's application.

f. State the total amount of affiliate charges included in Lewisport's proposed cost of service. Also, provide a summary itemizing this total.

57. With reference to TDS's acquisition of Lewisport, provide the following information:

a. Generally describe and give specific examples of cost reductions that have occurred as a result of the acquisition.

b. Generally describe and give specific examples of cost increases that have occurred as a result of the acquisition.

c. Describe TDS's short-term and long-term business plan for Lewisport (i.e., expansion, reorganization, construction, cellular operations, non-regulated operations, and relationship with TDS and other affiliates.) If formal internal plans exist, provide.

d. Provide all documents relating to the transfer.

58. Provide a copy of the TDS Cost Allocation Manual. In addition, provide a summary schedule showing the results of the cost allocation manual upon the operations of Lewisport for the test year.

59. With reference to adjustment F:

a. Provide the Part X allocation table including input section, factor computation and apportionment calculation for 1992. If 1992 was updated for adjustment I, include the original and updated versions.

b. State whether common costs (unattributable expenses) were used in the computation of the general allocator.

c. Provide any additional workpapers prepared to support adjustment I and, where applicable, provide appropriate references to the January 12, 1993 audit report.

d. State and explain the status of Lewisport's intention to divest itself of its cable operations.

e. Provide the 1992 financial reports applicable to the cable operations.

60. With reference to Adjustment Q, regarding postretirement benefits and SFAS 106, provide the following information.

a. State the amount of the transition obligation.

b. SFAS 106 provides two options for recognizing the transition obligation, either immediate recognition or phased-in recognition. Which method is Lewisport requesting, and if the phase-in method is being requested, state the applicable phase-in period.

c. Show the effect of SFAS 106 on the utility's 1992 expense levels and earnings both exclusive of the transition obligation and inclusive of the transition obligation.

d. Regarding accounting for postretirement benefits under SFAS 106, Lewisport's application stated, "[a] well established and accepted ratemaking principle is that costs of providing utility service should be 'matched' to the time period as when the benefits of the utility service are rendered." Provide an explanation as to whether mismatching occurs if the transition obligation is allowed to be deferred and recovered in the future.

e. Supply a copy of Lewisport's written postretirement benefit plan.

f. Lewisport's application shows an adjustment to postretirement benefits of \$15,842. Provide a schedule showing the initial postretirement benefits expense.

g. Provide the actuarial assumptions used in determining postretirement benefits expense, including but not limited to the interest (discount) rate and the medical trend rate.

h. Provide a schedule showing the cash basis vs. accrual basis cost associated with postretirement benefits for 1993-2012. The proposed amortization of the transition obligation should be broken out in this schedule.

i. Describe any changes that have occurred in Lewisport's postretirement benefit plan since December 1990.

j. Discuss fully all actions Lewisport has taken, plans to take or is reviewing to reduce or control postretirement benefits costs.

k. How has Lewisport accounted for postretirement benefits thus far in 1993? Pay-as-you-go or SFAS 106?

l. Are postretirement benefits for TDS employees being accounted for using the accrual method described in SFAS 106 and then being allocated to Lewisport expenses if TDS employees perform work for Lewisport?

m. Provide a copy of the most recent actuarial report for Lewisport's postretirement benefit plan.

n. Provide the workpapers showing the calculation of the \$15,842 Post Retirement Benefit Adjustment. Include calculations showing the derivation of the service cost, interest cost, and amortization components.

61. With reference to Adjustment H - Reserve Deficiency Amortization - provide the following information.

a. Provide the proposed initial and recurring journal entries relating to the early retirement.

b. Part 32, Section 32.2000 provides that a retirement will be considered as non-recurring (extraordinary) only if the following criteria are met:

- (a) The impending retirement was not adequately considered in setting past depreciation rates.
- (b) The charging of the retirement against the reserve will unduly deplete that reserve.
- (c) The retirement is unusual such that similar retirements are not likely to serve in the future.

Provide a narrative addressing each of the above criteria, with specific attention given to establishing that this retirement meets each of the criteria.

62. Provide copies of any decisions from other jurisdictions relating to ratemaking treatment of similar early retirements.

63. With reference to affiliated charges disallowances made with respect to Salem Telephone Company, state and explain any circumstances that would justify different treatment of these charges in this case.



Done at Frankfort, Kentucky, this 6th day of August, 1993.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

  
Executive Director

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Comparative Capital Structures (Excluding JDITC)

For the Periods as Shown

"000 Omitted"

| <u>Line No.</u> | <u>Type of Capital</u>  | <u>4th Year Amount Ratio</u> | <u>3rd Year Amount Ratio</u> | <u>2nd Year Amount Ratio</u> |
|-----------------|-------------------------|------------------------------|------------------------------|------------------------------|
| 1.              | Long Term Debt          |                              |                              |                              |
| 2.              | Short Term Debt         |                              |                              |                              |
| 3.              | Preferred Stock         |                              |                              |                              |
| 4.              | Common Equity           |                              |                              |                              |
| 5.              | Other (Itemize by Type) |                              |                              |                              |
| 6.              | Total Capitalization    |                              |                              |                              |

LEWISPORT TELEPHONE COMPANY

Case No. 93-133 \_\_\_\_\_

Comparative Capital Structures (Excluding JDITC)

For the Periods as Shown

"000 Omitted"

| <u>Line No.</u> | <u>Type of Capital</u>  | <u>1st Year Amount Ratio</u> | <u>Test Year Amount Ratio</u> | <u>Average Test-Year Amount Ratio</u> |
|-----------------|-------------------------|------------------------------|-------------------------------|---------------------------------------|
| 1.              | Long Term Debt          |                              |                               |                                       |
| 2.              | Short Term Debt         |                              |                               |                                       |
| 3.              | Preferred Stock         |                              |                               |                                       |
| 4.              | Common Equity           |                              |                               |                                       |
| 5.              | Other (Itemize by Type) |                              |                               |                                       |
| 6.              | Total Capitalization    |                              |                               |                                       |

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Comparative Capital Structures (Excluding JDITC)

For the Periods as Shown

"000 Omitted"

| <u>Line No.</u> | <u>Type of Capital</u>  | <u>Latest Available Quarter</u> |              |
|-----------------|-------------------------|---------------------------------|--------------|
|                 |                         | <u>Amount</u>                   | <u>Ratio</u> |
|                 |                         |                                 |              |
| 1.              | Long Term Debt          |                                 |              |
| 2.              | Short Term Debt         |                                 |              |
| 3.              | Preferred Stock         |                                 |              |
| 4.              | Common Equity           |                                 |              |
| 5.              | Other (Itemize by Type) |                                 |              |
| 6.              | Total Capitalization    |                                 |              |

Instructions:

1. Provide a calculation of the average test period data as shown in Format 1, Page 4 of 4.
2. If the applicant is a member of an affiliated group, the above data is to be provided for the parent company and the system consolidated.

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Calculation of Average Test Period Capital Structure  
12 Months Ended \_\_\_\_\_

"000 Omitted"

| Line No. | Item (a)                            | Total Capital (b) | Long-Term Debt (c) | Short-Term Debt (d) | Preferred Stock (e) | Common Stock (f) | Retained Earnings (g) | Total Common Equity (h) |
|----------|-------------------------------------|-------------------|--------------------|---------------------|---------------------|------------------|-----------------------|-------------------------|
| 1.       | Balance beginning of test year      |                   |                    |                     |                     |                  |                       |                         |
| 2.       | 1st Month                           |                   |                    |                     |                     |                  |                       |                         |
| 3.       | 2nd Month                           |                   |                    |                     |                     |                  |                       |                         |
| 4.       | 3rd Month                           |                   |                    |                     |                     |                  |                       |                         |
| 5.       | 4th Month                           |                   |                    |                     |                     |                  |                       |                         |
| 6.       | 5th Month                           |                   |                    |                     |                     |                  |                       |                         |
| 7.       | 6th Month                           |                   |                    |                     |                     |                  |                       |                         |
| 8.       | 7th Month                           |                   |                    |                     |                     |                  |                       |                         |
| 9.       | 8th Month                           |                   |                    |                     |                     |                  |                       |                         |
| 10.      | 9th Month                           |                   |                    |                     |                     |                  |                       |                         |
| 11.      | 10th Month                          |                   |                    |                     |                     |                  |                       |                         |
| 12.      | 11th Month                          |                   |                    |                     |                     |                  |                       |                         |
| 13.      | 12th Month                          |                   |                    |                     |                     |                  |                       |                         |
| 14.      | Total (L1 through L13)              |                   |                    |                     |                     |                  |                       |                         |
| 15.      | Average balance (L14 + 13)          |                   |                    |                     |                     |                  |                       |                         |
| 16.      | Average capitalization ratios       |                   |                    |                     |                     |                  |                       |                         |
| 17.      | End-of-period capitalization ratios |                   |                    |                     |                     |                  |                       |                         |

Instructions:

- If applicable, provide an additional schedule in the above format excluding common equity in subsidiaries from the total company capital structure. Show the amount of common equity excluded.
- Include premium on class of stock.

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Schedule of Outstanding Long-Term Debt  
For the Calendar Year Ended December 31, \_\_\_\_\_

| Line No. | Type of Debt Issue (a) | Date of Issue (b) | Date of Maturity (c) | Amount Outstanding (d) | Coupon Interest Rate <sup>1</sup> (e) | Cost Rate At Issue <sup>2</sup> (f) | Cost Rate to Maturity <sup>3</sup> (g) | Bond Rating At Time of Issue <sup>4</sup> (h) | Type of Obligation (i) | Annualized Cost Col. (d)xCol. (g) (j) |
|----------|------------------------|-------------------|----------------------|------------------------|---------------------------------------|-------------------------------------|--|---|------------------------|---------------------------------------|
|----------|------------------------|-------------------|----------------------|------------------------|---------------------------------------|-------------------------------------|--|---|------------------------|---------------------------------------|

Total Long-Term Debt and Annualized Cost

Annualized Cost Rate (Total Col. (j) - Total Col. (d))

- 1 Nominal Rate
- 2 Nominal Rate Plus Discount or Premium Amortization
- 3 Nominal Rate Plus Discount or Premium Amortization and Issuance Cost
- 4 Standard and Poor's, Moody, etc.

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Schedule of Outstanding Long-Term Debt  
For the Calendar Year Ended December 31, \_\_\_\_\_

| <u>Line No.</u> | <u>Type of Debt Issue</u><br>(a) | <u>Date of Issue</u><br>(b) | <u>Date of Maturity</u><br>(c) | <u>Amount Outstanding</u><br>(d) | <u>Coupon Interest Rate</u> <sup>1</sup><br>(e) | <u>Cost Rate At Issue</u> <sup>2</sup><br>(f) | <u>Cost Rate to Maturity</u> <sup>3</sup><br>(g) | <u>Bond Rating At Time of Issue</u> <sup>4</sup><br>(h) | <u>Type of Obligation</u><br>(i) | <u>Annualized Cost Col.(d) x Col.(g)</u><br>(j) | <u>Actual Test Year Interest Cost</u> <sup>5</sup><br>(k) |
|-----------------|----------------------------------|-----------------------------|--------------------------------|----------------------------------|---|---|--|---|----------------------------------|---|---|
|-----------------|----------------------------------|-----------------------------|--------------------------------|----------------------------------|---|---|--|---|----------------------------------|---|---|

Total Long-Term Debt and Annualized Cost

Annualized Cost Rate [Total Col. (j) - Total Col. (d)]

Actual Long-Term Debt Cost Rate [Total Col. k - Total Reported in Col. (c) Line 15 of Format 1, Schedule 2]

- 1 Nominal Rate
- 2 Nominal Rate Plus Discount or Premium Amortization
- 3 Nominal Rate Plus Discount or Premium Amortization and Issuance Cost
- 4 Standard and Poor's, Moody, etc.
- 5 Sum of Accrued Interest Amortization of Discount or Premium and Issuance Cost

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Long-Term Debt and Preferred Stock Cost Rates

Annualized Cost Rate

Long-Term Debt

Preferred Stock

|                      | <u>Long-Term Debt</u> | <u>Preferred Stock</u> |
|----------------------|-----------------------|------------------------|
| Parent Company:      |                       |                        |
|                      |                       |                        |
| Test Year            |                       |                        |
|                      |                       |                        |
| Latest Calendar year |                       |                        |
|                      |                       |                        |
| System Consolidated: |                       |                        |
|                      |                       |                        |
| Test Year            |                       |                        |
|                      |                       |                        |
| Latest Calendar year |                       |                        |

Instructions:

1. This schedule is to be completed only by applicants that are members of an affiliated group.
2. Detailed workpapers showing calculation of the above cost rates are to be available on request.

## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Schedule of Short-Term Debt  
For the Test Period Ended \_\_\_\_\_

| Line<br>No. | Type of Debt<br>Instrument<br>(a) | Date<br>of<br>Issue<br>(b) | Date<br>of<br>Maturity<br>(c) | Amount<br>Outstanding<br>(d) | Nominal<br>Interest<br>Rate<br>(e) | Effective<br>Interest<br>Cost Rate<br>(f) | Annualized<br>Interest Cost<br>Col.(d)xCol.(f)<br>(g) |
|-------------|-----------------------------------|----------------------------|-------------------------------|------------------------------|------------------------------------|---|---|
|-------------|-----------------------------------|----------------------------|-------------------------------|------------------------------|------------------------------------|---|---|

Total Short-Term Debt

Annualized Cost Rate [Total Col. (g) - Total Col.(d)]

Actual Interest Paid or Accrued on Short-Term  
Debt during the Test Year [Report in Col. (g) of this schedule]Average Short-Term Debt - Format 1, Schedule 2  
Line 15 Col. (d) [Report in Col. (g) of this schedule]Test Year Interest Cost Rate [Actual Interest -  
Average Short-Term Debt] [Report in Col. (f) of this schedule]

## Instructions:

1. In all instances where the Effective Interest Cost Rate is different from the Nominal Interest Rate provide a calculation of the effective Interest Cost Rate in sufficient detail to show the items of costs that cause the difference.



LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Schedule of Outstanding Shares of Preferred Stock  
For the Calendar Year Ended \_\_\_\_\_

| Line<br>No. | Description of Issue<br>(a) | Date<br>of<br>Issue<br>(b) | Amount<br>Sold<br>(c) | Amount<br>Outstanding<br>(d) | Dividend<br>Rate<br>(e) | Cost Rate<br>at Issue<br>(f) | Annualized<br>Cost<br>Col.(f) x Col.(d)<br>(g) | Convertibility<br>Features<br>(h) |
|-------------|-----------------------------|----------------------------|-----------------------|------------------------------|-------------------------|------------------------------|--|-----------------------------------|
|-------------|-----------------------------|----------------------------|-----------------------|------------------------------|-------------------------|------------------------------|--|-----------------------------------|

Total

Annualized Cost Rate [Total  
Col.(g) - Total Col.(d)]

Instructions:

1. If the applicant has issued no preferred stock, this schedule may be omitted.

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Schedule of Outstanding Shares of Preferred Stock  
For the Calendar Year Ended \_\_\_\_\_

| Line<br>No. | Description of Issue<br>(a) | Date<br>of<br>Issue<br>(b) | Amount<br>Sold<br>(c) | Amount<br>Outstanding<br>(d) | Dividend<br>Rate<br>(e) | Cost Rate<br>at Issue<br>(f) | Annualized<br>Cost<br>Col.(f) x Col.(d)<br>(g) | Convertibility<br>Features<br>(h) |
|-------------|-----------------------------|----------------------------|-----------------------|------------------------------|-------------------------|------------------------------|--|-----------------------------------|
|-------------|-----------------------------|----------------------------|-----------------------|------------------------------|-------------------------|------------------------------|--|-----------------------------------|

Total

Annualized Cost Rate [Total  
Col.(g) ÷ Total Col.(d)]

Actual Test Year Cost Rate [Total  
Col.(h) ÷ Total Reported in  
Col.(e), Line 15 of Format 1,  
Schedule 2]

Instructions:

1. If the applicant has issued no preferred stock, this schedule may be omitted.

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Schedule of Common Stock Issue

For the 5 Year Period Ended \_\_\_\_\_

| DATE OF |              |              | Number<br>of Shares<br>Issued | Price Per<br>Share to<br>Public | Price Per<br>Share (Net<br>to Company) | Book value<br>Per Share At<br>Date of Issue | Selling Exps.<br>As % of gross<br>Issue Amount | Net<br>Proceeds<br>to Company |
|---------|--------------|--------------|-------------------------------|---------------------------------|--|---|--|-------------------------------|
| Issue   | Announcement | Registration |                               |                                 |  |   |  |                               |

Instructions:

1. If applicant is a member of an affiliate group, provide in a separate schedule the above data for the parent company.

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Quarterly and Annual Common Stock Information  
For the Periods as Shown

| <u>Period</u> | <u>Average<br/>No. of Shares<br/>Outstanding</u><br>(000) | <u>Book<br/>Value</u><br>(\$) | <u>Earnings<br/>per<br/>Share</u><br>(\$) | <u>Dividend<br/>Rate<br/>Per Share</u><br>(\$) | <u>Return on<br/>Average<br/>Common Equity</u><br>(%) |
|---------------|---|-------------------------------|---|--|---|
|---------------|---|-------------------------------|---|--|---|

5th Calendar Year:

1st Quarter

2nd Quarter

3rd Quarter

4th Quarter

Annual

4th Calendar Year:

1st Quarter

2nd Quarter

3rd Quarter

4th Quarter

Annual

3rd Calendar Year:

1st Quarter

2nd Quarter

3rd Quarter

4th Quarter

Annual

2nd Calendar Year:

1st Quarter

2nd Quarter

3rd Quarter

4th Quarter

Annual

1st Calendar Year:

1st Quarter

2nd Quarter

3rd Quarter

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Quarterly and Annual Common Stock Information  
For the Periods as Shown

| <u>Period</u> | <u>Average<br/>No. of Shares<br/>Outstanding</u><br>(000) | <u>Book<br/>Value</u><br>(\$) | <u>Earnings<br/>per<br/>Share</u><br>(\$) | <u>Dividend<br/>Rate<br/>Per Share</u><br>(\$) | <u>Return on<br/>Average<br/>Common Equity</u><br>% |
|---------------|---|-------------------------------|---|--|---|
|---------------|---|-------------------------------|---|--|---|

4th Quarter

Annual

Latest Available Quarter

Instructions:

1. Report annual returns only.

2. If applicant is a member of an affiliate group, provide in a separate schedule the above data for the parent company.

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Common Stock - Market Price Information

ITEM

JANUARY

Month  
FEBRUARY

MARCH

APRIL

MAY

JUNE

5th Year:

Monthly High

Monthly Low

Monthly Closing Price

4th Year:

Monthly High

Monthly Low

Monthly Closing Price

3rd Year:

Monthly High

Monthly Low

Monthly Closing Price

2nd Year:

Monthly High

Monthly Low

Monthly Closing Price

Months to Date of Filings:

Monthly High

Monthly Low

Monthly Closing Price

Instructions:

1. Indicate all stock splits by date and type.
2. If applicant is a member of affiliate group, provide in a separate schedule the above data for the parent company.

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Common Stock - Market Price Information

| ITEM | JULY | <u>Month</u><br>AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER |
|------|------|------------------------|-----------|---------|----------|----------|
|------|------|------------------------|-----------|---------|----------|----------|

**5th Year:**

Monthly High

Monthly Low

Monthly Closing Price

**4th Year:**

Monthly High

Monthly Low

Monthly Closing Price

**3rd Year:**

Monthly High

Monthly Low

Monthly Closing Price

**2nd Year:**

Monthly High

Monthly Low

Monthly Closing Price

**Months to Date of Filings:**

Monthly High

Monthly Low

Monthly Closing Price

- Instructions:**
1. Indicate all stock splits by date and type.
  2. If applicant is a member of affiliate group, provide in a separate schedule the above data for the parent company.

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Computation of Fixed Charge Coverage Ratios  
For the Periods as Shown

|                  | 4th Calendar Year |                                      | 3rd Calendar Year |                                      | 2nd Calendar Year |                                      |
|------------------|-------------------|--------------------------------------|-------------------|--------------------------------------|-------------------|--------------------------------------|
|                  | SEC Method        | Bond or Mortg. Indenture Requirement | SEC Method        | Bond or Mortg. Indenture Requirement | SEC Method        | Bond or Mortg. Indenture Requirement |
| <u>No. Item</u>  |                   |                                      |                   |                                      |                   |                                      |
| Net Income       |                   |                                      |                   |                                      |                   |                                      |
| Additions        |                   |                                      |                   |                                      |                   |                                      |
| Itemize          |                   |                                      |                   |                                      |                   |                                      |
| Total Additions  |                   |                                      |                   |                                      |                   |                                      |
| Deductions       |                   |                                      |                   |                                      |                   |                                      |
| Itemize          |                   |                                      |                   |                                      |                   |                                      |
| Total Deductions |                   |                                      |                   |                                      |                   |                                      |
| Income Available |                   |                                      |                   |                                      |                   |                                      |
| for Fixed Charge |                   |                                      |                   |                                      |                   |                                      |
| Coverage         |                   |                                      |                   |                                      |                   |                                      |
| Fixed Charges    |                   |                                      |                   |                                      |                   |                                      |
| Fixed Charge     |                   |                                      |                   |                                      |                   |                                      |
| Coverage Ratio   |                   |                                      |                   |                                      |                   |                                      |



LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Computation of Fixed Charge Coverage Ratios  
For the Periods as Shown

|                  | <u>1st Calendar Year</u> |  | <u>Test Year</u> |  |
|------------------|--------------------------|--|------------------|--|
|                  | SEC<br>Method            | Bond or<br>Mortg.<br>Indenture<br>Require-<br>ment | SEC<br>Method    | Bond or<br>Mortg.<br>Indenture<br>Require-<br>ment |
| <u>No. Item</u>  |                          |  |                  |  |
| Net Income       |                          |  |                  |  |
| Additions        |                          |  |                  |  |
| Itemize          |                          |  |                  |  |
| Total Additions  |                          |  |                  |  |
| Deductions       |                          |  |                  |  |
| Itemize          |                          |  |                  |  |
| Total Deductions |                          |  |                  |  |
| Income Available |                          |  |                  |  |
| for Fixed Charge |                          |  |                  |  |
| Coverage         |                          |  |                  |  |
| Fixed Charges    |                          |  |                  |  |
| Fixed Charge     |                          |  |                  |  |
| Coverage Ratio   |                          |  |                  |  |

## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

## AVERAGE RATES OF RETURN

For the Calendar Years \_\_\_\_\_ Through \_\_\_\_\_ and the 12 Months Ended

| Line<br>No.   | Calendar Years<br>Prior to Test Year<br>(a) | Total<br>Kentucky<br>Company<br>(b) | Kentucky<br>Jurisdiction<br>(c) |
|---|---|-------------------------------------|---------------------------------|
| 1.  | Original Cost Net Investment:               |                                     |                                 |
| 2.  | 5th Year                                    |                                     |                                 |
| 3.  | 4th Year                                    |                                     |                                 |
| 4.  | 3rd Year                                    |                                     |                                 |
| 5.  | 2nd Year                                    |                                     |                                 |
| 6.  | 1st Year                                    |                                     |                                 |
| 7.  | Test Year                                   |                                     |                                 |
| 8.  | Original Cost Common Equity:                |                                     |                                 |
| 9.  | 5th Year                                    |                                     |                                 |
| 10.   | 4th Year                                    |                                     |                                 |
| 11.   | 3rd Year                                    |                                     |                                 |
| 12.   | 2nd Year                                    |                                     |                                 |
| 13.   | 1st Year                                    |                                     |                                 |
| 14.   | Test Year                                   |                                     |                                 |
| NOTE: Provide work papers in support of the above calculations. |   |                                     |                                 |

## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

REGULATED BALANCES

Test Period

| (a)<br><u>Account #</u> | (b)<br>Total Company<br><u>Balance</u> | (c)<br><u>Nonregulated</u> | (d)<br>Other<br><u>Deductions</u> | (e)<br>Regulated<br><u>Balances</u> |
|-------------------------|--|----------------------------|-----------------------------------|-------------------------------------|
|-------------------------|--|----------------------------|-----------------------------------|-------------------------------------|

## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

SUMMARY OF CUSTOMER DEPOSITS

Test Period

| <u>Line No.</u> | <u>Month (a)</u>                                  | <u>Receipts (b)</u> | <u>Refunds (c)</u> | <u>Balance (d)</u> |
|-----------------|---|---------------------|--------------------|--------------------|
| 1.              | Balance beginning of test year                    |                     |                    |                    |
| 2.              | 1st Month   |                     |                    |                    |
| 3.              | 2nd Month   |                     |                    |                    |
| 4.              | 3rd Month   |                     |                    |                    |
| 5.              | 4th Month   |                     |                    |                    |
| 6.              | 5th Month   |                     |                    |                    |
| 7.              | 6th Month   |                     |                    |                    |
| 8.              | 7th Month   |                     |                    |                    |
| 9.              | 8th Month   |                     |                    |                    |
| 10.             | 9th Month   |                     |                    |                    |
| 11.             | 10th Month  |                     |                    |                    |
| 12.             | 11th Month  |                     |                    |                    |
| 13.             | 12th Month  |                     |                    |                    |
| 14.             | Total (L1 through L13)                            |                     |                    |                    |
| 15.             | Average Balance (L14 - 13)                        |                     |                    |                    |
| 16.             | Amount of deposits received during test period    |                     |                    |                    |
| 17.             | Amount of deposits refunded during test period    |                     |                    |                    |
| 18.             | Number of deposits on hand end of test year       |                     |                    |                    |
| 19.             | Average amount of deposit (L15, Column (d) - L18) |                     |                    |                    |
| 20.             | Interest paid during test period                  |                     |                    |                    |

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

COMPARISON OF TEST YEAR ACCOUNT BALANCES WITH THOSE OF THE  
PRECEDING YEAR

| Account Title and<br>Account Number | 1st<br>Month | 2nd<br>Month | 3rd<br>Month | 4th<br>Month | 5th<br>Month | 6th<br>Month | 7th<br>Month | 8th<br>Month | 9th<br>Month | 10th<br>Month | 11th<br>Month | 12th<br>Month | Total |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|-------|
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|-------|

Test Year  
Prior Year  
Increase  
(Decrease)



LEWISPORT TELEPHONE COMPANY

Case No. 93-133

ANALYSIS OF SALARIES AND WAGES

| Account Title and<br>Account Number       | 1st<br>Month | 2nd<br>Month | 3rd<br>Month | 4th<br>Month | 5th<br>Month | 6th<br>Month | 7th<br>Month | 8th<br>Month | 9th<br>Month | 10th<br>Month | 11th<br>Month | 12th<br>Month | Total |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|-------|
| <b>Corporate operations</b>               |              |              |              |              |              |              |              |              |              |               |               |               |       |
| Salaries                                  |              |              |              |              |              |              |              |              |              |               |               |               |       |
| Wages                                     |              |              |              |              |              |              |              |              |              |               |               |               |       |
| Benefits                                  |              |              |              |              |              |              |              |              |              |               |               |               |       |
| Rents                                     |              |              |              |              |              |              |              |              |              |               |               |               |       |
| Other                                     |              |              |              |              |              |              |              |              |              |               |               |               |       |
|   |              |              |              |              |              |              |              |              |              |               |               |               |       |
| <b>Salaries Allocated<br/>to Kentucky</b> |              |              |              |              |              |              |              |              |              |               |               |               |       |
| Wages                                     |              |              |              |              |              |              |              |              |              |               |               |               |       |
| Benefits                                  |              |              |              |              |              |              |              |              |              |               |               |               |       |
| Rents                                     |              |              |              |              |              |              |              |              |              |               |               |               |       |
| Other                                     |              |              |              |              |              |              |              |              |              |               |               |               |       |

## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

ANALYSIS OF SALARIES AND WAGES CHARGED TO EXPENSE  
TEST YEAR ENDING

| Line No. | Item (a)                                 | 12 Months Ended<br>Calendar Years Prior to Test Year |         |         |         |         | Test Year (g) |
|----------|--|--|---------|---------|---------|---------|---------------|
|          |  | 5th (b)  | 4th (c) | 3rd (d) | 2nd (e) | 1st (f) |               |
| 1.       | Plant Specific                           | \$   | \$      | \$      | \$      | \$      | \$            |
| 2.       | Plant Nonspecific                        |  |         |         |         |         |               |
| 3.       | Customer Operations                      |  |         |         |         |         |               |
| 4.       | Corporate Operations                     |  |         |         |         |         |               |
| 5.       | Salaries allocated to Kentucky           |  |         |         |         |         |               |
| 6.       | Total Salaries and Wages Charged Expense |  |         |         |         |         |               |
| 7.       | Construction                             |  |         |         |         |         |               |
| 8.       | Total Salaries and Wages                 |  |         |         |         |         |               |
|          | a. Ratio Charged Expenses                |  |         |         |         |         |               |
|          | b. Ratio Charged Construction            |  |         |         |         |         |               |



LEWISPORT TELEPHONE COMPANY

Case No. 93-133

RECONCILIATION OF BOOK NET INCOME AND FEDERAL TAXABLE INCOME  
Test Period Ended

| Line No. | Item (a)   | Total Company Non-operating (b) | Kentucky Operations |                    |
|----------|--|---------------------------------|---------------------|--------------------|
|          |  |                                 | Total Kentucky (c)  | Jurisdictional (d) |
| 1.       | Net income per books   |                                 |                     |                    |
| 2.       | Add income taxes:  |                                 |                     |                    |
| 3.       | A. Federal income tax-Current  |                                 |                     |                    |
| 4.       | B. Federal income tax deferred-<br>Depreciation  |                                 |                     |                    |
| 5.       | C. Federal income tax deferred-<br>Other   |                                 |                     |                    |
| 6.       | D. Investment tax credit adjustment  |                                 |                     |                    |
| 7.       | E. Federal income taxes charged<br>to other income and deductions  |                                 |                     |                    |
| 8.       | F. State income taxes  |                                 |                     |                    |
| 9.       | G. State income taxes charged to<br>other income and deductions  |                                 |                     |                    |
| 10.      | Total  |                                 |                     |                    |
| 11.      | Flow through items:  |                                 |                     |                    |
| 12.      | Add (itemize)  |                                 |                     |                    |
| 13.      | Deduct (itemize)   |                                 |                     |                    |
| 14.      | Book taxable income  |                                 |                     |                    |
| 15.      | Differences between book taxable income<br>and taxable income per tax returns:   |                                 |                     |                    |
| 16.      | Add (itemize)  |                                 |                     |                    |
| 17.      | Deduct (itemize)   |                                 |                     |                    |
| 18.      | Taxable income per return  |                                 |                     |                    |
| NOTE:    | (1) Provide a calculation of the amount shown on Lines 3 through 7 above.<br>(2) Provide work papers supporting each calculation including the depreciation schedules for straight-line tax and accelerated tax depreciation.<br>(3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost allocated above. |                                 |                     |                    |

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

RECONCILIATION OF BOOK NET INCOME AND FEDERAL TAXABLE INCOME  
12 Months Ended

| Line<br>No. | Item<br>(a)  | Total<br>Company<br>Non-operating<br>(b) | Kentucky Operations      |                       |
|-------------|--|--|--------------------------|-----------------------|
|             |  |  | Total<br>Kentucky<br>(c) | Jurisdictional<br>(d) |
| 1.          | Net income per books   |  |                          |                       |
| 2.          | Add income taxes:  |  |                          |                       |
| 3.          | A. Federal income tax-Current  |  |                          |                       |
| 4.          | B. Federal income tax deferred-<br>Depreciation  |  |                          |                       |
| 5.          | C. Federal income tax deferred-<br>Other   |  |                          |                       |
| 6.          | D. Investment tax credit adjustment  |  |                          |                       |
| 7.          | E. Federal income taxes charged<br>to other income and deductions  |  |                          |                       |
| 8.          | F. State income taxes  |  |                          |                       |
| 9.          | G. State income taxes charged to<br>other income and deductions  |  |                          |                       |
| 10.         | Total  |  |                          |                       |
| 11.         | Flow through items:  |  |                          |                       |
| 12.         | Add (itemize)  |  |                          |                       |
| 13.         | Deduct (itemize)   |  |                          |                       |
| 14.         | Book taxable income  |  |                          |                       |
| 15.         | Differences between book taxable income<br>and taxable income per tax returns:   |  |                          |                       |
| 16.         | Add (itemize)  |  |                          |                       |
| 17.         | Deduct (itemize)   |  |                          |                       |
| 18.         | Taxable income per return  |  |                          |                       |
| NOTE:       | (1) Provide a calculation of the amount shown on Lines 8 through 9 above.  |  |                          |                       |
|             | (2) Provide work papers supporting each calculation including the depreciation schedules for straight-line tax and accelerated tax depreciation. |  |                          |                       |
|             | (3) Provide a schedule setting forth the basis of allocation of each item of revenue or cost allocated above.                                    |  |                          |                       |

## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

Analysis of Other Operating Taxes  
Test Period Ended

\*000 Omitted\*

| <u>Line No.</u> | <u>Item</u>                                    | <u>Charged Expense</u><br>(a) | <u>Charged to Construction</u><br>(b) | <u>Charged to Other Accounts</u><br>(c) | <u>Amount Accrued</u><br>(d) | <u>Amount Paid</u><br>(e) |
|-----------------|--|-------------------------------|---------------------------------------|---|------------------------------|---------------------------|
| 1.              | Kentucky Retail:                               |                               |                                       |   |                              |                           |
|                 | (a) State Income                               |                               |                                       |   |                              |                           |
|                 | (b) Ad Valorem (Property)                      |                               |                                       |   |                              |                           |
|                 | (c) Payroll (Employer's Portion)               |                               |                                       |   |                              |                           |
|                 | (d) Other Taxes                                |                               |                                       |   |                              |                           |
| 2.              | Total Kentucky Retail<br>[L1(a) through L1(d)] |                               |                                       |   |                              |                           |
| 3.              | Other Jurisdictions                            |                               |                                       |   |                              |                           |
|                 | Total Per Books (L2 + L3)                      |                               |                                       |   |                              |                           |
| Instructions:   |  |                               |                                       |   |                              |                           |
|                 | 1. Explain items in column (b).                |                               |                                       |   |                              |                           |

## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

KENTUCKY COMBINED  
NET OPERATING INCOME PER AVERAGE ACCESS LINE  
TEST PERIOD ENDING

| Line<br>No. | Item<br>(a)                                  | 12 Month Ended                      |            |            |            |            |  | Test<br>Year<br>(g) |
|-------------|--|-------------------------------------|------------|------------|------------|------------|--|---------------------|
|             |  | Calendar Years Prior to Test Period |            |            |            |            |  |                     |
|             |  | 5th<br>(b)                          | 4th<br>(c) | 3rd<br>(d) | 2nd<br>(e) | 1st<br>(f) |  |                     |
| 1.          | <u>Operating Revenues</u>                    |                                     |            |            |            |            |  |                     |
| 2.          | Network revenues                             |                                     |            |            |            |            |  |                     |
| 3.          | Network access                               |                                     |            |            |            |            |  |                     |
| 4.          | Long distance network                        |                                     |            |            |            |            |  |                     |
| 5.          | Miscellaneous                                |                                     |            |            |            |            |  |                     |
| 6.          | Uncollectibles                               |                                     |            |            |            |            |  |                     |
| 7.          | Total operating revenues                     |                                     |            |            |            |            |  |                     |
| 8.          | <u>Operation and Maintenance Expenses</u>    |                                     |            |            |            |            |  |                     |
| 9.          | Plant specific                               |                                     |            |            |            |            |  |                     |
| 10.         | Plant nonspecific                            |                                     |            |            |            |            |  |                     |
| 11.         | Depreciation and amortization                |                                     |            |            |            |            |  |                     |
| 12.         | Customer operations                          |                                     |            |            |            |            |  |                     |
| 13.         | Corporate operations                         |                                     |            |            |            |            |  |                     |
| 14.         | Total  |                                     |            |            |            |            |  |                     |
| 15.         | Net operating revenue                        |                                     |            |            |            |            |  |                     |
| 16.         | <u>Operating Taxes</u>                       |                                     |            |            |            |            |  |                     |
| 17.         | Federal income taxes                         |                                     |            |            |            |            |  |                     |
| 18.         | State income taxes                           |                                     |            |            |            |            |  |                     |
| 19.         | Other operating taxes                        |                                     |            |            |            |            |  |                     |
| 20.         | Total operating taxes                        |                                     |            |            |            |            |  |                     |
| 21.         | Net operating income                         |                                     |            |            |            |            |  |                     |
| 22.         | Total average access line (13-month average) |                                     |            |            |            |            |  |                     |
| 23.         | Net operating income per average access line |                                     |            |            |            |            |  |                     |

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

NUMBER OF EMPLOYEES  
TEST PERIOD ENDING

| <u>Period</u>  | <u>Total</u><br>(a)* | <u>Plant</u><br><u>Specific</u><br>(b) | <u>Plant</u><br><u>Nonspecific</u><br>(c) | <u>Customer</u><br><u>Operations</u><br>(d) | <u>Corporate</u><br><u>Operations</u><br>(e) |
|--|----------------------|--|---|---|--|
| Month prior to<br>Test Year                                      |                      |  |   |   |  |
| 1st Month of<br>Test Year  |                      |  |   |   |  |
| 2nd Month  |                      |  |   |   |  |
| 3rd Month  |                      |  |   |   |  |
| 4th Month  |                      |  |   |   |  |
| 5th Month  |                      |  |   |   |  |
| 6th Month  |                      |  |   |   |  |
| 7th Month  |                      |  |   |   |  |
| 8th Month  |                      |  |   |   |  |
| 9th Month  |                      |  |   |   |  |
| 10th Month   |                      |  |   |   |  |
| 11th Month   |                      |  |   |   |  |
| 12th Month   |                      |  |   |   |  |
| A 13-Month Average<br>for Calendar Years<br>Prior to Test Period |                      |  |   |   |  |
| 5th Year   |                      |  |   |   |  |
| 4th Year   |                      |  |   |   |  |
| 3rd Year   |                      |  |   |   |  |
| 2nd Year   |                      |  |   |   |  |
| 1st Year   |                      |  |   |   |  |
| Test Period  |                      |  |   |   |  |

\* Also identify the level of employees allocated to Kentucky operations from other divisions and/or headquarters.

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

ACCESS LINE DATA  
TEST PERIOD ENDING

| <u>Period</u>  | <u>Main</u><br>(a) | <u>Centrex</u><br><u>Trunks</u><br>(b) | <u>PBX</u><br><u>Trunks</u><br>(c) | <u>Other</u><br><u>Equivalents</u><br>(d) | <u>Total</u><br><u>Access Lines</u><br>(e) |
|--|--------------------|--|------------------------------------|---|--|
| Month prior to<br>Test Year                                      |                    |  |                                    |   |  |
| 1st Month of<br>Test Year  |                    |  |                                    |   |  |
| 2nd Month  |                    |  |                                    |   |  |
| 3rd Month  |                    |  |                                    |   |  |
| 4th Month  |                    |  |                                    |   |  |
| 5th Month  |                    |  |                                    |   |  |
| 6th Month  |                    |  |                                    |   |  |
| 7th Month  |                    |  |                                    |   |  |
| 8th Month  |                    |  |                                    |   |  |
| 9th Month  |                    |  |                                    |   |  |
| 10th Month   |                    |  |                                    |   |  |
| 11th Month   |                    |  |                                    |   |  |
| 12th Month   |                    |  |                                    |   |  |
| A 13-Month Average<br>for Calendar Years<br>Prior to Test Period |                    |  |                                    |   |  |
| 5th Year   |                    |  |                                    |   |  |
| 4th Year   |                    |  |                                    |   |  |
| 3rd Year   |                    |  |                                    |   |  |
| 2nd Year   |                    |  |                                    |   |  |
| 1st Year   |                    |  |                                    |   |  |
| Test Period  |                    |  |                                    |   |  |

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

GENERAL STATISTICAL DATA  
TEST PERIOD ENDING

| <u>Period</u>                     | Number of<br>Employees Per<br><u>Avg. Access Line</u><br>(a) | Number of Station<br>Connections Per<br><u>Installer-Repairman</u><br>(b) |
|-----------------------------------|--|---|
| 12 Months Ended December 31:      |  |   |
| Calendar Years Before Test Period |  |   |
| 5th Year                          |  |   |
| 4th Year                          |  |   |
| 3rd Year                          |  |   |
| 2nd Year                          |  |   |
| 1st Year                          |  |   |
| Test Period                       |  |   |

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

GENERAL STATISTICAL DATA  
TEST PERIOD ENDING

|  | <u>Average<br/>Net Plant<br/>In Service</u><br>(a) | <u>Increase<br/>Over<br/>Prior Year</u><br>(b) | <u>Construction<br/>Budget<br/>Amount</u><br>(c) | <u>Increase<br/>Over<br/>Prior Year</u><br>(d) |
|--|--|--|--|--|
|--|--|--|--|--|

COMBINED

Calendar Years Before  
Test Period

5th Year  
4th Year  
3rd Year  
2nd Year  
1st Year  
Test Period

INTRASTATE

Calendar Years Before  
Test Period

5th Year  
4th Year  
3rd Year  
2nd Year  
1st Year  
Test Period



LEWISPORT TELEPHONE COMPANY

Case No. 93-133

KENTUCKY COMBINED OPERATIONS  
TELEPHONE PLANT IN SERVICE BY CLASS AT YEAR END PER AVERAGE ACCESS LINES  
TEST PERIOD ENDING

| <u>Account Number</u> | <u>Account (a)</u>             | <u>12 Month Ended</u>                      |                |                |                |                |  | <u>Test Period (g)</u> |
|-----------------------|--------------------------------|--|----------------|----------------|----------------|----------------|--|------------------------|
|                       |                                | <u>Calendar Years Prior to Test Period</u> |                |                |                |                |  |                        |
|                       |                                | <u>5th (b)</u>                             | <u>4th (c)</u> | <u>3rd (d)</u> | <u>2nd (e)</u> | <u>1st (f)</u> |  |                        |
| 2690                  | Organization                   |  |                |                |                |                |  |                        |
| 2690                  | Franchises                     |  |                |                |                |                |  |                        |
| 2690                  | Patent rights                  |  |                |                |                |                |  |                        |
| 2111                  | Land                           |  |                |                |                |                |  |                        |
| 2121                  | Buildings                      |  |                |                |                |                |  |                        |
| 2122                  | Furniture                      |  |                |                |                |                |  |                        |
| 2123.1                | Office equipment - support     |  |                |                |                |                |  |                        |
| 2123.2                | Co. communications equipment   |  |                |                |                |                |  |                        |
| 2124                  | General purpose computers      |  |                |                |                |                |  |                        |
| 2211 - 2232           | Central office equipment       |  |                |                |                |                |  |                        |
| 2311                  | Station apparatus              |  |                |                |                |                |  |                        |
| 2321                  | Station connections            |  |                |                |                |                |  |                        |
| 2341                  | Large private branch exchanges |  |                |                |                |                |  |                        |
| 2351                  | Public telephone equipment     |  |                |                |                |                |  |                        |
| 2362                  | Other terminal equipment       |  |                |                |                |                |  |                        |
| 2411                  | Pole lines                     |  |                |                |                |                |  |                        |
| 2421                  | Aerial cable                   |  |                |                |                |                |  |                        |

LEWISPORT TELEPHONE COMPANY

Case No. 93-133

KENTUCKY COMBINED OPERATIONS  
TELEPHONE PLANT IN SERVICE BY CLASS AT YEAR END PER AVERAGE ACCESS LINES  
TEST PERIOD ENDING

| <u>Account Number</u> | <u>Account (a)</u>                           | 12 Month Ended                      |                |                |                |                |  | <u>Test Period (g)</u> |
|-----------------------|--|-------------------------------------|----------------|----------------|----------------|----------------|--|------------------------|
|                       |  | Calendar Years Prior to Test Period |                |                |                |                |  |                        |
|                       |  | <u>5th (b)</u>                      | <u>4th (c)</u> | <u>3rd (d)</u> | <u>2nd (e)</u> | <u>1st (f)</u> |  |                        |
| 2422                  | Underground cable                            |                                     |                |                |                |                |  |                        |
| 2423                  | Buried cable                                 |                                     |                |                |                |                |  |                        |
| 2424                  | Submarine cable                              |                                     |                |                |                |                |  |                        |
| 2425                  | Deep Sea cable                               |                                     |                |                |                |                |  |                        |
| 2426                  | Intra building cable                         |                                     |                |                |                |                |  |                        |
| 2431                  | Aerial cable                                 |                                     |                |                |                |                |  |                        |
| 2441                  | Underground conduit                          |                                     |                |                |                |                |  |                        |
| 2001                  | Total telephone plant in service             |                                     |                |                |                |                |  |                        |
|                       | Total average access line (13 month average) |                                     |                |                |                |                |  |                        |

## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

KENTUCKY COMBINED OPERATIONS  
STATEMENT OF TELEPHONE PLANT IN SERVICE  
TEST PERIOD ENDING

| <u>Account<br/>Number</u> | <u>Account<br/>(a)</u> | <u>Balance<br/>Beginning<br/>of Test<br/>Period<br/>(b)</u> | <u>Additions<br/>(c)</u> | <u>Retirements<br/>(d)</u> | <u>Balance<br/>End<br/>of Test<br/>Period<br/>(e)</u> | <u>Intrastate<br/>Percent<br/>(f)</u> | <u>Intrastate<br/>Portion<br/>(g)</u> |
|---------------------------|------------------------|---|--------------------------|----------------------------|---|---------------------------------------|---------------------------------------|
|---------------------------|------------------------|---|--------------------------|----------------------------|---|---------------------------------------|---------------------------------------|

Telephone Plant in Service:

|             |  |
|-------------|--|
| 2690        | Organization                                 |
| 2690        | Franchises                                   |
| 2690        | Patent rights                                |
| 2111        | Land   |
| 2121        | Buildings                                    |
| 2122        | Furniture                                    |
| 2123.1      | Office equipment - support                   |
| 2123.2      | Co. communications equipment                 |
| 2124        | General purpose computers                    |
| 2211 - 2232 | Central office equipment                     |
| 2311        | Station apparatus                            |
| 2321        | Station connections                          |
| 2341        | Large private branch exchanges               |
| 2351        | Public telephone equipment                   |
| 2362        | Other terminal equipment                     |
| 2411        | Pole lines                                   |
| 2421        | Aerial cable                                 |
| 2422        | Underground cable                            |
| 2423        | Buried cable                                 |
| 2424        | Submarine cable                              |
| 2425        | Deep Sea cable                               |
| 2426        | Intra building cable                         |
| 2431        | Aerial cable                                 |
| 2441        | Underground conduit                          |
| 2001        | Total telephone plant in service             |
|             | Total average access line (13 month average) |

## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

KENTUCKY COMBINED OPERATIONS  
ADVERTISING  
FOR THE TEST PERIOD ENDED

| <u>Line No.</u> | <u>Item</u><br>(a)   | <u>Sales Advertising</u><br>(b) | <u>Promotional Advertising</u><br>(c) | <u>Institutional Advertising</u><br>(d) | <u>Rate Case</u><br>(e) | <u>Total</u><br>(f) |
|-----------------|--|---------------------------------|---------------------------------------|---|-------------------------|---------------------|
| 1.              | Newspapers and periodicals   |                                 |                                       |   |                         |                     |
| 2.              | Booklets and pamphlets   |                                 |                                       |   |                         |                     |
| 3.              | Bill inserts   |                                 |                                       |   |                         |                     |
| 4.              | Displays, exhibits, posters,<br>and placards   |                                 |                                       |   |                         |                     |
| 5.              | Motion pictures  |                                 |                                       |   |                         |                     |
| 6.              | Radio  |                                 |                                       |   |                         |                     |
| 7.              | Television   |                                 |                                       |   |                         |                     |
| 8.              | Salaries and wages   |                                 |                                       |   |                         |                     |
| 9.              | Other advertising  |                                 |                                       |   |                         |                     |
| 10.             | Other expenses   |                                 |                                       |   |                         |                     |
| 11.             | Total  |                                 |                                       |   |                         |                     |
|                 |  |                                 |                                       |   |                         |                     |
|                 |  |                                 |                                       |   |                         |                     |
| *               | Include on this sheet advertising expenditures reflected in <u>all</u> accounts including Account 6613 - Product Advertising. Complete one Format 24a for each account to which advertising expenses were charged. |                                 |                                       |   |                         |                     |





## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

KENTUCKY COMBINED OPERATIONS  
ADVERTISING  
FOR THE TEST PERIOD ENDING

| <u>Line No.</u> | <u>Item</u><br>(a)                        | <u>Sales Advertising</u><br>(b) | <u>Promotional Advertising</u><br>(c) | <u>Institutional Advertising</u><br>(d) | <u>Rate Case</u><br>(e) | <u>Total</u><br>(f) |
|-----------------|---|---------------------------------|---------------------------------------|---|-------------------------|---------------------|
| 1.              | Newspapers and periodicals                |                                 |                                       |   |                         |                     |
| 2.              | Booklets and pamphlets                    |                                 |                                       |   |                         |                     |
| 3.              | Bill inserts                              |                                 |                                       |   |                         |                     |
| 4.              | Displays, exhibits, posters, and placards |                                 |                                       |   |                         |                     |
| 5.              | Motion pictures                           |                                 |                                       |   |                         |                     |
| 6.              | Radio                                     |                                 |                                       |   |                         |                     |
| 7.              | Television                                |                                 |                                       |   |                         |                     |
| 8.              | Salaries and wages                        |                                 |                                       |   |                         |                     |
| 9.              | Other advertising                         |                                 |                                       |   |                         |                     |
| 10.             | Other expenses                            |                                 |                                       |   |                         |                     |
| 11.             | Total                                     |                                 |                                       |   |                         |                     |

\* Include on this sheet advertising expenditures reflected in all accounts including Account 6613 - Product Advertising. Complete one Format 24a for each account to which advertising expenses were charged.

## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

KENTUCKY COMBINED OPERATIONS  
SUMMARY OF ACCOUNT NO. 672 -  
GENERAL AND ADMINISTRATION EXPENSES  
FOR THE TEST PERIOD ENDING

| <u>No.</u> | <u>Item</u><br><u>(a)</u> | <u>Amount</u><br><u>(b)</u> |
|------------|---------------------------|-----------------------------|
| 1.         | -                         |                             |
| 2.         | -                         |                             |
| 3.         | -                         |                             |
| 4.         | -                         |                             |
| 5.         | -                         |                             |
| 6.         | -                         |                             |
| 7.         | -                         |                             |
| 8.         | -                         |                             |
| 9.         | -                         |                             |
| 10.        | -                         |                             |
| 11.        | -                         |                             |
| 12.        | Total                     |                             |

\* List separately any single item above \$500.



## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

KENTUCKY COMBINED OPERATIONS  
ACCOUNT NO. 7370 - SPECIAL CHARGESLine  
No.Item  
(a)Amount  
(b)

1. Contributions (a)
2. Membership fees and dues (a)
3. Abandoned construction projects
4. Lobbying
5. Other (itemize)
6. Total

(a) Detail attached



## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

EMPLOYEE CONCESSION TELEPHONE SERVICE  
TEST PERIOD ENDING

| Kentucky Revenue Loss | No. of People | Local         |                | Toll       |            |
|-----------------------|---------------|---------------|----------------|------------|------------|
|                       |               | Main Stations | Other Services | Intrastate | Interstate |

General Office Personnel  
(By percentage allowance)

Kentucky Operations  
(By percentage allowance)

Allowance Provided Employees  
Served by Other Telephone  
Companies

Retired and Disabled Employees  
(By percentage allowance)

Directors

Charitable Organizations

Other

\* This should reflect all costs on Kentucky books including those allocated from General Office. Do not include any concession service allocated to Kentucky and included in another computation (i.e. - carrying charges)

## LEWISPORT TELEPHONE COMPANY

Case No. 93-133

SCHEDULE OF NUMBER OF EMPLOYEES, HOURS PER EMPLOYEE, AND AVERAGE WAGES PER EMPLOYEE

| Calendar Years<br>Prior to<br>Test Year<br>(a) | Management |   |              | Management<br>Support |             |              | Hourly     |             |              | Total      |             |              |
|--|------------|---|--------------|-----------------------|-------------|--------------|------------|-------------|--------------|------------|-------------|--------------|
|  | No.<br>(b) | Hrs.<br>(c)   | Wages<br>(d) | No.<br>(e)            | Hrs.<br>(f) | Wages<br>(g) | No.<br>(h) | Hrs.<br>(i) | Wages<br>(j) | No.<br>(k) | Hrs.<br>(l) | Wages<br>(m) |
| 5th Year                                       |            |   |              |                       |             |              |            |             |              |            |             |              |
| % Change                                       |            |   |              |                       |             |              |            |             |              |            |             |              |
| 4th Year                                       |            |   |              |                       |             |              |            |             |              |            |             |              |
| % Change                                       |            |   |              |                       |             |              |            |             |              |            |             |              |
| 3rd Year                                       |            |   |              |                       |             |              |            |             |              |            |             |              |
| % Change                                       |            |   |              |                       |             |              |            |             |              |            |             |              |
| 2nd Year                                       |            |   |              |                       |             |              |            |             |              |            |             |              |
| % Change                                       |            |   |              |                       |             |              |            |             |              |            |             |              |
| 1st Year                                       |            |   |              |                       |             |              |            |             |              |            |             |              |
| % Change                                       |            |   |              |                       |             |              |            |             |              |            |             |              |
| Test Year                                      |            |   |              |                       |             |              |            |             |              |            |             |              |
| % Change                                       |            |   |              |                       |             |              |            |             |              |            |             |              |
| Note:  | (1)        | Where an employee's wages are charged to more than one function include employee in function receiving largest portion of total wages.                  |              |                       |             |              |            |             |              |            |             |              |
|  | (2)        | Show percentage increase (decrease) of each year over the prior year on lines designated above "% Changes."   |              |                       |             |              |            |             |              |            |             |              |
|  | (3)        | Employees, weekly hour per employee, and weekly wages per employee for the week including December 31 of each year and the last day of the test period. |              |                       |             |              |            |             |              |            |             |              |
|  | (4)        | Provide separate sheets for direct wages and allocated wages.   |              |                       |             |              |            |             |              |            |             |              |

