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April 4, 2002

VIA HAND DELIVERY

Mr. K. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

**Re: Notice of US LEC Corp of "Bona Fide Request" For an Interconnection Agreement With TDS Local Exchange Carriers Pursuant to 47 U.S.C. § 251
Docket No. 00-00026**

Dear Mr. Waddell:

Enclosed please find the original and thirteen (13) copies of Response of Concord Telephone Exchange, Inc., Humphreys County Telephone Company, Tennessee Telephone Company, and Tellico Telephone Company, Inc. to US LEC Corp's First Set of Interrogatories and Request for Production of Documents. Henry Walker, counsel for US LEC, has previously agreed that these responses may be submitted on April 4, 2002, rather than April 3, 2002, as originally requested. Also, please note, that a portion of the documents submitted with these responses are marked "confidential" pursuant to the terms of the Protective Order submitted in this case and are submitted to the TRA under a separate sealed envelope.

If you should need anything further, or if you should have any questions, please do not hesitate to contact me.

Sincerely,

Tara L. Swafford

TLS:bb
Enclosure
cc: Richard Collier, Esq. (w/encl.)
Henry Walker, Esq. (w/encl)

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

IN RE:	)	
	)	
NOTICE OF US LEC CORP OF A "BONA FIDE REQUEST" FOR AN INTERCONNECTION AGREEMENT WITH THE TDS LOCAL EXCHANGE CARRIERS PURSUANT TO 47 U.S.C. SECTION 251	)))))))	**Docket No. 00-00026**

RESPONSE OF CONCORD TELEPHONE EXCHANGE, INC., HUMPHREYS COUNTY TELEPHONE COMPANY, TENNESSEE TELEPHONE COMPANY, AND TELLICO TELEPHONE COMPANY, INC. TO US LEC CORP'S FIRST SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS

Concord Telephone Exchange, Inc., Humphreys County Telephone Company, Tennessee Telephone Company, and Tellico Telephone Company, Inc., all subsidiaries of TDS TELECOM (collectively referred to herein as "TDS TELECOM"), hereby respond to US LEC Corp's First Set of Interrogatories and Requests for Production of Documents as follows:

INTERROGATORIES

INTERROGATORY No. 1: Provide a list of the top 100 business customers (according to total billed revenue) of Concord Telephone. Indicate the annual billed revenue of each customer and whether or not that customer is currently operating under either a contract or a tariff provision which would prevent the customer from switching to another local carrier or would require the customer to pay a termination penalty if the customer switched to another carrier. If so, provide a copy of that contract or tariff provision.

RESPONSE:

TDS TELECOM objects to providing the identification of its business customers because such information is highly confidential and proprietary competitive information and due to customer privacy concerns. TDS TELECOM, however, will provide the billed revenue for its top 100 customers without providing information as to the identity of these customers. With respect to the "annual billed revenue" requested, TDS TELECOM archives billing information after ninety days.

Therefore, the information provided is annualized, based on a current consecutive three month period. TDS TELECOM has identified customers subject to termination penalties contained in contract or tariff provisions, but will not provide specific contracts or tariffs. All tariff information is on file with the TRA and can be accessed by US LEC as necessary.

The attached list is Concord Telephone's top 100 customers based on total revenues billed in January and February 2002 and December 2001. This response is also being filed with the TRA as privileged and confidential information. The report reflects revenues billed by the Company, not revenues actually realized. For instance, toll revenues billed to the end user customer on behalf of an inter-exchange carrier (IXC), produce access and billing and collection revenues that are ultimately recorded on the Company's books. The revenues accruing to the Company through the various settlement processes differ from the revenues billed to the end user customer. Additionally, the Company does not have access to information for IXCs billing customers directly. IXC's direct billing generates access revenues for the Company that cannot be traced to an individual customer. Therefore, the actual revenues realized by the Company are greater than the amounts shown as "billed" to customers.

INTERROGATORY No. 2: Provide the same information requested in Interrogatory No. 1 for the following customers:

a. The top 25 business customers of Humphreys County Telephone.

b. The top 50 business customers of Tellico Telephone.

c. The top 600 business customers of Tennessee Telephone.

RESPONSE:

Please see response to Interrogatory No. 1 regarding the availability and confidentiality of the requested information and the explanation of billed and realized revenues. Following is a ranking of the top customers billed by Tellico, Hemphreys County and Tennessee Telephone based on combined toll and local revenues billed in January and February 2002 and December 2001. The customer's name, address and number are not provided, as this is privileged and confidential information. This response is also being filed with the TRA as privileged and confidential information.

INTERROGATORY No. 3: For each TDS company, describe the budgeting process including, but not limited to the following:

a. How far in advance are operating and construction budgets prepared? On what basis is the total operating and construction budget determined? Explain the "approval process" in budget development.

b. How many views or updates of the same budget year are made before a final view is adopted?

c. Are budgets prepared on a monthly, quarterly or annual basis?

d. Which individual or department has overall responsibility for budgets/reconciliations?

e. Once a final budget has been adopted, are budget to actual (reconciliations) comparisons routinely made? How frequently are reconciliations prepared and by whom?

f. For 2001 and 2002, provide copies of all budgets; budgets to actual comparisons; and all supporting work papers on a total Company and Tennessee only basis.

RESPONSE:

a. The operating and construction budgets are prepared on an annual basis. Normally, final approval does not occur prior to the beginning of the actual period being budgeted. The construction budget is based on growth projections, facility exhaust, facility obsolescence, and the individual company's financial position. The financial budget is based on the prior year's actual results, adjusted for known or expected changes in the company's operations. Operating and construction budgets are prepared by Finance, Network Service, and the Customer Sales and Service Group, and submitted to senior management for approval.

b. Budgets may be adjusted several times during the process as more current information becomes available.

c. Budgets are prepared on an annual basis.

d. Network Services and the Customer Sales & Support Group are responsible for construction budget activites, and the Finance Department is responsible for operating budgets.

e. Operating and construction budget reconciliations are prepared periodically by the Finance and Nework departments.

f. The requested information for 2001 is included with this response and is also being filed with the TRA as privileged and confidential information. The 2002 budgets were not finalized as of the date of this request.

INTERROGATORY No. 4: For each TDS carrier, provide a listing by name, business address, and contact person of all non-regulated operations or affiliates, including but not limited to, Internet, cable television, and long distance telephone service providers.

RESPONSE:

TDS Telecom objects to this request as not relevant to the statutory issue before the TRA. Under the Telecommunications Act of 1996, revenue from non-regulated operations is not a factor to be considered in addressing US LEC's interconnection request. Accordingly, TDS Telecom will not provide the information requested in this interrogatory.

INTERROGATORY No. 5: For each non-regulated operation or affiliate identified in item no. 1, above, provide a balance sheet and income statement for the years ended 2001 and year-to-date 2002.

RESPONSE:

Please see response to Interrogatory No. 4.

REQUESTS FOR PRODUCTION OF DOCUMENTS

1. Provide the annual Report Form M, for the year 2001 for each TDS carrier operating in Tennessee and provide all supporting work papers.

RESPONSE:

TDS TELECOM has not yet filed its annual Report Form M for the year 2001. The Company has requested an extension until May 1, 2002 to file the Form M for 2001.

2. For each TDS carrier, provide the most recent twelve months of TRA 3.01 monthly reports and all supporting work papers.

RESPONSE:

An unsigned copy of the requested document is attached for January 2002. A signed copy is on file at the TRA, and US LEC may obtain those documents directly from the TRA.

R. Dale Grimes (#6223)
T. G. Pappas (#2703)
Tara L. Swafford (#17577)
BASS, BERRY & SIMS, PLC
AmSouth Center
315 Deaderick Street, Suite 2700
Nashville, Tennessee 32738-3001
(615) 742-6200

Counsel for Concord Telephone Exchange, Inc., Humphreys County Telephone Company, Tennessee Telephone Company, and Tellico Telephone Company, Inc.

VERIFICATION

STATE OF TENNESSEE

COUNTY OF KNOX

Personally appeared before me, the undersigned Notary Public, Bruce Mottern, Director-Revenue and Earnings of TDS TELECOM herein, who, after being duly sworn, made oath that the within responses to interrogatories are true to the best of his knowledge, information and belief.

TDS TELECOM

BY: Bruce Mottern

Sworn to and subscribed before me on this the 4th day of April, 2002.

Jennifer L. White

Notary Public

My Commission Expires: 3/10/2004

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document was served, via hand delivery, on this the 4th day of April, 2002, upon the following:

Henry M. Walker, Esq.
Boult, Cummings, Conners & Berry
414 Union Street, Suite 1600
Nashville, TN 37219

J. Richard Collier, Esq.
General Counsel
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

2275310.1

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
COMBINED TDS TELECOM OPERATIONS
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company Current Month (b)	Interstate Current Month (c)	Intrastate Current Month (d)
	OPERATING REVENUES			
1	Local Revenues (5000 - 5069)	$ 2,669,444	$ -	$ 2,669,444
2	Interstate Access (5081-5083)	1,518,208	1,063,000	455,208
3	Interstate USF (50821)	190,617		190,617
4	Intrastate Access (508421-50847)	414,124		414,124
5	Long Distance Revenues (5100 - 5169)	904,384		904,384
6	Miscellaneous Revenues (523-5269)	119,307		119,307
7	B&C (5270)	68,554	33,998	34,556
8	Uncollectible Revenues (5300)	(24,830)		(24,830)
9	Total Operating Revenues (L1 to L8)	$ 5,859,807	$ 1,096,998	$ 4,762,809
	OPERATING EXPENSES			
10	Plt Specific Expense (6110 to 6441) + 7130	$ 328,844	$ 80,438	$ 248,406
11	Plt Non Spec. Expense (6510 to 6540)	491,891	114,025	377,866
12	Depreciation & Amortization (6560)	1,483,989	332,794	1,151,196
13	Customer Operation Expense (6600)	1,001,810	215,238	786,573
14	Corporate Operation Expense (6700)	829,418	180,288	649,129
15	Other Operating Taxes (7240)	148,693	29,393	119,301
16	Federal Income Taxes (7220 and 72501)	493,089	48,870	444,219
17	State Income Taxes (7230 and 72502)	99,348	(6,212)	105,560
18	Total Operating Expenses (L10 to L17)	$ 4,877,083	$ 994,833	$ 3,882,249
19	Net Operating Income (L9 less L18)	$ 982,724	$ 102,165	$ 880,559
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	65,097	-	65,097
21	Interest Expense (7510 to 7540)	137,145	-	137,145
22	Extraordinary Items (7610 to 7640)	-	-	-
23	Nonregulated Income Items (7990)	36,962	-	36,962
24	Net Income.............................	$ 947,639	$ 102,165	$ 845,474

Ln No.	Selected Balance Sheet Items	Current Month	Interstate	Intrastate
25	Plant in Service (2100-2400)	$ 217,362,153	$ 43,879,165	$ 173,482,988
26	Depreciation Reserve (3100-3120)	118,582,425	24,405,696	94,176,729
27	Property Held for Future Use (2002)	-	-	-
28	Plant Under Construction (2003)	6,372,336	1,224,412	5,147,925
29	Materials & Supplies (1220)	750,074	166,958	583,116
30	Unamortized ITC (4230)	14,814	4,292	10,522
31	Customer Deposits (4040)	6,878	1,803	5,074
32	Leases and Leasehold Improvements (net) (2681, 268	725,852	88,912	636,941
33	RTB Stock (14021)	546,150	74,975	471,175
34	Accumulated Deferred Income Taxes (4340,4361,14	7,507,459	1,535,116	5,972,343
35	Preferred & Common Stock (4510)	3,022,910	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
36	Additional Paid In Capital (4520)	5,082,737	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
37	Retained Earnings (4550)	103,889,946	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
38	Long Term Debt (4210 to 4270) + 4050	28,730,732	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
39	Short Term Debt (4020)	-	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
COMBINED TDS TELECOM OPERATIONS
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company YTD (b)	Interstate YTD (c)	Intrastate YTD (d)
	OPERATING REVENUES			
1	Local Revenues (5000 - 5069)	$ 2,669,444	$ -	$ 2,669,444
2	Interstate Access (5081-5083)	1,518,208	1,063,000	455,208
3	Interstate USF (50821)	190,617	-	190,617
4	Intrastate Access (508421-50847)	414,124	-	414,124
5	Long Distance Revenues (5100 - 5169)	904,384	-	904,384
6	Miscellaneous Revenues (523-5269)	119,307	-	119,307
7	B&C (5270)	68,554	33,998	34,556
8	Uncollectible Revenues (5300)	(24,830)	-	(24,830)
9	Total Operating Revenues (L1 to L8)	$ 5,859,807	$ 1,096,998	$ 4,762,809
	OPERATING EXPENSES			
10	Plt Specific Expense (6110 to 6441) + 7130	$ 328,844	$ 80,438	$ 248,406
11	Plt Non Spec. Expense (6510 to 6540)	491,891	114,025	377,866
12	Depreciation & Amortization (6560)	1,483,989	332,794	1,151,196
13	Customer Operation Expense (6600)	1,001,810	215,238	786,573
14	Corporate Operation Expense (6700)	829,418	180,288	649,129
15	Other Operating Taxes (7240)	148,693	29,393	119,301
16	Federal Income Taxes (7220 and 72501)	493,089	49,943	443,146
17	State Income Taxes (7230 and 72502)	99,348	(6,016)	105,364
18	Total Operating Expenses (L10 to L17)	$ 4,877,083	$ 996,103	$ 3,880,980
19	Net Operating Income (L9 less L18)	$ 982,724	$ 100,896	$ 881,829
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	65,097	-	65,097
21	Interest Expense (7510 to 7540)	137,145	-	137,145
22	Extraordinary Items (7610 to 7640)	-	-	-
23	Nonregulated Income Items (7990)	36,962	-	36,962
24	Net Income...............................	$ 947,639	$ 100,896	$ 846,744

Ln No.	Selected Balance Sheet Items	12 Mth Average	Interstate	Intrastate
25	Plant in Service (2100-2400)	$ 208,674,553	$ 42,103,912	$ 166,570,642
26	Depreciation Reserve (3100-3120)	112,678,480	23,269,723	89,408,757
27	Property Held for Future Use (2002)	72,586	-	72,586
28	Plant Under Construction (2003)	7,140,159	1,344,874	5,795,285
29	Materials & Supplies (1220)	731,672	164,826	566,846
30	Unamortized ITC (4230)	17,364	5,030	12,334
31	Customer Deposits (4040)	6,979	1,831	5,149
32	Leases and Leasehold Improvements (net) (2681, 268	194,671	22,286	172,385
33	RTB Stock (14021)	546,150	74,975	471,175
34	Accumulated Deferred Income Taxes (4340,4361,14	8,076,081	1,658,373	6,417,708
35	Preferred & Common Stock (4510)	21,310	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
36	Additional Paid In Capital (4520)	129,667	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
37	Retained Earnings (4550)	24,028,133	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
38	Long Term Debt (4210 to 4270) + 4050	3,290,102	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
39	Short Term Debt (4020)	-	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES AND INVESTMENTS - TELEPHONE COMPANIES
COMBINED TDS TELECOM OPERATIONS
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company 12 Month (b)	Interstate 12 Month (c)	Intrastate 12 Month (d)
	OPERATING REVENUES			
1	Local Revenues (5000 - 5069)	$ 32,269,130	$ -	$ 32,269,130
2	Interstate Access (5081-5083)	18,869,050	13,024,509	5,844,541
3	Interstate USF (50821)	2,613,116	-	2,613,116
4	Intrastate Access (508421-50847)	5,423,534	-	5,423,534
5	Long Distance Revenues (5100 - 5169)	10,477,932	-	10,477,932
6	Miscellaneous Revenues (523-5269)	1,414,620	-	1,414,620
7	B&C (5270)	1,219,057	656,022	563,034
8	Uncollectible Revenues (5300)	(246,310)	-	(246,310)
9	Total Operating Revenues (L1 to L8)	$ 72,040,128	$ 13,680,531	$ 58,359,596
	OPERATING EXPENSES			
10	Plt Specific Expense (6110 to 6441) + 7130	$ 5,133,018	$ 1,173,498	$ 3,959,520
11	Plt Non Spec. Expense (6510 to 6540)	5,395,938	1,259,953	4,135,985
12	Depreciation & Amortization (6560)	16,797,791	3,730,775	13,067,016
13	Customer Operation Expense (6600)	11,267,906	2,419,529	8,848,377
14	Corporate Operation Expense (6700)	10,928,697	2,372,924	8,555,773
15	Other Operating Taxes (7240)	1,576,337	342,785	1,233,552
16	Federal Income Taxes (7220 and 72501)	6,498,729	775,585	5,723,144
17	State Income Taxes (7230 and 72502)	1,269,436	(42,989)	1,312,425
18	Total Operating Expenses (L10 to L17)	$ 58,867,851	$ 12,032,060	$ 46,835,792
19	Net Operating Income (L9 less L18)	$ 13,172,276	$ 1,648,472	$ 11,523,805
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	811,384	-	811,384
21	Interest Expense (7510 to 7540)	1,654,225	-	1,654,225
22	Extraordinary Items (7610 to 7640)	-	-	-
23	Nonregulated Income Items (7990)	837,442	-	837,442
24	Net Income.............................	$ 13,166,877	$ 1,648,472	$ 11,518,406

Ln No.	Selected Balance Sheet Items	12 Mth Average	Interstate	Intrastate
25	Plant in Service (2100-2400)	$ 208,674,553	$ 42,103,912	$ 166,570,642
26	Depreciation Reserve (3100-3120)	112,678,480	23,269,723	89,408,757
27	Property Held for Future Use (2002)	72,586	-	72,586
28	Plant Under Construction (2003)	7,140,159	1,344,874	5,795,285
29	Materials & Supplies (1220)	731,672	164,826	566,846
30	Unamortized ITC (4230)	17,364	5,030	12,334
31	Customer Deposits (4040)	6,979	1,831	5,149
32	Leases and Leasehold Improvements (net) (2681, 268	194,671	22,286	172,385
33	RTB Stock (14021)	546,150	74,975	471,175
34	Accumulated Deferred Income Taxes (4340,4361,14	8,076,081	1,658,373	6,417,708
35	Preferred & Common Stock (4510)	21,310	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
36	Additional Paid In Capital (4520)	129,667	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
37	Retained Earnings (4550)	24,028,133	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
38	Long Term Debt (4210 to 4270) + 4050	3,290,102	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx
39	Short Term Debt (4020)	-	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
COMBINED TDS TELECOM - TENNESSEE OPERATIONS
Month Ending January 31, 2002.

TENNESSEE INTRASTATE SUPPLEMENTAL FINANCIAL
DATA TO PSC-3.01 FOR

Ln No.	SELECTED BALANCE SHEET ITEMS (a)	Average Monthly Balance	Average 12 Months To Date	Average 12 Months To Date
1	Plant In Service	$ 173,469,614	$ 166,570,642	$ 166,570,642
2	Plant Under Construction	4,845,224	5,795,285	5,795,285
3	Plant Held for Future Use (Net)	-	72,586	72,586
4	Materials & Supplies	149,780	566,846	566,846
5	Capital Leases (Net)	637,093	172,385	172,385
6	Working Capital (45 Days)	3,271,912	3,271,912	3,304,163
7	RTB Stock	471,175	471,175	471,175
8	Total Additions	$ 182,844,797	$ 176,920,831	$ 176,953,082
	LESS:			
9	Accumulated Depreciation	$ 93,585,796	$ 89,408,757	$ 89,408,757
10	Accumulated Deferred Taxes- Accelerated Depreciation & Cost of Removal	6,093,073	6,417,708	6,417,708
11	Unamortized ITC	15,027	17,364	17,364
12	Customer Deposits	5,073	6,682	6,682
13	Total Reductions	$ 99,698,969	$ 95,850,511	$ 95,850,511
14	Rate Base	$ 83,145,828	$ 81,070,320	$ 81,102,571
15	Alternative Net Operating Income	$ 886,635	$ 888,416	$ 11,492,724
16				
17				
18				
19				
20				
21				
22				
23				
24				
25	Alternative Net Operating Income	$ 886,635	$ 888,416	$ 11,492,724
26	Return on Rate Base	12.80%	13.15%	14.17%

MONTHLY REPORT OF TENNESSEE REVENUES EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
COMBINED TDS TELECOM-TENNESSEE OPERATIONS

Income Tax Calculation
Month Ending January 31, 2002.

	Amount for the Month			Year-to-Date			12 Months-To-Date		
	Combined (a)	Interstate (b)	Intrastate (c)	Combined (d)	Interstate (e)	Intrastate (f)	Combined (g)	Interstate (h)	Intrastate (i)
1. Operating Revenues Per Books	$ 5,859,807	$ 1,096,998	$ 4,762,809	$ 5,859,807	$ 1,096,998	$ 4,762,809	$ 72,040,128	$ 13,680,531	$ 58,359,596
2. Plant Specific Expense	$ 328,844	$ 80,438	$ 248,406	$ 328,844	$ 80,438	$ 248,406	$ 5,133,018	$ 1,173,498	$ 3,959,520
3. Plt Non Spec. Expense	491,891	114,025	377,866	491,891	114,025	377,866	5,395,938	1,259,953	4,135,985
4. Depreciation & Amortization	1,483,989	332,794	1,151,196	1,483,989	332,794	1,151,196	16,797,791	3,730,775	13,067,016
5. Customer Operation Expense	1,001,810	215,238	786,573	1,001,810	215,238	786,573	11,267,906	2,419,529	8,848,377
6. Corporate Operation Expense	829,418	180,288	649,129	829,418	180,288	649,129	10,928,697	2,372,924	8,555,773
7a. Other Operating Taxes (Prop & Franchise)	$ 140,796	$ 27,566	$ 113,231	$ 140,796	$ 27,566	$ 113,231	$ 1,455,597	$ 315,078	$ 1,140,519
7b. Other Operating Taxes (PSC Fee & Gross Receipts)	7,897	0	7,897	7,897	-	7,897	120,740	-	120,740
7. Total Other Operating Taxes	$ 148,693	$ 27,566	$ 121,128	$ 148,693	$ 27,566	$ 121,128	$ 1,576,337	$ 315,078	$ 1,261,259
8. Total Operating Exp Before Inc Taxes	$ 4,284,646	$ 950,349	$ 3,334,297	$ 4,284,646	$ 950,349	$ 3,334,297	$ 51,099,686	$ 11,271,756	$ 39,827,930
9. NOI Before Income Taxes	$ 1,575,161	$ 146,650	$ 1,428,512	$ 1,575,161	$ 146,650	$ 1,428,512	$ 20,940,441	$ 2,408,775	$ 18,531,666
10. Flow-thru Sch M.	$ 1,533	$ 253	$ 1,280	$ 1,533	$ 253	$ 1,280	$ 18,394	$ 3,033	$ 15,361
11. Deferred Sch M.	187,006	44,838	142,168	187,006	44,838	142,168	2,244,075	538,061	1,706,014
12. Allocated Interest	134,348	58,526	75,822	135,661	55,263	80,398	1,628,232	697,715	930,518
13. State Excise Taxable Amount (L9+L10+L11-L12)	$ 1,629,353	$ 133,215	$ 1,496,137	$ 1,628,039	$ 136,478	$ 1,491,561	$ 21,574,678	$ 2,252,155	$ 19,322,523
14. State Excise Tax @ 6.00%	$ 97,761	$ 7,993	$ 89,768	$ 97,682	$ 8,189	$ 89,494	$ 1,294,481	$ 135,129	$ 1,159,351
15. State Deferred Tax (L11*6.0%)	11,220	2,690	8,530	11,220	2,690	8,530	134,645	32,284	102,361
16. Excess (Insufficient) Deferred Taxes	8,177	2,113	6,064	8177	2,113	6,064	85787	22,488	63,299
17. Net SIT (L14+L15+L16)	$ 117,159	$ 12,796	$ 104,362	$ 117,080	$ 12,992	$ 104,088	$ 1,514,912	$ 189,901	$ 1,325,011
18. FIT Taxable Amount (L9+L10+L12-L17)	$ 1,325,188	$ 75,580	$ 1,249,607	$ 1,323,953	$ 78,648	$ 1,245,306	$ 17,815,691	$ 1,524,193	$ 16,291,498
19. FIT Gross @ 35%	$ 463,816	$ 26,453	$ 437,363	$ 463,384	$ 27,527	$ 435,857	$ 6,235,492	$ 533,467	$ 5,702,024
20. ITC Amortization	(425)	(122)	(303)	(425)	(122)	(303)	(5,100)	(1,470)	(3,630)
21. Deferred (Excess) Write-back	587	133	454	587	133	454	20,481	4,943	15,538
22. Net FIT	$ 463,978	$ 26,464	$ 437,514	$ 463,546	$ 27,537	$ 436,009	$ 6,250,873	$ 536,941	$ 5,713,932
23. Alternative NOI (L9-L17-L22)	$ 994,025	$ 107,390	$ 886,635	$ 994,536	$ 106,120	$ 888,416	$ 13,174,657	$ 1,681,933	$ 11,492,724

ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Ln. No.	TYPE OF SERVICE (a)	RESIDENCE (b)	BUSINESS (c)	TOTAL (d)
1	1 party.....................................	80,226	23,193	103,419
2	2 party.....................................			-
3	4 party.....................................			-
4	Multi party.................................			-
5	Other.......................................			-
6	Total.......................................	80,226	23,193	103,419

INSTRUCTIONS

1. This report is required of telephone companies which had operating revenues for the preceding year in excess of $1,500,000 as provided in the Commission's rules. Prepare on a typewriter and file within 60 days after the end of the calendar month covered by the report. Show amounts adjusted to the nearest thousand dollars unless directed otherwise.
2. If Tennessee data is not available for multistate companies, include total company operations under the combined columns and note that the data represents total company.
3. If any amount for the current month differs materially from that for the previous month a year age and the difference is not self explanatory, annotate the amount and explain the occasioning facts under "Remarks".
4. Average for the 12 Months To Date shall be computed on an average monthly balance basis.

REMARKS

I certify to the best of my knowledge and belief this is a true and correct report:

Date______________, 2002 (Signed) ______________________________

Title: Director Revenue and Earnings

TDS Telecom - Southern Region
P. O. Box 22995
Knoxville, Tennessee 37932
Name of Contact Concerning This Report: Bruce H. Mottern

Phone Number of Contact: (865) 671-4753

Combined Tennessee Operations

TENNESSEE INTRASTATE SUPPLEMENTAL FINANCIAL
ALTERNATIVE RATE OF RETURN CALCULATION
DATA TO PSC-3.01 FOR
Month Ending January 31, 2002.

DESCRIPTION	PERCENT	MONTHLY AVERAGE	COST OF CAPITAL	WEIGHTED COST	PERCENT	YTD MONTHLY AVERAGE	COST OF CAPITAL	WEIGHTED COST	PERCENT	AVERAGE	COST OF CAPITAL	WEIGHTED COST
1 EQUITY	79.70%	$ 116,276,449	12.50%	9.96%	78.44%	$ 107,909,883	12.50%	9.81%	78.44%	$ 107,909,883	12.50%	9.81%
2 LONG AND SHORT TERM DEBT	20.30%	29,608,068	5.60%	1.14%	21.56%	29,659,526	5.60%	1.21%	21.56%	29,659,526	5.60%	1.21%
3 TOTAL CAPITALIZATION		$ 145,884,517		11.10%		137,569,409		11.01%		137,569,409		11.01%
4 RATE BASE		$ 83,145,828				$ 83,145,828				$ 81,102,571		
5 EQUITY RATE BASE	79.70%	$ 66,270,923			78.44%	$ 65,219,853			78.44%	$ 63,617,115		
6 FUNDED DEBT RATE BASE	20.30%	16,874,905			21.56%	17,925,976			21.56%	17,485,456		
		$ 83,145,828				$ 83,145,828				$ 81,102,571		
7 FUNDED DEBT RATE BASE		$ 16,874,905				$ 17,925,976				$ 17,485,456		
8 COST OF FUNDED DEBT		5.60%				5.60%				5.60%		
9 INTEREST EXPENSE(OPERATING)		$ 78,694				$ 83,596				$ 978,494		
10 INCOME AVAILABLE FOR RETURN		$ 886,635				$ 888,416				$ 11,492,724		
11 REGULATED NET INCOME (L10 - L9)		$ 807,941				$ 804,820				$ 10,514,229		
12 EARNED RETURN ON REGULATED EQUITY (L11/L 5)		14.63%				14.81%				16.53%		

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES AND INVESTMENTS - TELEPHONE COMPANIES
Concord Telephone Exchange
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company Current Month (b)	Interstate Current Month (c)	Intrastate Current Month (d)	Interstate %
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 639,325	$ -	$ 639,325	
2	Interstate Access (5081-5083)	455,208	-	455,208	
3	Interstate USF (50821)	-		-	
4	Intrastate Access (508421-50847)	136,367		136,367	
5	Long Distance Revenues (5100 - 5169)	50,785		50,785	
6	Miscellaneous Revenues (523-5269)	29,624		29,624	
7	B&C (5270)	14,591	-	14,591	
8	Uncollectible Revenues (5300)	(4,305)		(4,305)	
9	Total Operating Revenues (L1 to L8)	$ 1,321,595	$ -	$ 1,321,595	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 50,711	$ -	$ 50,711	0.00%
11	Plt Non Spec. Expense (6510 to 6540)	101,609	-	101,609	0.00%
12	Depreciation & Amortization (6560)	354,461	-	354,461	0.00%
13	Customer Operation Expense (6600)	227,983	-	227,983	0.00%
14	Corporate Operation Expense (6700)	200,096	-	200,096	0.00%
15	Other Operating Taxes (7240)	48,309	-	48,309	0.00%
16	Federal Income Taxes (7220 and 72501)	112,314	-	112,314	
17	State Income Taxes (7230 and 72502)	21,758	-	21,758	
18	Total Operating Expenses (L10 to L17)	$ 1,117,240	$ -	$ 1,117,240	
19	Net Operating Income (L9 less L18)	$ 204,355	$ -	$ 204,355	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	25,498	-	25,498	
21	Interest Expense (7510 to 7540)	19,469	-	19,469	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	(26,020)	-	(26,020)	
24	Net Income..............................	$ 184,364	$ -	$ 184,364	

Ln No.	Selected Balance Sheet Items	Current Month	Interstate	Intrastate	Interstate %
25	Plant in Service (2100-2400)	$ 47,721,031	$ -	$ 47,721,031	0.00%
26	Depreciation Reserve (3100-3120)	25,683,374	-	25,683,374	0.00%
27	Property Held for Future Use (2002)	-	-	-	0.00%
28	Plant Under Construction (2003)	1,569,184	-	1,569,184	0.00%
29	Materials & Supplies (1220)	110,764	-	110,764	0.00%
30	Unamortized ITC (4230)	-	-	-	0.00%
31	Customer Deposits (4040)	-	-	-	0.00%
32	Leases and Leasehold Improvements (net) (2681, 2682)	373,867	-	373,867	0.00%
33	RTB Stock (14021)	284,300	-	284,300	0.00%
34	Accumulated Deferred Income Taxes (4340,4361,1437)	1,570,178	-	1,570,178	0.00%
35	Preferred & Common Stock (4510)	21,310	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	
36	Additional Paid In Capital (4520)	129,667	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	
37	Retained Earnings (4550)	26,333,996	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	
38	Long Term Debt (4210 to 4270) + 4050	3,046,404	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	
39	Short Term Debt (4020)	-	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES AND INVESTMENTS - TELEPHONE COMPANIES
Concord Telephone Exchange
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company YTD (b)	Interstate YTD (c)	Intrastate YTD (d)	Interstate %
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 639,325	$ -	$ 639,325	
2	Interstate Access (5081-5083)	455,208	-	455,208	
3	Interstate USF (50821)	-	-	-	
4	Intrastate Access (508421-50847)	136,367	-	136,367	
5	Long Distance Revenues (5100 - 5169)	50,785	-	50,785	
6	Miscellaneous Revenues (523-5269)	29,624	-	29,624	
7	B&C (5270)	14,591	-	14,591	
8	Uncollectible Revenues (5300)	(4,305)	-	(4,305)	
9	Total Operating Revenues (L1 to L8)	$ 1,321,595	$ -	$ 1,321,595	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 50,711	$ -	$ 50,711	0.00%
11	Plt Non Spec. Expense (6510 to 6540)	101,609	-	101,609	0.00%
12	Depreciation & Amortization (6560)	354,461	-	354,461	0.00%
13	Customer Operation Expense (6600)	227,983	-	227,983	0.00%
14	Corporate Operation Expense (6700)	200,096	-	200,096	0.00%
15	Other Operating Taxes (7240)	48,309	-	48,309	0.00%
16	Federal Income Taxes (7220 and 72501)	112,314	-	112,314	
17	State Income Taxes (7230 and 72502)	21,758	-	21,758	
18	Total Operating Expenses (L10 to L17)	$ 1,117,240	$ -	$ 1,117,240	
19	Net Operating Income (L9 less L18)	$ 204,355	$ -	$ 204,355	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	25,498	-	25,498	
21	Interest Expense (7510 to 7540)	19,469	-	19,469	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	(26,020)	-	(26,020)	
24	Net Income.............................	$ 184,364	$ -	$ 184,364	

Ln No.	Selected Balance Sheet Items	12 Mth Average	Interstate	Intrastate	Interstate %
25	Plant in Service (2100-2400)	$ 45,799,436	$ -	$ 45,799,436	0.00%
26	Depreciation Reserve (3100-3120)	24,161,018	-	24,161,018	0.00%
27	Property Held for Future Use (2002)	72,586	-	72,586	0.00%
28	Plant Under Construction (2003)	1,936,055	-	1,936,055	0.00%
29	Materials & Supplies (1220)	100,554	-	100,554	0.00%
30	Unamortized ITC (4230)	-	-	-	0.00%
31	Customer Deposits (4040)	-	-	-	0.00%
32	Leases and Leasehold Improvements (net) (2681, 2682)	106,446	-	106,446	0.00%
33	RTB Stock (14021)	284,300	-	284,300	0.00%
34	Accumulated Deferred Income Taxes (4340,4361,1437)	1,656,563	-	1,656,563	0.00%
35	Preferred & Common Stock (4510)	21,310	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	
36	Additional Paid In Capital (4520)	129,667	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	
37	Retained Earnings (4550)	24,990,553	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	
38	Long Term Debt (4210 to 4270) + 4050	3,185,072	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	
39	Short Term Debt (4020)	-	xxxxxxxxxxxxxxxx	xxxxxxxxxxxxxxxx	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Concord Telephone Exchange
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company 12 Month (b)	Interstate 12 Month (c)	Intrastate 12 Month (d)	Interstate %
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 7,727,256	$ -	$ 7,727,256	
2	Interstate Access (5081-5083)	5,844,541	-	5,844,541	
3	Interstate USF (50821)	-	-	-	
4	Intrastate Access (508421-50847)	1,741,573	-	1,741,573	
5	Long Distance Revenues (5100 - 5169)	462,736	-	462,736	
6	Miscellaneous Revenues (523-5269)	342,274	-	342,274	
7	B&C (5270)	240,984	-	240,984	
8	Uncollectible Revenues (5300)	(35,323)	-	(35,323)	
9	Total Operating Revenues (L1 to L8)	$ 16,324,040	$ -	$ 16,324,040	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 1,076,059	$ -	$ 1,076,059	0.00%
11	Plt Non Spec. Expense (6510 to 6540)	1,078,649	-	1,078,649	0.00%
12	Depreciation & Amortization (6560)	4,136,541	-	4,136,541	0.00%
13	Customer Operation Expense (6600)	2,595,143	-	2,595,143	0.00%
14	Corporate Operation Expense (6700)	2,646,221	-	2,646,221	0.00%
15	Other Operating Taxes (7240)	406,431	-	406,431	0.00%
16	Federal Income Taxes (7220 and 72501)	1,379,248	-	1,379,248	
17	State Income Taxes (7230 and 72502)	251,808	-	251,808	
18	Total Operating Expenses (L10 to L17)	$ 13,570,100	$ -	$ 13,570,100	
19	Net Operating Income (L9 less L18)	$ 2,753,940	$ -	$ 2,753,940	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	262,513	-	262,513	
21	Interest Expense (7510 to 7540)	239,254	-	239,254	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	(331,966)	-	(331,966)	
24	Net Income..............................	$ 2,445,234	$ -	$ 2,445,234	

Ln No.	Selected Balance Sheet Items	12 Mth Average	Interstate	Intrastate	Interstate %
25	Plant in Service (2100-2400)	$ 45,799,436	$ -	$ 45,799,436	0.00%
26	Depreciation Reserve (3100-3120)	24,161,018	-	24,161,018	0.00%
27	Property Held for Future Use (2002)	72,586	-	72,586	0.00%
28	Plant Under Construction (2003)	1,936,055	-	1,936,055	0.00%
29	Materials & Supplies (1220)	100,554	-	100,554	0.00%
30	Unamortized ITC (4230)	-	-	-	0.00%
31	Customer Deposits (4040)	-	-	-	0.00%
32	Leases and Leasehold Improvements (net) (2681, 2682)	106,446	-	106,446	0.00%
33	RTB Stock (14021)	284,300	-	284,300	0.00%
34	Accumulated Deferred Income Taxes (4340,4361,1437)	1,656,563	-	1,656,563	0.00%
35	Preferred & Common Stock (4510)	21,310	***************	***************	
36	Additional Paid In Capital (4520)	129,667	***************	***************	
37	Retained Earnings (4550)	24,990,553	***************	***************	
38	Long Term Debt (4210 to 4270) + 4050	3,185,072	***************	***************	
39	Short Term Debt (4020)	-	***************	***************	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES AND INVESTMENTS - TELEPHONE COMPANIES
Concord Telephone Exchange
Month Ending January 31, 2002.

TENNESSEE INTRASTATE SUPPLEMENTAL FINANCIAL DATA TO PSC-3.01 FOR

Ln No.	SELECTED BALANCE SHEET ITEMS (a)	Average Monthly Balance	Average 12 Months To Date	Average 12 Months To Date
1	Plant In Service	$ 47,722,200	$ 45,799,436	$ 45,799,436
2	Plant Under Construction	1,450,346	1,936,055	1,936,055
3	Plant Held for Future Use (Net)	-	72,586	72,586
4	Materials & Supplies	46,640	100,554	100,554
5	Capital Leases (Net)	373,867	106,446	106,446
6	Working Capital (45 Days)	943,061	943,061	975,313
7	RTB Stock	284,300	284,300	284,300
8	Total Additions	$ 50,820,415	$ 49,242,439	$ 49,274,690
	LESS:			
9	Accumulated Depreciation	25,507,183	24,161,018	24,161,018
10	Accumulated Deferred Taxes- Accelerated Depreciation & Cost of Removal	1,573,944	1,656,563	1,656,563
11	Unamortized ITC	-	-	-
12	Customer Deposits	-	-	-
13	Total Reductions	$ 27,081,126	$ 25,817,581	$ 25,817,581
14	Rate Base	$ 23,739,289	$ 23,424,858	$ 23,457,109
15	Alternative Net Operating Income	$ 212,258	$ 212,769	$ 2,750,567
16				
17				
18				
19				
20				
21				
22				
23				
24				
25	Alternative Net Operating Income	$ 212,258	$ 212,769	$ 2,750,567
26	Return on Rate Base	10.73%	10.90%	11.73%

MONTHLY REPORT OF TENNESSEE REVENUES EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Concord Telephone Exchange

Income Tax Calculation
Month Ending January 31, 2002.

	Amount for the Month			year-to-date			12 Months-To-Date		
	Combined (a)	Interstate (b)	Intrastate (c)	Combined (d)	Interstate (e)	Intrastate (f)	Combined (g)	Interstate (h)	Intrastate (i)
1. Operating Revenues Per Books	$ 1,321,595	$ -	$ 1,321,595	$ 1,321,595	$ -	$ 1,321,595	$ 16,324,040	$ -	$ 16,324,040
2. Plant Specific Expense	$ 50,711	$ -	$ 50,711	$ 50,711	$ -	$ 50,711	$ 1,076,059	$ -	$ 1,076,059
3. Plt Non Spec. Expense	101,609	-	101,609	101,609	-	101,609	1,078,649	-	1,078,649
4. Depreciation & Amortization	354,461	-	354,461	354,461	-	354,461	4,136,541	-	4,136,541
5. Customer Operation Expense	227,983	-	227,983	227,983	-	227,983	2,595,143	-	2,595,143
6. Corporate Operation Expense	200,096	-	200,096	200,096	-	200,096	2,646,221	-	2,646,221
7a. Other Operating Taxes (Prop & Franchise)	$ 46,646	$ -	$ 46,646	$ 46,646	$ -	$ 46,646	$ 380,201	$ -	$ 380,201
7b. Other Operating Taxes (PSC Fee & Gross Receipts)	1,662		1,662	1,662		1,662	26,230		26,230
7. Total Other Operating Taxes	$ 48,309	$ -	$ 48,309	$ 48,309	$ -	$ 48,309	$ 406,431	$ -	$ 406,431
8. Total Operating Exp Before Inc Taxes	$ 983,168	$ -	$ 983,168	$ 983,168	$ -	$ 983,168	$ 11,939,044	$ -	$ 11,939,044
9. NOI Before Income Taxes	$ 338,427	$ -	$ 338,427	$ 338,427	$ -	$ 338,427	$ 4,384,996	$ -	$ 4,384,996
10. Flow-thru Sch M.	$ 545	-	$ 545	$ 545	-	$ 545	6541	-	$ 6,541
11. Deferred Sch M.	10,186	-	10,186	10,186	-	10,186	122,232	-	122,232
12. Allocated Interest	16,672	-	16,672	17,986	-	17,986	213,262	-	213,262
13. State Excise Taxable Amount (L9+L10+L11-L12)	$ 332,486	$ -	$ 332,486	$ 331,173	$ -	$ 331,173	$ 4,300,507	$ -	$ 4,300,507
14. State Excise Tax @ 6.00%	$ 19,949	$ -	$ 19,949	$ 19,870	$ -	$ 19,870	$ 258,030	$ -	$ 258,030
15. State Deferred Tax (L11*6.0%)	611	-	611	611	-	611	7,334	-	7,334
16. Excess (Insufficient) Deferred Taxes	-	-	-	-	-	-	(970)	-	(970)
17. Net SIT (L14+L15+L16)	$ 20,560	$ -	$ 20,560	$ 20,482	$ -	$ 20,482	$ 264,394	$ -	$ 264,394
18. FIT Taxable Amount (L9+L10+L12-L17)	$ 301,740	$ -	$ 301,740	$ 300,505	$ -	$ 300,505	$ 3,913,881	$ -	$ 3,913,881
19. FIT Gross @ 35%	$ 105,609	$ -	$ 105,609	$ 105,177	$ -	$ 105,177	$ 1,369,858	$ -	$ 1,369,858
20. ITC Amortization	-	-	-	-	-	-	-	-	-
21. Deferred (Excess) Write-back	-	-	-	-	-	-	177	-	177
22. Net FIT	$ 105,609	$ -	$ 105,609	$ 105,177	$ -	$ 105,177	$ 1,370,035	$ -	$ 1,370,035
23. Alternative NOI (L9-L17-L22)	$ 212,258	$ -	$ 212,258	$ 212,769	$ -	$ 212,769	$ 2,750,567	$ -	$ 2,750,567

MONTHLY REPORT OF TENNESSEE REVENUES EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Concord Telephone Exchange
Month Ending January 31, 2002.

ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Ln. No.	TYPE OF SERVICE (a)	RESIDENCE (b)	BUSINESS (c)	TOTAL (d)
1	1 party......................................	17,641	6,838	24,479
2	2 party......................................			
3	4 party......................................			-
4	Multi party..................................			-
5	Other..			-
				-
6	Total..	17,641	6,838	24,479

INSTRUCTIONS

1. This report is required of telephone companies which had operating revenues for the preceding year in excess of $1,500,000 as provided in the Commission's rules. Prepare on a typewriter and file within 60 days after the end of the calendar month covered by the report. Show amounts adjusted to the nearest thousand dollars unless directed otherwise.
2. If Tennessee data is not available for multistate companies, include total company operations under the combined columns and note that the data represents total company.
3. If any amount for the current month differs materially from that for the previous month a year age and the difference is not self explanatory, annotate the amount and explain the occasioning facts under "Remarks".
4. Average for the 12 Months To Date shall be computed on an average monthly balance basis.

REMARKS

I certify to the best of my knowledge and belief this is a true and correct report:

Date_______________, 2002 (Signed) ______________________________

Title: Director Revenue and Earnings

TDS Telecom - Southern Region
P. O. Box 22995
Knoxville, Tennessee 37932

Name of Contact Concerning This Report: Bruce H. Mottern

Phone Number of Contact: (865) 671-4753

Concord Telephone Exchange

TENNESSEE INTRASTATE SUPPLEMENTAL FINANCIAL
ALTERNATIVE RATE OF RETURN CALCULATION
DATA TO PSC-3.01 FOR
Month Ending January 31, 2002.

DESCRIPTION	PERCENT	MONTHLY AVERAGE	COST OF CAPITAL	WEIGHTED COST	PERCENT	YTD MONTHLY AVERAGE	COST OF CAPITAL	WEIGHTED COST	PERCENT	12 MOS AVERAGE	COST OF CAPITAL	WEIGHTED COST
1 EQUITY	88.71%	$ 26,392,791	12.50%	11.09%	87.82%	25,141,530	12.50%	10.98%	87.82%	25,141,530	12.50%	10.98%
2 LONG AND SHORT TERM DEBT	11.29%	3,359,858	7.46%	0.84%	12.18%	3,487,662	7.46%	0.91%	12.18%	3,487,662	7.46%	0.91%
3 TOTAL CAPITALIZATION		$ 29,752,649		11.93%		28,629,191		11.89%		28,629,191		11.89%
4 RATE BASE		$ 23,739,289				$ 23,739,289				$ 23,457,109		
5 EQUITY RATE BASE	88.71%	$ 21,058,497			87.82%	$ 20,847,324			87.82%	$ 20,599,521		
6 FUNDED DEBT RATE BASE	11.29%	2,680,792			12.18%	2,891,965			12.18%	2,857,589		
		$ 23,739,289				$ 23,739,289				$ 23,457,109		
7 FUNDED DEBT RATE BASE		$ 2,680,792				$ 2,891,965				$ 2,857,589		
8 COST OF FUNDED DEBT		7.46%				7.46%				7.46%		
9 INTEREST EXPENSE(OPERATING)		$ 16,672				$ 17,986				$ 213,262		
10 INCOME AVAILABLE FOR RETURN		$ 212,258				$ 212,769				$ 2,750,567		
11 REGULATED NET INCOME (L10 - L9)		$ 195,586				$ 194,783				$ 2,537,305		
12 EARNED RETURN ON REGULATED EQUITY (L11/L 5)		11.15%				11.21%				12.32%		

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Humphreys County Telephone
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company Current Month (b)	Interstate Current Month (c)	Intrastate Current Month (d)	Interstate % (e)
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 26,236	$ -	$ 26,236	
2	Interstate Access (5081-5083)	32,900	32,900	-	
3	Interstate USF (50821)	18,237		18,237	
4	Intrastate Access (508421-50847)	20,990		20,990	
5	Long Distance Revenues (5100 - 5169)	29,398		29,398	
6	Miscellaneous Revenues (523-5269)	1,253		1,253	
7	B&C (5270)	2,247	763	1,484	
8	Uncollectible Revenues (5300)	(352)		(352)	
9	Total Operating Revenues (L1 to L8)	$ 130,909	$ 33,663	$ 97,246	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 8,966	$ 2,596	$ 6,371	28.95%
11	Plt Non Spec. Expense (6510 to 6540)	9,967	2,872	7,094	28.82%
12	Depreciation & Amortization (6560)	32,822	9,694	23,128	29.54%
13	Customer Operation Expense (6600)	19,212	5,180	14,032	26.96%
14	Corporate Operation Expense (6700)	13,011	3,718	9,293	28.58%
15	Other Operating Taxes (7240)	3,197	939	2,258	29.37%
16	Federal Income Taxes (7220 and 72501)	12,248	2,451	9,797	
17	State Income Taxes (7230 and 72502)	2,525	(295)	2,820	
18	Total Operating Expenses (L10 to L17)	$ 101,947	$ 27,154	$ 74,793	
19	Net Operating Income (L9 less L18)	$ 28,962	$ 6,509	$ 22,453	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	3,831	-	3,831	
21	Interest Expense (7510 to 7540)	9,044	-	9,044	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	2,249	-	2,249	
24	Net Income..............................	$ 25,997	$ 6,509	$ 19,488	

Ln No.	Selected Balance Sheet Items	Current Month	Interstate	Intrastate	Interstate %
25	Plant in Service (2100-2400)	$ 4,860,564	$ 1,400,815	$ 3,459,749	28.82%
26	Depreciation Reserve (3100-3120)	2,346,295	693,330	1,652,965	29.55%
27	Property Held for Future Use (2002)	-	-	-	0.00%
28	Plant Under Construction (2003)	104,026	29,980	74,046	28.82%
29	Materials & Supplies (1220)	9,013	2,433	6,579	27.00%
30	Unamortized ITC (4230)	14,814	4,292	10,522	28.97%
31	Customer Deposits (4040)	300	75	225	24.90%
32	Leases and Leasehold Improvements (net) (2681, 2682)	-	-	-	0.00%
33	RTB Stock (14021)	22,000	6,338	15,662	28.81%
34	Accumulated Deferred Income Taxes (4340,4361,1437)	87,159	25,250	61,909	28.97%
35	Preferred & Common Stock (4510)	20,000	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
36	Additional Paid In Capital (4520)	1,601,290	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
37	Retained Earnings (4550)	1,987,239	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
38	Long Term Debt (4210 to 4270) + 4050	1,616,473	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
39	Short Term Debt (4020)	-	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Humphreys County Telephone
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company YTD (b)	Interstate YTD (c)	Intrastate YTD (d)	Interstate % (e)
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 26,236	$ -	$ 26,236	
2	Interstate Access (5081-5083)	32,900	32,900	-	
3	Interstate USF (50821)	18,237	-	18,237	
4	Intrastate Access (508421-50847)	20,990	-	20,990	
5	Long Distance Revenues (5100 - 5169)	29,398	-	29,398	
6	Miscellaneous Revenues (523-5269)	1,253	-	1,253	
7	B&C (5270)	2,247	763	1,484	
8	Uncollectible Revenues (5300)	(352)	-	(352)	
9	Total Operating Revenues (L1 to L8)	$ 130,909	$ 33,663	$ 97,246	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 8,966	$ 2,596	$ 6,371	28.95%
11	Plt Non Spec. Expense (6510 to 6540)	9,967	2,872	7,094	28.82%
12	Depreciation & Amortization (6560)	32,822	9,694	23,128	29.54%
13	Customer Operation Expense (6600)	19,212	5,180	14,032	26.96%
14	Corporate Operation Expense (6700)	13,011	3,718	9,293	28.58%
15	Other Operating Taxes (7240)	3,197	939	2,258	29.37%
16	Federal Income Taxes (7220 and 72501)	12,248	2,518	9,730	
17	State Income Taxes (7230 and 72502)	2,525	(283)	2,808	
18	Total Operating Expenses (L10 to L17)	$ 101,947	$ 27,234	$ 74,714	
19	Net Operating Income (L9 less L18)	$ 28,962	$ 6,430	$ 22,532	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	3,831	-	3,831	
21	Interest Expense (7510 to 7540)	9,044	-	9,044	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	2,249	-	2,249	
24	Net Income..............................	$ 25,997	$ 6,430	$ 19,568	

Ln No.	Selected Balance Sheet Items	12 Mth Average	Interstate	Intrastate	Interstate %
25	Plant in Service (2100-2400)	$ 4,831,396	$ 1,392,408	$ 3,438,987	28.82%
26	Depreciation Reserve (3100-3120)	2,159,888	638,247	1,521,641	29.55%
27	Property Held for Future Use (2002)	-	-	-	0.00%
28	Plant Under Construction (2003)	39,461	11,373	28,089	28.82%
29	Materials & Supplies (1220)	13,687	3,696	9,992	27.00%
30	Unamortized ITC (4230)	17,364	5,030	12,334	28.97%
31	Customer Deposits (4040)	300	75	225	24.90%
32	Leases and Leasehold Improvements (net) (2681, 2682)	-	-	-	0.00%
33	RTB Stock (14021)	22,000	6,338	15,662	28.81%
34	Accumulated Deferred Income Taxes (4340,4361,1437)	121,410	35,172	86,237	28.97%
35	Preferred & Common Stock (4510)	20,000	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxxx	
36	Additional Paid In Capital (4520)	1,601,290	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxxx	
37	Retained Earnings (4550)	1,824,270	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxxx	
38	Long Term Debt (4210 to 4270) + 4050	1,610,920	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxxx	
39	Short Term Debt (4020)	-	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxxx	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES AND INVESTMENTS - TELEPHONE COMPANIES
Humphreys County Telephone
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company YTD (b)	Interstate YTD (c)	Intrastate YTD (d)	Interstate % (e)
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 26,236	$ -	$ 26,236	
2	Interstate Access (5081-5083)	32,900	32,900	-	
3	Interstate USF (50821)	18,237	-	18,237	
4	Intrastate Access (508421-50847)	20,990	-	20,990	
5	Long Distance Revenues (5100 - 5169)	29,398	-	29,398	
6	Miscellaneous Revenues (523-5269)	1,253	-	1,253	
7	B&C (5270)	2,247	763	1,484	
8	Uncollectible Revenues (5300)	(352)	-	(352)	
9	Total Operating Revenues (L1 to L8)	$ 130,909	$ 33,663	$ 97,246	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 8,966	$ 2,596	$ 6,371	28.95%
11	Plt Non Spec. Expense (6510 to 6540)	9,967	2,872	7,094	28.82%
12	Depreciation & Amortization (6560)	32,822	9,694	23,128	29.54%
13	Customer Operation Expense (6600)	19,212	5,180	14,032	26.96%
14	Corporate Operation Expense (6700)	13,011	3,718	9,293	28.58%
15	Other Operating Taxes (7240)	3,197	939	2,258	29.37%
16	Federal Income Taxes (7220 and 72501)	12,248	2,518	9,730	
17	State Income Taxes (7230 and 72502)	2,525	(283)	2,808	
18	Total Operating Expenses (L10 to L17)	$ 101,947	$ 27,234	$ 74,714	
19	Net Operating Income (L9 less L18)	$ 28,962	$ 6,430	$ 22,532	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	3,831	-	3,831	
21	Interest Expense (7510 to 7540)	9,044	-	9,044	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	2,249	-	2,249	
24	Net Income.............................	$ 25,997	$ 6,430	$ 19,568	

Ln No.	Selected Balance Sheet Items	12 Mth Average	Interstate	Intrastate	Interstate %
25	Plant in Service (2100-2400)	$ 4,831,396	$ 1,392,408	$ 3,438,987	28.82%
26	Depreciation Reserve (3100-3120)	2,159,888	638,247	1,521,641	29.55%
27	Property Held for Future Use (2002)	-	-	-	0.00%
28	Plant Under Construction (2003)	39,461	11,373	28,089	28.82%
29	Materials & Supplies (1220)	13,687	3,696	9,992	27.00%
30	Unamortized ITC (4230)	17,364	5,030	12,334	28.97%
31	Customer Deposits (4040)	300	75	225	24.90%
32	Leases and Leasehold Improvements (net) (2681, 2682)	-	-	-	0.00%
33	RTB Stock (14021)	22,000	6,338	15,662	28.81%
34	Accumulated Deferred Income Taxes (4340,4361,1437)	121,410	35,172	86,237	28.97%
35	Preferred & Common Stock (4510)	20,000	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
36	Additional Paid In Capital (4520)	1,601,290	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
37	Retained Earnings (4550)	1,824,270	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
38	Long Term Debt (4210 to 4270) + 4050	1,610,920	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
39	Short Term Debt (4020)	-	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Humphreys County Telephone
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company 12 Month (b)	Interstate 12 Month (c)	Intrastate 12 Month (d)	Interstate % (e)
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 309,011	$ -	$ 309,011	
2	Interstate Access (5081-5083)	442,619	442,619	-	
3	Interstate USF (50821)	205,366	-	205,366	
4	Intrastate Access (508421-50847)	353,168	-	353,168	
5	Long Distance Revenues (5100 - 5169)	343,084	-	343,084	
6	Miscellaneous Revenues (523-5269)	22,387	-	22,387	
7	B&C (5270)	36,900	17,672	19,228	
8	Uncollectible Revenues (5300)	(3,026)	-	(3,026)	
9	Total Operating Revenues (L1 to L8)	$ 1,709,508	$ 460,291	$ 1,249,217	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 137,008	$ 39,664	$ 97,345	28.95%
11	Plt Non Spec. Expense (6510 to 6540)	129,814	37,413	92,402	28.82%
12	Depreciation & Amortization (6560)	392,929	116,056	276,874	29.54%
13	Customer Operation Expense (6600)	227,086	61,222	165,864	26.96%
14	Corporate Operation Expense (6700)	190,452	54,422	136,030	28.58%
15	Other Operating Taxes (7240)	24,956	7,330	17,626	29.37%
16	Federal Income Taxes (7220 and 72501)	171,310	40,970	130,340	
17	State Income Taxes (7230 and 72502)	34,743	(1,427)	36,170	
18	Total Operating Expenses (L10 to L17)	$ 1,308,299	$ 355,648	$ 952,651	
19	Net Operating Income (L9 less L18)	$ 401,209	$ 104,643	$ 296,567	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	49,719	-	49,719	
21	Interest Expense (7510 to 7540)	107,603	-	107,603	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	43,579	-	43,579	
24	Net Income............................	$ 386,904	$ 104,643	$ 282,262	

Ln No.	Selected Balance Sheet Items	12 Mth Average	Interstate	Intrastate	Interstate %
25	Plant in Service (2100-2400)	$ 4,831,396	$ 1,392,408	$ 3,438,987	28.82%
26	Depreciation Reserve (3100-3120)	2,159,888	638,247	1,521,641	29.55%
27	Property Held for Future Use (2002)	-	-	-	0.00%
28	Plant Under Construction (2003)	39,461	11,373	28,089	28.82%
29	Materials & Supplies (1220)	13,687	3,696	9,992	27.00%
30	Unamortized ITC (4230)	17,364	5,030	12,334	28.97%
31	Customer Deposits (4040)	300	75	225	24.90%
32	Leases and Leasehold Improvements (net) (2681, 2682)	-	-	-	0.00%
33	RTB Stock (14021)	22,000	6,338	15,662	28.81%
34	Accumulated Deferred Income Taxes (4340,4361,1437	121,410	35,172	86,237	28.97%
35	Preferred & Common Stock (4510)	20,000	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
36	Additional Paid In Capital (4520)	1,601,290	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
37	Retained Earnings (4550)	1,824,270	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
38	Long Term Debt (4210 to 4270) + 4050	1,610,920	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
39	Short Term Debt (4020)	-	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Humphreys County Telephone
Month Ending January 31, 2002.

TENNESSEE INTRASTATE SUPPLEMENTAL FINANCIAL
DATA TO PSC-3.01 FOR

Ln No.	SELECTED BALANCE SHEET ITEMS (a)	Average Monthly Balance	Average 12 Months To Date	Average 12 Months To Date
1	Plant In Service	$ 3,459,876	$ 3,438,987	$ 3,438,987
2	Plant Under Construction	65,916	28,089	28,089
3	Plant Held for Future Use(Net)	-	-	-
4	Materials & Supplies	34,047	9,992	9,992
5	Capital Leases (Net)	-	-	-
6	Working Capital (45 Days)	58,572	58,572	58,572
7	RTB Stock	15,662	15,662	15,662
8	Total Additions	$ 3,634,073	$ 3,551,302	$ 3,551,302
	LESS:			
9	Accumulated Depreciation	1,641,461	1,521,641	1,521,641
10	Accumulated Deferred Taxes- Accelerated Depreciation & Cost of Removal	70,939	86,237	86,237
11	Unamortized ITC	15,027	17,364	17,364
12	Customer Deposits	300	300	300
13	Total Reductions	$ 1,727,726	$ 1,625,543	$ 1,625,543
14	Rate Base	$ 1,906,347	$ 1,925,759	$ 1,925,759
15	Alternative Net Operating Income	$ 22,377	$ 22,457	$ 295,107
16				
17				
18				
19				
20				
21				
22				
23				
24				
25	Alternative Net Operating Income	$ 22,377	$ 22,457	$ 295,107
26	Return on Rate Base	14.09%	13.99%	15.32%

MONTHLY REPORT OF TENNESSEE REVENUES EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Humphreys County Telephone

Income Tax Calculation
Month Ending January 31, 2002.

	Amount for the Month			year-to-date			12 Months-To-Date		
	Combined (a)	Interstate (b)	Intrastate (c)	Combined (d)	Interstate (e)	Intrastate (f)	Combined (g)	Interstate (h)	Intrastate (i)
1. Operating Revenues Per Books	$ 130,909	$ 33,663	$ 97,246	$ 130,909	$ 33,663	$ 97,246	$ 1,709,508	$ 460,291	$ 1,249,217
2. Plant Specific Expense	$ 8,966	$ 2,596	$ 6,371	$ 8,966	$ 2,596	$ 6,371	$ 137,008	$ 39,664	$ 97,345
3. Plt Non Spec. Expense	9,967	2,872	7,094	9,967	2,872	7,094	129,814	37,413	92,402
4. Depreciation & Amortization	32,822	9,694	23,128	32,822	9,694	23,128	392,929	116,056	276,874
5. Customer Operation Expense	19,212	5,180	14,032	19,212	5,180	14,032	227,086	61,222	165,864
6. Corporate Operation Expense	13,011	3,718	9,293	13,011	3,718	9,293	190,452	54,422	136,030
7a. Other Operating Taxes (Prop & Franchise)	$ 2,940	$ 863	$ 2,077	$ 2,940	$ 863	$ 2,077	$ 19,986	$ 5,870	$ 14,116
7b. Other Operating Taxes (PSC Fee & Gross Receipts)	257		257	257		257	4,970		4,970
7. Total Other Operating Taxes	$ 3,197	$ 863	$ 2,333	$ 3,197	$ 863	$ 2,333	$ 24,956	$ 5,870	$ 19,086
8. Total Operating Exp Before Inc Taxes	$ 87,174	$ 24,923	$ 62,251	$ 87,174	$ 24,923	$ 62,251	$ 1,102,246	$ 314,646	$ 787,600
9. NOI Before Income Taxes	$ 43,735	$ 8,740	$ 34,995	$ 43,735	$ 8,740	$ 34,995	$ 607,262	$ 145,645	$ 461,617
10. Flow-thru Sch M.	$ 14	$ 4	$ 10	14	$ 4	10	165	$ 48	117
11. Deferred Sch M.	8,986	2,590	6,396	8,986	2,590	6,396	107,828	31,076	76,752
12. Allocated Interest	9,044	5,877	3,167	9,044	5,673	3,372	107,603	66,732	40,871
13. State Excise Taxable Amount (L9+L10+L11-L12)	$ 43,690	$ 5,456	$ 38,234	$ 43,690	$ 5,661	$ 38,029	$ 607,652	$ 110,036	$ 497,616
14. State Excise Tax @ 6.00%	$ 2,621	$ 327	$ 2,294	$ 2,621	$ 340	$ 2,282	$ 36,459	$ 6,602	$ 29,857
15. State Deferred Tax (L11*6.0%)	539	155	384	539	155	384	6,470	1,865	4,605
16. Excess (Insufficient) Deferred Taxes	200	58	142	200	58	142	2,400	692	1,708
17. Net SIT (L14+L15+L16)	$ 3,361	$ 540	$ 2,820	$ 3,361	$ 553	$ 2,808	$ 45,329	$ 9,158	$ 36,170
18. FIT Taxable Amount (L9+L10+L12-L17)	$ 31,344	$ 2,326	$ 29,018	$ 31,344	$ 2,519	$ 28,825	$ 454,495	$ 69,802	$ 384,693
19. FIT Gross @ 35%	$ 10,970	$ 814	$ 10,156	$ 10,970	$ 882	$ 10,089	$ 159,073	$ 24,431	$ 134,643
20. ITC Amortization	(425)	(122)	(303)	(425)	(122)	(303)	(5,100)	(1,470)	(3,630)
21. Deferred (Excess) Write-back	(79)	(23)	(56)	(79)	(23)	(56)	(945)	(272)	(673)
22. Net FIT	$ 10,466	$ 669	$ 9,797	$ 10,466	$ 736	$ 9,730	$ 153,028	$ 22,688	$ 130,340
23. Alternative NOI (L9-L17-L22)	$ 29,908	$ 7,531	$ 22,377	$ 29,908	$ 7,451	$ 22,457	$ 408,905	$ 113,798	$ 295,107

MONTHLY REPORT OF TENNESSEE REVENUES EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Humphreys County Telephone
Month Ending January 31, 2002.

ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Ln. No.	TYPE OF SERVICE (a)	RESIDENCE (b)	BUSINESS (c)	TOTAL (d)
1	1 party....................................	1,502	510	2,012
2	2 party....................................			-
3	4 party....................................			-
4	Multi party................................			-
5	Other......................................			-
6	Total......................................	1,502	510	2,012

INSTRUCTIONS

1. This report is required of telephone companies which had operating revenues for the preceding year in excess of $1,500,000 as provided in the Commission's rules. Prepare on a typewriter and file within 60 days after the end of the calendar month covered by the report. Show amounts adjusted to the nearest thousand dollars unless directed otherwise.
2. If Tennessee data is not available for multistate companies, include total company operations under the combined columns and note that the data represents total company.
3. If any amount for the current month differs materially from that for the previous month a year age and the difference is not self explanatory, annotate the amount and explain the occasioning facts under "Remarks".
4. Average for the 12 Months To Date shall be computed on an average monthly balance basis.

REMARKS

I certify to the best of my knowledge and belief this is a true and correct report:

Date______________, 2002 (Signed) ________________________

Title: Director Revenue and Earnings

TDS Telecom - Southern Region
P. O. Box 22995
Knoxville, Tennessee 37932
Name of Contact Concerning This Report: Bruce H. Mottern

Phone Number of Contact: (865) 671-4753

Humphreys County Telephone

TENNESSEE INTRASTATE SUPPLEMENTAL FINANCIAL
ALTERNATIVE RATE OF RETURN CALCULATION
DATA TO PSC-3.01 FOR
Month Ending January 31, 2002.

DESCRIPTION	PERCENT	MONTHLY AVERAGE	COST OF CAPITAL	WEIGHTED COST	PERCENT	YTD MONTHLY AVERAGE	COST OF CAPITAL	WEIGHTED COST	PERCENT	12 MOS AVERAGE	COST OF CAPITAL	WEIGHTED COST
1 EQUITY	69.85%	$ 3,791,927	12.50%	8.73%	67.90%	3,445,560	12.50%	8.49%	67.90%	3,445,560	12.50%	8.49%
2 LONG AND SHORT TERM DEBT	30.15%	1,636,974	6.61%	1.99%	32.10%	1,629,214	6.61%	2.12%	32.10%	1,629,214	6.61%	2.12%
3 TOTAL CAPITALIZATION		$ 5,428,900		10.72%		5,074,774		10.61%		5,074,774		10.61%
4 RATE BASE		$ 1,906,347				$ 1,906,347				$ 1,925,759		
5 EQUITY RATE BASE	69.85%	$ 1,331,527			67.90%	$ 1,294,330			67.90%	$ 1,307,510		
6 FUNDED DEBT RATE BASE	30.15%	574,820			32.10%	612,017			32.10%	618,249		
		$ 1,906,347				$ 1,906,347				$ 1,925,759		
7 FUNDED DEBT RATE BASE		$ 574,820				$ 612,017				$ 618,249		
8 COST OF FUNDED DEBT		6.61%				6.61%				6.61%		
9 INTEREST EXPENSE(OPERATING)		$ 3,167				$ 3,372				$ 40,871		
10 INCOME AVAILABLE FOR RETURN		$ 22,377				$ 22,457				$ 295,107		
11 REGULATED NET INCOME (L10 - L9)		$ 19,211				$ 19,085				$ 254,236		
12 EARNED RETURN ON REGULATED EQUITY (L11/L 5)		17.31%				17.69%				19.44%		

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES AND INVESTMENTS - TELEPHONE COMPANIES
Tellico Telephone Company
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company Current Month (b)	Interstate Current Month (c)	Intrastate Current Month (d)	Interstate % (e)
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 195,043	$ -	$ 195,043	
2	Interstate Access (5081-5083)	162,400	162,400	-	
3	Interstate USF (50821)	35,509		35,509	
4	Intrastate Access (508421-50847)	41,349		41,349	
5	Long Distance Revenues (5100 - 5169)	147,477		147,477	
6	Miscellaneous Revenues (523-5269)	12,987		12,987	
7	B&C (5270)	7,246	3,988	3,258	
8	Uncollectible Revenues (5300)	(2,278)		(2,278)	
9	Total Operating Revenues (L1 to L8)	$ 599,733	$ 166,388	$ 433,345	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 47,001	$ 13,525	$ 33,475	28.78%
11	Plt Non Spec. Expense (6510 to 6540)	55,298	17,483	37,815	31.62%
12	Depreciation & Amortization (6560)	168,029	48,805	119,224	29.05%
13	Customer Operation Expense (6600)	90,775	31,087	59,689	34.25%
14	Corporate Operation Expense (6700)	72,514	21,181	51,333	29.21%
15	Other Operating Taxes (7240)	17,965	5,186	12,779	28.87%
16	Federal Income Taxes (7220 and 72501)	39,660	7,666	31,994	
17	State Income Taxes (7230 and 72502)	8,529	2,064	6,465	
18	Total Operating Expenses (L10 to L17)	$ 499,772	$ 146,997	$ 352,775	
19	Net Operating Income (L9 less L18)	$ 99,961	$ 19,391	$ 80,570	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	9,672	-	9,672	
21	Interest Expense (7510 to 7540)	40,554	-	40,554	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	4,469	-	4,469	
24	Net Income.............................	$ 73,548	$ 19,391	$ 54,157	

Ln No.	Selected Balance Sheet Items	Current Month	Interstate	Intrastate	Interstate %
25	Plant in Service (2100-2400)	$ 25,853,388	$ 7,399,240	$ 18,454,148	28.62%
26	Depreciation Reserve (3100-3120)	13,280,496	3,876,577	9,403,919	29.19%
27	Property Held for Future Use (2002)	-	-	-	0.00%
28	Plant Under Construction (2003)	234,483	67,109	167,374	28.62%
29	Materials & Supplies (1220)	43,015	11,068	31,947	25.73%
30	Unamortized ITC (4230)	-	-	-	28.62%
31	Customer Deposits (4040)	1,000	286	714	28.56%
32	Leases and Leasehold Improvements (net) (2681	-	-	-	28.62%
33	RTB Stock (14021)	239,850	68,637	171,213	28.62%
34	Accumulated Deferred Income Taxes (4340,43(	956,121	273,642	682,479	28.62%
35	Preferred & Common Stock (4510)	27,800	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
36	Additional Paid In Capital (4520)	73,726	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
37	Retained Earnings (4550)	9,467,280	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
38	Long Term Debt (4210 to 4270) + 4050	8,103,178	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
39	Short Term Debt (4020)	-	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxx	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES AND INVESTMENTS - TELEPHONE COMPANIES
Tellico Telephone Company
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company YTD (b)	Interstate YTD (c)	Intrastate YTD (d)	Interstate % (e)
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 195,043	$ -	$ 195,043	
2	Interstate Access (5081-5083)	162,400	162,400	-	
3	Interstate USF (50821)	35,509	-	35,509	
4	Intrastate Access (508421-50847)	41,349	-	41,349	
5	Long Distance Revenues (5100 - 5169)	147,477	-	147,477	
6	Miscellaneous Revenues (523-5269)	12,987	-	12,987	
7	B&C (5270)	7,246	3,988	3,258	
8	Uncollectible Revenues (5300)	(2,278)	-	(2,278)	
9	Total Operating Revenues (L1 to L8)	$ 599,733	$ 166,388	$ 433,345	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 47,001	$ 13,525	$ 33,475	28.78%
11	Plt Non Spec. Expense (6510 to 6540)	55,298	17,483	37,815	31.62%
12	Depreciation & Amortization (6560)	168,029	48,805	119,224	29.05%
13	Customer Operation Expense (6600)	90,775	31,087	59,689	34.25%
14	Corporate Operation Expense (6700)	72,514	21,181	51,333	29.21%
15	Other Operating Taxes (7240)	17,965	5,186	12,779	28.87%
16	Federal Income Taxes (7220 and 72501)	39,660	7,952	31,708	
17	State Income Taxes (7230 and 72502)	8,529	2,116	6,413	
18	Total Operating Expenses (L10 to L17)	$ 499,772	$ 147,334	$ 352,437	
19	Net Operating Income (L9 less L18)	$ 99,961	$ 19,054	$ 80,907	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	9,672	-	9,672	
21	Interest Expense (7510 to 7540)	40,554	-	40,554	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	4,469	-	4,469	
24	Net Income.............................	$ 73,548	$ 19,054	$ 54,494	
	Selected Balance Sheet Items	**12 Mth Average**	**Interstate**	**Intrastate**	**Interstate %**
25	Plant in Service (2100-2400)	$ 23,901,003	$ 6,840,467	$ 17,060,536	28.62%
26	Depreciation Reserve (3100-3120)	13,167,232	3,843,515	9,323,717	29.19%
27	Property Held for Future Use (2002)	-	-	-	0.00%
28	Plant Under Construction (2003)	873,271	249,930	623,341	28.62%
29	Materials & Supplies (1220)	51,045	13,134	37,911	25.73%
30	Unamortized ITC (4230)	-	-	-	28.62%
31	Customer Deposits (4040)	1,041	297	744	28.56%
32	Leases and Leasehold Improvements (net) (2681	-	-	-	28.62%
33	RTB Stock (14021)	239,850	68,637	171,213	28.62%
34	Accumulated Deferred Income Taxes (4340,43(	961,261	275,113	686,148	28.62%
35	Preferred & Common Stock (4510)	27,800	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
36	Additional Paid In Capital (4520)	73,726	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
37	Retained Earnings (4550)	8,792,754	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
38	Long Term Debt (4210 to 4270) + 4050	7,969,376	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
39	Short Term Debt (4020)	-	xxxxxxxxxxxxxxx	xxxxxxxxxxxxxx	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Tellico Telephone Company
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company 12 Month (b)	Interstate 12 Month (c)	Intrastate 12 Month (d)	Interstate % (e)
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 2,386,749	$ -	$ 2,386,749	
2	Interstate Access (5081-5083)	2,031,931	2,031,931	-	
3	Interstate USF (50821)	561,794	-	561,794	
4	Intrastate Access (508421-50847)	499,087	-	499,087	
5	Long Distance Revenues (5100 - 5169)	1,721,241	-	1,721,241	
6	Miscellaneous Revenues (523-5269)	150,842	-	150,842	
7	B&C (5270)	124,697	76,622	48,075	
8	Uncollectible Revenues (5300)	(26,062)	-	(26,062)	
9	Total Operating Revenues (L1 to L8)	$ 7,450,279	$ 2,108,553	$ 5,341,726	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 572,965	$ 164,881	$ 408,084	28.78%
11	Plt Non Spec. Expense (6510 to 6540)	561,932	177,659	384,273	31.62%
12	Depreciation & Amortization (6560)	1,805,041	524,285	1,280,756	29.05%
13	Customer Operation Expense (6600)	1,116,602	382,388	734,214	34.25%
14	Corporate Operation Expense (6700)	978,838	285,909	692,929	29.21%
15	Other Operating Taxes (7240)	162,113	46,796	115,316	28.87%
16	Federal Income Taxes (7220 and 72501)	625,668	139,583	486,085	
17	State Income Taxes (7230 and 72502)	129,647	33,436	96,211	
18	Total Operating Expenses (L10 to L17)	$ 5,952,806	$ 1,754,939	$ 4,197,867	
19	Net Operating Income (L9 less L18)	$ 1,497,473	$ 353,614	$ 1,143,859	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	169,390	-	169,390	
21	Interest Expense (7510 to 7540)	493,649	-	493,649	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	93,311	-	93,311	
24	Net Income.............................	$ 1,266,525	$ 353,614	$ 912,910	

Ln No.	Selected Balance Sheet Items	12 Mth Average	Interstate	Intrastate	Interstate %
25	Plant in Service (2100-2400)	$ 23,901,003	$ 6,840,467	$ 17,060,536	28.62%
26	Depreciation Reserve (3100-3120)	13,167,232	3,843,515	9,323,717	29.19%
27	Property Held for Future Use (2002)	-	-	-	0.00%
28	Plant Under Construction (2003)	873,271	249,930	623,341	28.62%
29	Materials & Supplies (1220)	51,045	13,134	37,911	25.73%
30	Unamortized ITC (4230)	-	-	-	28.62%
31	Customer Deposits (4040)	1,041	297	744	28.56%
32	Leases and Leasehold Improvements (net) (2681	-	-	-	28.62%
33	RTB Stock (14021)	239,850	68,637	171,213	28.62%
34	Accumulated Deferred Income Taxes (4340,43	961,261	275,113	686,148	28.62%
35	Preferred & Common Stock (4510)	27,800	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
36	Additional Paid In Capital (4520)	73,726	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
37	Retained Earnings (4550)	8,792,754	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
38	Long Term Debt (4210 to 4270) + 4050	7,969,376	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	
39	Short Term Debt (4020)	-	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Tellico Telephone Company
Month Ending January 31, 2002.

TENNESSEE INTRASTATE SUPPLEMENTAL FINANCIAL
DATA TO PSC-3.01 FOR

Ln No.	SELECTED BALANCE SHEET ITEMS (a)	Average Monthly Balance	Average 12 Months To Date	Average 12 Months To Date
1	Plant In Service	$ 18,436,466	$ 17,060,536	$ 17,060,536
2	Plant Under Construction	158,247	623,341	623,341
3	Plant Held for Future Use (Net)	-	-	-
4	Materials & Supplies	34,640	37,911	37,911
5	Capital Leases (Net)	-	-	-
6	Working Capital (45 Days)	292,638	292,638	292,638
7	RTB Stock	171,213	171,213	171,213
8	Total Additions	$ 19,093,204	$ 18,185,640	$ 18,185,640
	LESS:			
9	Accumulated Depreciation	9,345,131	9,323,717	9,323,717
10	Accumulated Deferred Taxes- Accelerated Depreciation & Cost of Removal	750,885	686,148	686,148
11	Unamortized ITC	-	-	-
12	Customer Deposits	714	744	744
13	Total Reductions	$ 10,096,731	$ 10,010,609	$ 10,010,609
14	Rate Base	$ 8,996,474	$ 8,175,031	$ 8,175,031
15	Alternative Net Operating Income	$ 80,329	$ 80,667	$ 1,140,981
16				
17				
18				
19				
20				
21				
22				
23				
24				
25	Alternative Net Operating Income	$ 80,329	$ 80,667	$ 1,140,981
26	Return on Rate Base	10.71%	11.84%	13.96%

MONTHLY REPORT OF TENNESSEE REVENUES EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Tellico Telephone Company

Income Tax Calculation
Month Ending January 31, 2002.

	Amount for the Month			year-to-date			12 Months-To-Date		
	Combined (a)	Interstate (b)	Intrastate (c)	Combined (d)	Interstate (e)	Intrastate (f)	Combined (g)	Interstate (h)	Intrastate (i)
1. Operating Revenues Per Books	$ 599,733	$ 166,388	$ 433,345	$ 599,733	$ 166,388	$ 433,345	$ 7,450,279	$ 2,108,553	$ 5,341,726
2. Plant Specific Expense	$ 47,001	$ 13,525	$ 33,475	$ 47,001	$ 13,525	$ 33,475	$ 572,965	$ 164,881	$ 408,084
3. Plt Non Spec. Expense	55,298	17,483	37,815	55,298	17,483	37,815	561,932	177,659	384,273
4. Depreciation & Amortization	168,029	48,805	119,224	168,029	48,805	119,224	1,805,041	524,285	1,280,756
5. Customer Operation Expense	90,775	31,087	59,689	90,775	31,087	59,689	1,116,602	382,388	734,214
6. Corporate Operation Expense	72,514	21,181	51,333	72,514	21,181	51,333	978,838	285,909	692,929
7a. Other Operating Taxes (Prop & Franchise)	$ 17,132	$ 4,945	$ 12,187	$ 17,132	$ 4,945	$ 12,187	$ 152,144	$ 43,919	$ 108,225
7b. Other Operating Taxes (PSC Fee & Gross Receipts)	833		833	833		833	9,968		9,968
7. Total Other Operating Taxes	$ 17,965	$ 4,945	$ 13,020	$ 17,965	$ 4,945	$ 13,020	$ 162,113	$ 43,919	$ 118,194
8. Total Operating Exp Before Inc Taxes	$ 451,583	$ 137,026	$ 314,557	$ 451,583	$ 137,026	$ 314,557	$ 5,197,491	$ 1,579,042	$ 3,618,449
9. NOI Before Income Taxes	$ 148,150	$ 29,362	$ 118,788	$ 148,150	$ 29,362	$ 118,788	$ 2,252,788	$ 529,511	$ 1,723,277
10. Flow-thru Sch M.	$	$	$		$			$	
11. Deferred Sch M.	86	24	61	86	24	61	1027	294	733
12. Allocated Interest	(3,843)	(1,100)	(2,743)	(3,843)	(1,100)	(2,743)	(46,113)	(13,198)	(32,915)
	40,554	20,335	20,219	40,554	19,467	21,086	493,649	263,716	229,933
13. State Excise Taxable Amount (L9+L10+L11-L12)	$ 103,839	$ 7,952	$ 95,887	$ 103,839	$ 8,819	$ 95,020	$ 1,714,053	$ 252,892	$ 1,461,162
14. State Excise Tax @ 6.00%	$ 6,230	$ 477	$ 5,753	$ 6,230	$ 529	$ 5,701	$ 102,843	$ 15,173	$ 87,670
15. State Deferred Tax (L11*6.0%)	(231)	(66)	(165)	(231)	(66)	(165)	(2,767)	(792)	(1,975)
16. Excess (Insufficient) Deferred Taxes	1,228	351	877	1,228	351	877	14,733	4,217	10,516
17. Net SIT (L14+L15+L16)	$ 7,228	$ 763	$ 6,465	$ 7,228	$ 815	$ 6,413	$ 114,809	$ 18,598	$ 96,211
18. FIT Taxable Amount (L9+L10+L12-L17)	$ 100,454	$ 8,290	$ 92,165	$ 100,454	$ 9,105	$ 91,350	$ 1,645,357	$ 247,491	$ 1,397,866
19. FIT Gross @ 35%	$ 35,159	$ 2,901	$ 32,258	$ 35,159	$ 3,187	$ 31,972	$ 575,875	$ 86,622	$ 489,253
20. ITC Amortization	-	-	-	-			-		
21. Deferred (Excess) Write-back	(370)	(106)	(264)	(370)	(106)	(264)	(4,439)	(1,270)	(3,169)
22. Net FIT	$ 34,789	$ 2,795	$ 31,994	$ 34,789	$ 3,081	$ 31,708	$ 571,436	$ 85,351	$ 486,085
23. Alternative NOI (L9-L17-L22)	$ 106,134	$ 25,804	$ 80,329	$ 106,134	$ 25,467	$ 80,667	$ 1,566,543	$ 425,562	$ 1,140,981

MONTHLY REPORT OF TENNESSEE REVENUES EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Tellico Telephone Company
Month Ending January 31, 2002.

ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Ln. No.	TYPE OF SERVICE (a)	RESIDENCE (b)	BUSINESS (c)	TOTAL (d)
1	1 party......................................	7,763	2,015	9,778
2	2 party......................................			-
3	4 party......................................			-
4	Multi party...................................			-
5	Other...			-
6	Total...	7,763	2,015	9,778

INSTRUCTIONS

1. This report is required of telephone companies which had operating revenues for the preceding year in excess of $1,500,000 as provided in the Commission's rules. Prepare on a typewriter and file within 60 days after the end of the calendar month covered by the report. Show amounts adjusted to the nearest thousand dollars unless directed otherwise.
2. If Tennessee data is not available for multistate companies, include total company operations under the combined columns and note that the data represents total company.
3. If any amount for the current month differs materially from that for the previous month a year age and the difference is not self explanatory, annotate the amount and explain the occasioning facts under "Remarks".
4. Average for the 12 Months To Date shall be computed on an average monthly balance basis.

REMARKS

I certify to the best of my knowledge and belief this is a true and correct report:

Date_______________, 2002 (Signed) ______________________________

Title: Director Revenue and Earnings

TDS Telecom - Southern Region
P. O. Box 22995
Knoxville, Tennessee 37932

Name of Contact Concerning This Report: Bruce H. Mottern

Phone Number of Contact: (865) 671-4753

Tellico Telephone Company

TENNESSEE INTRASTATE SUPPLEMENTAL FINANCIAL
ALTERNATIVE RATE OF RETURN CALCULATION
DATA TO PSC-3.01 FOR
Month Ending January 31, 2002.

DESCRIPTION	PERCENT	MONTHLY AVERAGE	COST OF CAPITAL	WEIGHTED COST	PERCENT	YTD MONTHLY AVERAGE	COST OF CAPITAL	WEIGHTED COST	PERCENT	12 MOS AVERAGE	COST OF CAPITAL	WEIGHTED COST
1 EQUITY	53.84%	$ 9,495,258	12.50%	6.73%	51.86%	8,894,280	12.50%	6.48%	51.86%	8,894,280	12.50%	6.48%
2 LONG AND SHORT TERM DEBT	46.16%	8,141,787	5.84%	2.70%	48.14%	8,257,173	5.84%	2.81%	48.14%	8,257,173	5.84%	2.81%
3 TOTAL CAPITALIZATION		$ 17,637,045		9.43%		17,151,453		9.29%		17,151,453		9.29%
4 RATE BASE		$ 8,996,474				$ 8,996,474				$ 8,175,031		
5 EQUITY RATE BASE	53.84%	$ 4,843,433			51.86%	$ 4,665,328			51.86%	$ 4,239,350		
6 FUNDED DEBT RATE BASE	46.16%	4,153,041			48.14%	4,331,146			48.14%	3,935,681		
		$ 8,996,474				$ 8,996,474				$ 8,175,031		
7 FUNDED DEBT RATE BASE		$ 4,153,041				$ 4,331,146				$ 3,935,681		
8 COST OF FUNDED DEBT		5.84%				5.84%				5.84%		
9 INTEREST EXPENSE(OPERATING)		$ 20,219				$ 21,086				$ 229,933		
10 INCOME AVAILABLE FOR RETURN		$ 80,329				$ 80,667				$ 1,140,981		
11 REGULATED NET INCOME (L10 - L9)		$ 60,110				$ 59,580				$ 911,048		
12 EARNED RETURN ON REGULATED EQUITY (L11/L 5)		14.89%				15.33%				21.49%		

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Tennessee Teelphone Company
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company Current Month (b)	Interstate Current Month (c)	Intrastate Current Month (d)	Interstate % (e)
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 1,808,839	$ -	$ 1,808,839	
2	Interstate Access (5081-5083)	867,700	867,700	-	
3	Interstate USF (50821)	136,871		136,871	
4	Intrastate Access (508421-50847)	215,417		215,417	
5	Long Distance Revenues (5100 - 5169)	676,724		676,724	
6	Miscellaneous Revenues (523-5269)	75,444		75,444	
7	B&C (5270)	44,470	29,247	15,224	
8	Uncollectible Revenues (5300)	(17,895)		(17,895)	
9	Total Operating Revenues (L1 to L8)	$ 3,807,570	$ 896,947	$ 2,910,623	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 222,166	$ 64,317	$ 157,849	28.95%
11	Plt Non Spec. Expense (6510 to 6540)	325,017	93,670	231,347	28.82%
12	Depreciation & Amortization (6560)	928,678	274,294	654,384	29.54%
13	Customer Operation Expense (6600)	663,840	178,971	484,869	26.96%
14	Corporate Operation Expense (6700)	543,797	155,390	388,407	28.58%
15	Other Operating Taxes (7240)	79,223	23,268	55,955	29.37%
16	Federal Income Taxes (7220 and 72501)	328,867	38,753	290,114	
17	State Income Taxes (7230 and 72502)	66,536	(7,980)	74,516	
18	Total Operating Expenses (L10 to L17)	$ 3,158,124	$ 820,683	$ 2,337,441	
19	Net Operating Income (L9 less L18)	$ 649,446	$ 76,264	$ 573,182	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	26,097	-	26,097	
21	Interest Expense (7510 to 7540)	68,077	-	68,077	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	56,264	-	56,264	
24	Net Income.............................	$ 663,730	$ 76,264	$ 587,466	

Ln No.	Selected Balance Sheet Items	Current Month	Interstate	Intrastate	Interstate %
25	Plant in Service (2100-2400)	$ 138,927,170	$ 35,079,110	$ 103,848,060	25.25%
26	Depreciation Reserve (3100-3120)	77,272,260	19,835,789	57,436,471	25.67%
27	Property Held for Future Use (2002)	-	-	-	0.00%
28	Plant Under Construction (2003)	4,464,642	1,127,322	3,337,320	25.25%
29	Materials & Supplies (1220)	587,282	153,457	433,825	26.13%
30	Unamortized ITC (4230)	-	-	-	25.26%
31	Customer Deposits (4040)	5,578	1,443	4,135	25.87%
32	Leases and Leasehold Improvements (net) (2681, 2682)	351,985	88,912	263,074	25.26%
33	RTB Stock (14021)	-	-	-	0.00%
34	Accumulated Deferred Income Taxes (4340,4361,1437)	4,894,001	1,236,225	3,657,776	25.26%
35	Preferred & Common Stock (4510)	2,953,800	************	**************	
36	Additional Paid In Capital (4520)	3,278,054	************	**************	
37	Retained Earnings (4550)	66,101,431	************	**************	
38	Long Term Debt (4210 to 4270) + 4050	15,964,677	************	**************	
39	Short Term Debt (4020)	-	************	**************	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES AND INVESTMENTS - TELEPHONE COMPANIES
Tennessee Teelphone Company
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company YTD (b)	Interstate YTD (c)	Intrastate YTD (d)	Interstate % (e)
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 1,808,839	$ -	$ 1,808,839	
2	Interstate Access (5081-5083)	867,700	867,700	-	
3	Interstate USF (50821)	136,871	-	136,871	
4	Intrastate Access (508421-50847)	215,417	-	215,417	
5	Long Distance Revenues (5100 - 5169)	676,724	-	676,724	
6	Miscellaneous Revenues (523-5269)	75,444	-	75,444	
7	B&C (5270)	44,470	29,247	15,224	
8	Uncollectible Revenues (5300)	(17,895)	-	(17,895)	
9	Total Operating Revenues (L1 to L8)	$ 3,807,570	$ 896,947	$ 2,910,623	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 222,166	$ 64,317	$ 157,849	28.95%
11	Plt Non Spec. Expense (6510 to 6540)	325,017	93,670	231,347	28.82%
12	Depreciation & Amortization (6560)	928,678	274,294	654,384	29.54%
13	Customer Operation Expense (6600)	663,840	178,971	484,869	26.96%
14	Corporate Operation Expense (6700)	543,797	155,390	388,407	28.58%
15	Other Operating Taxes (7240)	79,223	23,268	55,955	29.37%
16	Federal Income Taxes (7220 and 72501)	328,867	39,474	289,393	
17	State Income Taxes (7230 and 72502)	66,536	(7,849)	74,385	
18	Total Operating Expenses (L10 to L17)	$ 3,158,124	$ 821,535	$ 2,336,589	
19	Net Operating Income (L9 less L18)	$ 649,446	$ 75,412	$ 574,034	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	26,097	-	26,097	
21	Interest Expense (7510 to 7540)	68,077	-	68,077	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	56,264	-	56,264	
24	Net Income..............................	$ 663,730	$ 75,412	$ 588,318	

Ln No.	Selected Balance Sheet Items	12 Mth Average	Interstate	Intrastate	Interstate %
25	Plant in Service (2100-2400)	$ 134,142,718	$ 33,871,036	$ 100,271,682	25.25%
26	Depreciation Reserve (3100-3120)	73,190,341	18,787,961	54,402,381	25.67%
27	Property Held for Future Use (2002)	-	-	-	0.00%
28	Plant Under Construction (2003)	4,291,371	1,083,571	3,207,800	25.25%
29	Materials & Supplies (1220)	566,386	147,997	418,389	26.13%
30	Unamortized ITC (4230)	-	-	-	25.26%
31	Customer Deposits (4040)	5,638	1,459	4,180	25.87%
32	Leases and Leasehold Improvements (net) (2681, 2682)	88,225	22,286	65,939	25.26%
33	RTB Stock (14021)	-	-	-	0.00%
34	Accumulated Deferred Income Taxes (4340,4361,1437)	5,336,848	1,348,088	3,988,760	25.26%
35	Preferred & Common Stock (4510)	2,953,800	xxxxxxxxxxxx	xxxxxxxxxxxxxxx	
36	Additional Paid In Capital (4520)	3,278,054	xxxxxxxxxxxx	xxxxxxxxxxxxxxx	
37	Retained Earnings (4550)	64,196,659	xxxxxxxxxxxx	xxxxxxxxxxxxxxx	
38	Long Term Debt (4210 to 4270) + 4050	15,800,633	xxxxxxxxxxxx	xxxxxxxxxxxxxxx	
39	Short Term Debt (4020)	-	xxxxxxxxxxxx	xxxxxxxxxxxxxxx	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES AND INVESTMENTS - TELEPHONE COMPANIES
Tennessee Teelphone Company
Month Ending January 31, 2002.

Ln No.	Item (a)	Total Company 12 Month (b)	Interstate 12 Month (c)	Intrastate 12 Month (d)	Interstate % (e)
	OPERATING REVENUES				
1	Local Revenues (5000 - 5069)	$ 21,846,114	$ -	$ 21,846,114	
2	Interstate Access (5081-5083)	10,549,959	10,549,959	-	
3	Interstate USF (50821)	1,845,956	-	1,845,956	
4	Intrastate Access (508421-50847)	2,829,706	-	2,829,706	
5	Long Distance Revenues (5100 - 5169)	7,950,871	-	7,950,871	
6	Miscellaneous Revenues (523-5269)	899,117	-	899,117	
7	B&C (5270)	816,476	561,728	254,748	
8	Uncollectible Revenues (5300)	(181,899)	-	(181,899)	
9	Total Operating Revenues (L1 to L8)	$ 46,556,300	$ 11,111,687	$ 35,444,613	
	OPERATING EXPENSES				
10	Plt Specific Expense (6110 to 6441) + 7130	$ 3,346,985	$ 968,952	$ 2,378,033	28.95%
11	Plt Non Spec. Expense (6510 to 6540)	3,625,542	1,044,881	2,580,661	28.82%
12	Depreciation & Amortization (6560)	10,463,280	3,090,434	7,372,845	29.54%
13	Customer Operation Expense (6600)	7,329,075	1,975,919	5,353,156	26.96%
14	Corporate Operation Expense (6700)	7,113,186	2,032,593	5,080,593	28.58%
15	Other Operating Taxes (7240)	982,838	288,659	694,178	29.37%
16	Federal Income Taxes (7220 and 72501)	4,322,503	595,031	3,727,472	
17	State Income Taxes (7230 and 72502)	853,238	(74,997)	928,235	
18	Total Operating Expenses (L10 to L17)	$ 38,036,647	$ 9,921,473	$ 28,115,174	
19	Net Operating Income (L9 less L18)	$ 8,519,654	$ 1,190,215	$ 7,329,439	
20	Nonoperating Inc (7310 to 7370) and (7410 to 7450)	329,762	-	329,762	
21	Interest Expense (7510 to 7540)	813,718	-	813,718	
22	Extraordinary Items (7610 to 7640)	-	-	-	
23	Nonregulated Income Items (7990)	1,032,517	-	1,032,517	
24	Net Income............................	$ 9,068,215	$ 1,190,215	$ 7,878,000	

Ln No.	Selected Balance Sheet Items	12 Mth Average	Interstate	Intrastate	Interstate %
25	Plant in Service (2100-2400)	$ 134,142,718	$ 33,871,036	$ 100,271,682	25.25%
26	Depreciation Reserve (3100-3120)	73,190,341	18,787,961	54,402,381	25.67%
27	Property Held for Future Use (2002)	-	-	-	0.00%
28	Plant Under Construction (2003)	4,291,371	1,083,571	3,207,800	25.25%
29	Materials & Supplies (1220)	566,386	147,997	418,389	26.13%
30	Unamortized ITC (4230)	-	-	-	25.26%
31	Customer Deposits (4040)	5,638	1,459	4,180	25.87%
32	Leases and Leasehold Improvements (net) (2681, 2682)	88,225	22,286	65,939	25.26%
33	RTB Stock (14021)	-	-	-	0.00%
34	Accumulated Deferred Income Taxes (4340,4361,1437)	5,336,848	1,348,088	3,988,760	25.26%
35	Preferred & Common Stock (4510)	2,953,800	xxxxxxxxxxxx	xxxxxxxxxxxxxxx	
36	Additional Paid In Capital (4520)	3,278,054	xxxxxxxxxxxx	xxxxxxxxxxxxxxx	
37	Retained Earnings (4550)	64,196,659	xxxxxxxxxxxx	xxxxxxxxxxxxxxx	
38	Long Term Debt (4210 to 4270) + 4050	15,800,633	xxxxxxxxxxxx	xxxxxxxxxxxxxxx	
39	Short Term Debt (4020)	-	xxxxxxxxxxxx	xxxxxxxxxxxxxxx	

MONTHLY REPORT OF TENNESSEE REVENUES, EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Tennessee Teelphone Company
Month Ending January 31, 2002.

TENNESSEE INTRASTATE SUPPLEMENTAL FINANCIAL
DATA TO PSC-3.01 FOR

Ln No.	SELECTED BALANCE SHEET ITEMS (a)	Average Monthly Balance	Average 12 Months To Date	Average 12 Months To Date
1	Plant In Service	$ 103,851,072	$ 100,271,682	$ 100,271,682
2	Plant Under Construction	3,170,714	3,207,800	3,207,800
3	Plant Held for Future Use (Net)	-	-	-
4	Materials & Supplies	34,453	418,389	418,389
5	Capital Leases (Net)	263,226	65,939	65,939
6	Working Capital (45 Days)	1,977,640	1,977,640	1,977,640
7	RTB Stock	-	-	-
8	Total Additions	$ 109,297,104	$ 105,941,450	$ 105,941,450
	LESS:			
9	Accumulated Depreciation	57,092,022	54,402,381	54,402,381
10	Accumulated Deferred Taxes- Accelerated Depreciation & Cost of Removal	3,697,305	3,988,760	3,988,760
11	Unamortized ITC	-	-	-
12	Customer Deposits	4,059	5,638	5,638
13	Total Reductions	$ 60,793,386	$ 58,396,779	$ 58,396,779
14	Rate Base	$ 48,503,719	$ 47,544,672	$ 47,544,672
15	Alternative Net Operating Income	$ 571,671	$ 572,523	$ 7,306,069
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26	Alternative Net Operating Income	$ 571,671	$ 572,523	$ 7,306,069
27	Return on Rate Base	14.14%	14.45%	15.37%

MONTHLY REPORT OF TENNESSEE REVENUES EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Tennessee Teelphone Company

Income Tax Calculation
Month Ending January 31, 2002.

	Amount for the Month			year-to-date			12 Months-To-Date		
	Combined (a)	Interstate (b)	Intrastate (c)	Combined (d)	Interstate (e)	Intrastate (f)	Combined (g)	Interstate (h)	Intrastate (i)
1. Operating Revenues Per Books	$ 3,807,570	$ 896,947	$ 2,910,623	$ 3,807,570	$ 896,947	$ 2,910,623	$ 46,556,300	$ 11,111,687	$ 35,444,613
2. Plant Specific Expense	$ 222,166	$ 64,317	$ 157,849	$ 222,166	$ 64,317	$ 157,849	$ 3,346,985	$ 968,952	$ 2,378,033
3. Plt Non Spec. Expense	325,017	93,670	231,347	325,017	93,670	231,347	3,625,542	1,044,881	2,580,661
4. Depreciation & Amortization	928,678	274,294	654,384	928,678	274,294	654,384	10,463,280	3,090,434	7,372,845
5. Customer Operation Expense	663,840	178,971	484,869	663,840	178,971	484,869	7,329,075	1,975,919	5,353,156
6. Corporate Operation Expense	543,797	155,390	388,407	543,797	155,390	388,407	7,113,186	2,032,593	5,080,593
7a. Other Operating Taxes (Prop & Franchise)	$ 74,078	$ 21,757	$ 52,321	$ 74,078	$ 21,757	$ 52,321	$ 903,266	$ 265,289	$ 637,977
7b. Other Operating Taxes (PSC Fee & Gross Receipts)	5,145		5,145	5,145		5,145	79,572		79,572
7. Total Other Operating Taxes	$ 79,223	$ 21,757	$ 57,466	$ 79,223	$ 21,757	$ 57,466	$ 982,838	$ 265,289	$ 717,548
8. Total Operating Exp Before Inc Taxes	$ 2,762,721	$ 788,399	$ 1,974,322	$ 2,762,721	$ 788,399	$ 1,974,322	$ 32,860,906	$ 9,378,069	$ 23,482,837
9. NOI Before Income Taxes	$ 1,044,849	$ 108,547	$ 936,302	$ 1,044,849	$ 108,547	$ 936,302	$ 13,695,395	$ 1,733,619	$ 11,961,776
10. Flow-thru Sch M.	$ 888	224	$ 664	$ 888	224	$ 664	10661	2,692	$ 7,969
11. Deferred Sch M.	171,677	43,349	128,329	171,677	43,349	128,329	2,060,128	520,182	1,539,946
12. Allocated Interest	68,077	32,314	35,764	68,077	30,123	37,955	813,718	367,266	446,452
13. State Excise Taxable Amount (L9+L10+L11-L12)	$ 1,149,337	$ 119,807	$ 1,029,531	$ 1,149,337	$ 121,998	$ 1,027,340	$ 14,952,466	$ 1,889,227	$ 13,063,239
14. State Excise Tax @ 6.00%	$ 68,960	$ 7,188	$ 61,772	$ 68,960	$ 7,320	$ 61,640	$ 897,148	$ 113,354	$ 783,794
15. State Deferred Tax (L11*6.0%)	10,301	2,601	7,700	10,301	2,601	7,700	123,608	31,211	92,397
16. Excess (Insufficient) Deferred Taxes	6,749	1,704	5,045	6,749	1,704	5,045	69,624	17,580	52,044
17. Net SIT (L14+L15+L16)	$ 86,010	$ 11,493	$ 74,516	$ 86,010	$ 11,625	$ 74,385	$ 1,090,380	$ 162,145	$ 928,235
18. FIT Taxable Amount (L9+L10+L12-L17)	$ 891,650	$ 64,965	$ 826,685	$ 891,650	$ 67,024	$ 824,626	$ 11,801,958	$ 1,206,900	$ 10,595,058
19. FIT Gross @ 35%	$ 312,077	$ 22,738	$ 289,340	$ 312,077	$ 23,458	$ 288,619	$ 4,130,685	$ 422,415	$ 3,708,270
20. ITC Amortization	-	-	-	-			-		
21. Deferred (Excess) Write-back	1,036	262	774	1,036	262	774	25,688	6,486	19,202
22. Net FIT	$ 313,113	$ 22,999	$ 290,114	$ 313,113	$ 23,720	$ 289,393	$ 4,156,373	$ 428,901	$ 3,727,472
23. Alternative NOI (L9-L17-L22)	$ 645,726	$ 74,055	$ 571,671	$ 645,726	$ 73,202	$ 572,523	$ 8,448,642	$ 1,142,573	$ 7,306,069

MONTHLY REPORT OF TENNESSEE REVENUES EXPENSES
AND INVESTMENTS - TELEPHONE COMPANIES
Tennessee Teelphone Company
Month Ending January 31, 2002.

ACCESS LINE AND SERVICE DATA FOR ALL EXCHANGES IN TENNESSEE

Ln. No.	TYPE OF SERVICE (a)	RESIDENCE (b)	BUSINESS (c)	TOTAL (d)
1	1 party......................................	53,320	13,830	67,150
2	2 party......................................			-
3	4 party......................................			-
4	Multi party..................................			-
5	Other..			-
6	Total..	53,320	13,830	67,150

INSTRUCTIONS

1. This report is required of telephone companies which had operating revenues for the preceding year in excess of $1,500,000 as provided in the Commission's rules. Prepare on a typewriter and file within 60 days after the end of the calendar month covered by the report. Show amounts adjusted to the nearest thousand dollars unless directed otherwise.
2. If Tennessee data is not available for multistate companies, include total company operations under the combined columns and note that the data represents total company.
3. If any amount for the current month differs materially from that for the previous month a year age and the difference is not self explanatory, annotate the amount and explain the occasioning facts under "Remarks".
4. Average for the 12 Months To Date shall be computed on an average monthly balance basis.

REMARKS

I certify to the best of my knowledge and belief this is a true and correct report:

Date_______________, 2002 (Signed) ______________________________

Title: Director Revenue and Earnings

TDS Telecom - Southern Region
P. O. Box 22995
Knoxville, Tennessee 37932
Name of Contact Concerning This Report: Bruce H. Mottern

Phone Number of Contact: (865) 671-4753

Tennessee Teelphone Company

TENNESSEE INTRASTATE SUPPLEMENTAL FINANCIAL
ALTERNATIVE RATE OF RETURN CALCULATION
DATA TO PSC-3.01 FOR
Month Ending January 31, 2002.

DESCRIPTION	PERCENT	MONTHLY AVERAGE	COST OF CAPITAL	WEIGHTED COST	PERCENT	YTD MONTHLY AVERAGE	COST OF CAPITAL	WEIGHTED COST	PERCENT	12 MOS AVERAGE	COST OF CAPITAL	WEIGHTED COST
1 EQUITY	82.30%	$ 76,596,474	12.50%	10.29%	81.22%	70,428,513	12.50%	10.15%	81.22%	70,428,513	12.50%	10.15%
2 LONG AND SHORT TERM DEBT	17.70%	16,469,449	5.00%	0.88%	18.78%	16,285,478	5.00%	0.94%	18.78%	16,285,478	5.00%	0.94%
3 TOTAL CAPITALIZATION		$ 93,065,923		11.17%		86,713,991		11.09%		86,713,991		11.09%
4 RATE BASE		$ 48,503,719				$ 48,503,719				$ 47,544,672		
5 EQUITY RATE BASE	82.30%	$ 39,920,238			81.22%	$ 39,394,390			81.22%	$ 38,615,459		
6 FUNDED DEBT RATE BASE	17.70%	8,583,480			18.78%	9,109,329			18.78%	8,929,213		
		$ 48,503,719				$ 48,503,719				$ 47,544,672		
7 FUNDED DEBT RATE BASE		$ 8,583,480				$ 9,109,329				$ 8,929,213		
8 COST OF FUNDED DEBT		5.00%				5.00%				5.00%		
9 INTEREST EXPENSE(OPERATING)		$ 35,764				$ 37,955				$ 446,452		
10 INCOME AVAILABLE FOR RETURN		$ 571,671				$ 572,523				$ 7,306,069		
11 REGULATED NET INCOME (L10 - L9)		$ 535,907				$ 534,568				$ 6,859,617		
12 EARNED RETURN ON REGULATED EQUITY (L11/L 5)		16.11%				16.28%				17.76%		