HURLBERT CPA
regulatory audit services

Nelson-Ball Ground Telephone Company

Agreed-Upon Procedures Applied to the Universal Access Fund Application for the period ending 6/30/2025

May 26, 2026

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Independent Accountant's Report on Applying Agreed-Upon Procedures

NELSON-BALL GROUND TELEPHONE COMPANY

To the Georgia Public Service Commission:

We have performed the procedures enumerated below on the application for funding from the Georgia Universal Access Fund provided to us by management of Nelson-Ball Ground Telephone Company (or the "Company"). The responsible party Nelson-Ball Ground Telephone Company is responsible for the application.

The engaging party, Georgia Public Service Commission ("GPSC") has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assessing the application's reasonableness prior to funds being distributed to Nelson-Ball Ground Telephone Company as of June 30, 2025. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures are listed below with associated findings listed on the following pages.

AUP	Agreed-Upon Procedure
1	Obtain UAF company pre-filed information and schedules filed with the GPSC
2	Issue specific Contractor data requests to the UAF Companies and schedule field work
3	Audit the Company's UAF model (printed version as well as spreadsheet testing)
4	Trace amounts on the Applicant's Form M back to Company prepared schedules matching their General Ledger
5	Trace Form M data to the UAF Model column entitled Balance Per Books
6	Trace amounts in the "subject to separations" adjustment column of the UAF Model to Net Operating Income (NOI) and Rate of Return (ROR) on rate base calculations
7	Trace amounts in the "non-regulated" adjustment column of UAF Model to supporting journal entries of cost study. Selected supporting work papers are reviewed for reasonableness, accuracy, and conformance.
8	Test the FCC Part 36 study and review allocation/traffic factors
9	Test and recalculate the Revenue Requirement Section on the UAF Model
10	Review each invoice over $250 and select those invoices that appear unreasonable
11	Review corporate allocations and the Company's Cost Allocation Manual

12 Verify fixed asset amounts in the Company's Continuing Property Record and identify those assets that are inappropriately included in rate base in the UAF application. If applicant is a recipient of Federal or state Broadband Grants, determine whether the grants were to be used as revenue, expense offsets, or for capital acquisitions. To the extent such grants are/were used for capital acquisition, review books to ensure that such purchased assets are excluded from the rate base for UAF purposes

13 Verify the amounts of Federal universal service fund support reported in the UAF Application. Review UAF Applicant work

14 Verify that any long-term debt interest costs treated as AFUDC (Allowance for Funds Used During Construction) were treated either as current year income or as a reduction to interest rates

15 Verify that any Patronage Dividends credited (not necessarily received in cash) from long term lenders are treated as a reduction to the cost of debt

16 Review the outside auditor's report on the financial statements and report any adverse findings or qualified opinions

17 Review and test the requested amount for Executive Compensation and Corporate Operations Expense and compared the amount shown in the UAF application to the GPSC caps

18 Review depreciation rates used for the UAF application and compare to the rates adopted by the GPSC

19 Review cost allocation manual, verify that it is being used, test a sample of allocations and report when the manual was last updated

20 Incorporate revised factors or methods adopted by GPSC, such as cost of equity, into the UAF model

21 Prepare exhibits of financial results and support mechanisms. Analyze as to why increases/decreases occurred

22 Identify Construction Work in Progress and Retirement amounts for the test year

23 Identify the Company's affiliates and non-regulated services

24 Identify the total costs charged to the regulated company by the affiliate or parent company. Quantified costs by FCC USOA Account and determined the per access line amount over the past 3 years. If the costs appear unreasonable, propose adjustments or informed GPSC staff and recommend an affiliated transactions engagement be performed

25 For ACAM UAF companies only, obtain the Company spreadsheet depicting calculated amounts, review Company prepared adjustments, trace adjustments in the UAF application model to the spreadsheet and identify impact of the adjustment

26 Test and review the Approved Cost of Equity and Cost of Capital Rates of Tier II local exchange carriers for the purpose of evaluating applications for reimbursement from the UAF. The rate of return on rate base will be limited to the lesser of 8.0% or the level computed based on a 9.25% return on equity, using the applicant's actual cost of debt and the applicant's actual debt/equity structure. Verify that the above calculation was used in the respective UAF Model

27 Finalize work papers and prepare final report

28 Prepare testimony if requested.

We were engaged by the GPSC to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct and examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the application. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Nelson-Ball Ground Telephone Company and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our agreed-upon procedures engagement. This report is intended solely for the information and use of the Georgia Public Service Commission and Nelson-Ball Ground Telephone Company and is not intended to be, and should not be, used by anyone other than these specified parties.

Vic Hurlbert, CPA
Hurlbert CPA LLC
Liberty, Missouri
May 26, 2026

Current Request for UAF Disbursements – Summary of Findings

Nelson-Ball Ground Telephone Company's final revenue deficiency is $1,353,101. We propose one adjustment.

Table 1
Nelson-Ball Ground Telephone Company

Georgia UAF Summary	Amounts
Original Company Requested Amount from Georgia Universal Access Fund	$1,354,792
Total Adjustments	$1,691
Final Amount Recommended by Staff	$1,353,101

As presented in Table 1, we propose Nelson-Ball Ground Telephone Company receive a UAF disbursement of $1,353,101 based upon the test year for the twelve months ending June 30, 2025.

Profile of Nelson-Ball Ground Telephone Company

Nelson-Ball Ground Telephone Company is a subsidiary of TDS Telecommunications LLC ("TDS Telecom") in Madison, WI. Nelson-Ball Ground had 3,433 access lines as of 12/31/2024 in the areas of Nelson and Ball Ground, GA.

Agreed Upon Procedures

Procedure 1: Obtained UAF company pre-filed information and schedules filed with the GPSC.

Conclusion – We reviewed pre-filed files downloaded from the GPSC web site. We found no exceptions as a result of the procedures.

Procedure 2: Issued specific Contractor data requests to the UAF Companies and scheduled field work.

Conclusion – Data requests were sent to the Company and the Company responded to all data requests.

Procedure 3: Audited the Company's UAF model (printed version as well as spreadsheet testing).

Conclusion – There were no discrepancies noted.

Procedure 4: Traced amounts on the Applicant's Form M back to Company prepared schedules matching their General Ledger.

Conclusion – There were no discrepancies noted.

Procedure 5: Traced Form M data to the UAF Model column entitled Balance Per Books

Conclusion – There were no discrepancies noted.

Procedure 6: Traced amounts in the "subject to separations" adjustment column of the UAF Model to Net Operating Income (NOI) and Rate of Return (ROR) on rate base calculations.

Conclusion – There were no discrepancies noted.

Procedure 7: Traced amounts in the "non-regulated" adjustment column of UAF Model to supporting journal entries of cost study. Selected supporting work papers are reviewed for reasonableness, accuracy, and conformance.

Conclusion – There were no discrepancies noted.

Procedure 8 Tested the FCC Part 36 study and review allocation/traffic factors.

Conclusion – The factors appeared reasonable.

Procedure 9: Tested and recalculate the Revenue Requirement Section on the UAF Model.

Conclusion – There were no discrepancies noted.

Procedure 10: Reviewed each invoice over $250 and select those invoices that appear unreasonable.

Conclusion – Of the selected corporate account invoices, we found one invoice for Parachute expenses that was unreasonable.

Procedure 11: Reviewed corporate allocations and the Company's Cost Allocation Manual

Conclusion – The Company did employ a current cost allocation manual and the allocations tested were accurate.

Nelson-Ball Ground Telephone Company records revenues, expenses, assets and liabilities that are solely regulated or non-regulated directly to separate sub-accounts. For joint and common expenses, direct analysis or indirect analysis cost allocation methodologies, based upon the functional activities being performed and type of cost incurred, are routinely performed. The results are incorporated into either the Company's labor distribution process or monthly cost allocation accrual entries, resulting in direct posting to separate regulated and non-regulated sub-accounts during the monthly General Ledger process. This minimizes manual processes and the need for additional end of year or special regulatory reporting separation of regulated and non-regulated costs. For joint and common investments, annual Part 64 studies are performed to update the allocations between regulated and non-regulated operations. In sum, allocations of plant assets, accumulated depreciation reserves, deferred income taxes, depreciation expense, and related operating expenses are provided for. These direct and indirect non-regulated assignments, allocations, and adjustments from this comprehensive Part 64 Cost Allocation process are utilized by the Company in developing the proper Interstate Cost Study, Interstate USF filing and UAF model balances.

Procedure 12 Verified fixed asset amounts in the Company's Continuing Property Record and identify those assets that are inappropriately included in rate base in the UAF application. If applicant is a recipient of Federal or state Broadband Grants, determined whether the grants were to be used as revenue, expense offsets, or for capital acquisitions. To the extent such grants are/were used for capital acquisition, review books to ensure that such purchased assets are excluded from the rate base for UAF purposes.

Conclusion – There were no discrepancies noted. There were no Broadband Grants.

Procedure 13 Verified the amounts of Federal universal service fund support reported in the UAF Application. Review UAF Applicant work.

Conclusion – There were no discrepancies noted.

Procedure 14: Verified that any long-term debt interest costs treated as AFUDC (Allowance for Funds Used During Construction) were treated either as current year income or as a reduction to interest rates.

Conclusion – Not applicable.

Procedure 15: Verified that any Patronage Dividends credited (not necessarily received in cash) from long term lenders are treated as a reduction to the cost of debt.

Conclusion – Not applicable.

Procedure 16: Reviewed the outside auditor's report on the financial statements and report any adverse findings or qualified opinions.

Conclusion – The Company's outside auditor's 2025 report provided an unqualified opinion.

Procedure 17: Reviewed and tested the requested amount for Executive Compensation and Corporate Operations Expense and compared the amount shown in the UAF application to the GPSC caps.

Conclusion – The Company was not above the GPSC Executive Compensation Expense Cap or the Corporate Operations Cap.

Procedure 18: Reviewed depreciation rates used for the UAF application and compared to the rates adopted by the GPSC.

Conclusion – The Company's depreciation rates matched or were less than the rates prescribed by the GPSC.

Regulated Depreciation Expense was $891,032 in the UAF application. Per the UAF model, Total Plant in Service was $41,952,503. Composite depreciation rate equals depreciation per year divided by total historical cost. The composite rate is shown below.

Depreciation Expense	$891,032
Total Plant in Service	$41,952,503
Composite Rate	2.12%

Procedure 19: Reviewed cost allocation manual, verify that it is being used, test a sample of allocations and report when the manual was last updated.

Conclusion – The Company did employ a current cost allocation manual and the allocations tested were accurate.

Procedure 20: Incorporated revised factors or methods adopted by GPSC, such as cost of equity, into the UAF model.

Conclusion - The current cost of equity approved by the GPSC is 8.00%. Using the Company's actual debt/equity ratio and actual cost of debt, the Company's weighted average cost of capital ("WACC") is 9.25%. Because the Company's WACC did exceed the GPSC's 8% cap, the allowed return on rate base was the 8%.

Procedure 21: Prepared exhibits of financial results and support mechanisms. Analyzed as to why increases/decreases occurred.

Conclusion –Addition of plant occurred while revenues decreased and expenses increased for the year.

Financial Results: 2022 – 2025

Description	**2022**	**2023**	**2024**	**2025**
Net telecom plant	$2,664,519	$5,140,084	$8,207,553	$8,128,047
Operating Revenues	6,858,471	6,979,960	6,868,781	7,071,437
Operating Expenses	6,057,449	6,573,883	6,700,960	6,259,565
Net operating margins	801,022	406,077	167,821	811,872
Total access lines	4,593	4,439	3,899	3,433

Receipt of Federal Universal Service Support 2022-2025

Description	**2022**	**2023**	**2024**	**2025**
High-Cost Loop Support	$0	$0	$0	$0
Interstate Common Line	0	0	0	0
Local Switching Support	0	0	0	0
Safety Net Additive Support ("SNA")	0	0	0	0
Safety Valve Support	0	0	0	0
Lifeline & Link-up programs	1,174	1,329	1,050	897
ACAM	359,450	315,795	272,163	342,489
Total	$360,624	$317,124	$273,213	$343,386

Procedure 22: Identified Construction Work in Progress and Retirement amounts for the test year.

Conclusion – The Company had Construction Work in Progress and Plant Retirements at 6/30/2025 of $293,554 and $450,499, respectively.

Procedure 23 Identified the Company's affiliates and non-regulated services.

Conclusion – Affiliated and non-regulated services were reviewed and found reasonable.

Products and/or services offered by affiliates include:

Capital Leasing Services
Corporate Operations Management (includes Executive Management, Accounting/Finance, Regulatory Affairs, Human Resource Administration, Information Systems, and Legal)
Customer Operations Management (includes Sales, Marketing, Retail and Wholesale Billing, and Customer Service)
Hosted & Managed Services
Intercompany Field Service Technician Labor
Intercompany Customer Operations Labor
Plant Operations Management (includes Network Administration, Testing, and Engineering)
Risk Management Services
Wholesale Access/Transport Services

Products and/or services offered to affiliates include:
Intercompany Field Service Technician Labor
Wholesale Access/Transport Services
Wholesale Billing and Collection Services

TDS's centralized service company, TDS Telecom Service LLC ("TTS"), is the primary originator of intercompany billing ("ICB") transactions amongst TDS's LEC operations. TTS has a centralized employee base which performs daily operational activities on behalf of its LEC affiliates; such as network operations support, customer service, and sales and marketing, as well as accounting, executive, external relations, human resources, and information technology functions. The costs associated with the performance of these operational activities are captured within TDS's accounting system via an array of cost centers established for the various functional groups and sub-groups involved. The nature of the operational activities, the affiliates receiving the benefits of the operational activities, and either direct or indirect relative measures of benefits received by the respective affiliates are identified for the established cost centers. On a monthly basis the sum of the individual cost centers' costs; e.g. labor, benefits, and other expenses; are allocated to the benefitting affiliates via TDS's ICB accounting process.

Procedure 24 Identified the total costs charged to the regulated company by the affiliate or parent company. Quantified costs by FCC USOA Account and determined the per access line amount over the past 3 years. If the costs appear unreasonable, propose adjustments or informed GPSC staff and recommend an affiliated transactions engagement be performed.

Finding - Total costs charged to Nelson-Ball Ground Telephone Company by the:

Affiliate	7,174,951.80
CATV	31,914.24
Parent	776,024.47
	7,982,890.51

The costs do not appear unreasonable and therefore, no affiliate audit is recommended.

Cost per Access Line

Quantified costs by FCC USOA Account and determined the per access line amount over the past 3 years. If the costs appeared unreasonable, proposed adjustments or informed GPSC staff and recommended an affiliated transactions engagement be performed.

Nelson-Ball Ground Telephone Company had neither the highest nor lowest average of costs per access line among all UAF companies.

Because of the size of the Company and management's operational effectiveness, costs were reasonable as compared to other Georgia companies.

Procedure 25 For ACAM UAF companies only, obtain the Company spreadsheet depicting calculated amounts, Reviewed Company prepared adjustments, trace adjustments in the UAF application model to the spreadsheet and identify impact of the adjustment.

Conclusion – Nelson-Ball Ground Telephone Company received ACAM revenues in the amount of $342,489. There were no discrepancies noted.

Procedure 26 Tested and Reviewed the Approved Cost of Equity and Cost of Capital Rates of Tier II local exchange carriers for the purpose of evaluating applications for reimbursement from the UAF. The rate of return on rate base will be limited to the lesser of 8.0% or the level computed based on a 9.25% return on equity, using the applicant's actual cost of debt and the applicant's actual debt/equity structure. Verify that the above calculation was used in the respective UAF Model.

Conclusion – There were no discrepancies noted.

Procedure 27 Finalized work papers and prepare final report.

Procedure 28 Prepared testimony if requested.

Exhibit Nos. 1 – 3

1. Nelson-Ball Ground Telephone Company Organization Chart
2. Nelson-Ball Ground Telephone Company UAF Net Operating Income and Rate of Return on Rate Base Calculation
3. Nelson-Ball Ground Telephone Company UAF Cost of Capital Structure and Return on Equity Calculation

Exhibit 1

Nelson-Ball Ground Organization Chart
TDS Companies - Nelson- Ball Ground Telephone Company

Organizational Chart
As of June 30, 2025
Company Business Activities
Telephone & Data Systems, Inc. Holding Company
- Affiliate Fund Cash Management
- Airadigm Communications, Inc. Mobile Wireless
- GTE Mobilnet of Indiana LP Minority Ownership Investment
- MGW Communications, Inc. Minority Ownership Investment
- National Telephone & Telegraph Company Inactive Shell
- New Paris Telephone, Inc. Minority Ownership Investment
- Suttle Strauss, Inc. Printing
- Volcano Communications Company Minority Ownership Investment
- United States Cellular Corporation Holding Company-Cellular
- TDS Telecommunications LLC Holding Company-Telecom
  - Arcadia Telephone Company ILEC
  - Arizona Telephone Company ILEC
  - Arvig Telephone Company ILEC
    - Northwest Minnesota Special Access LLC Minority Ownership Investment
  - Asotin Telephone Company ILEC
  - Badger Telecom, LLC ILEC
  - Black Earth Telephone Company, LLC ILEC
  - Blue Ridge Telephone Company ILEC
  - Bonduel Telephone Company, LLC ILEC
  - Bridge Water Telephone Company ILEC
  - Burlington, Brighton & Wheatland Telephone Company, LLC ILEC
  - Butler Telephone Company, Inc. ILEC
  - Calhoun City Telephone Company, Inc. ILEC
  - Camden Telephone Company, Inc. ILEC
  - Camden Telephone and Telegraph Company, Inc. ILEC
  - Central State Telephone Company, LLC ILEC
  - Chatham Telephone Company ILEC
  - Cobbosseecontee Telephone Company ILEC
  - Communication Corporation of Michigan ILEC
  - Communications Corporation of Indiana ILEC
  - Communications Corporation of Southern Indiana ILEC
  - Continental Telephone Company ILEC
  - Deposit Telephone Company, Inc. ILEC
  - Dickeyville Telephone, LLC ILEC
  - EastCoast Telecom, LLC ILEC
  - Edwards Telephone Company, Inc. ILEC
  - Grantland Telecom, LLC ILEC
  - Hampden Telephone Company ILEC
  - Happy Valley Telephone Company ILEC
  - Hartland and St. Albans Telephone Company ILEC
  - Hollis Telephone Company, Inc. ILEC
  - Home Telephone Company, Inc ILEC
  - Hornitos Telephone Company ILEC

Humphreys County Telephone Company ILEC
Island Telephone Company ILEC
Kearsarge Telephone Company ILEC
Leslie County Telephone Company ILEC
Lewis River Telephone Company, Inc. ILEC
Lewisport Telephone Company ILEC
Little Miami Communications Corporation ILEC
Ludlow Telephone Company ILEC
Mahanoy & Mahantango Telephone Company ILEC
McClellanville Telephone Company, Inc. ILEC
McDaniel Telephone Company ILEC
Merrimack County Telephone Company ILEC
Mid-Plains Telephone, LLC ILEC
Mid-State Telephone Company ILEC
Midway Telephone Company, LLC ILEC
Mosinee Telephone Company , LLC ILEC
Mt. Vernon Telephone Company, LLC ILEC
Myrtle Telephone Company, Inc. ILEC
Northfield Telephone Company ILEC
Norway Telephone Company, Inc. ILEC
Oakman Telephone Company, Inc. ILEC
Oakwood Telephone Company ILEC
Oklahoma Communication Systems, LLC ILEC
Mid-America Telephone, LLC ILEC
Peoples Telephone Company, Inc. ILEC
Perkinsville Telephone Company, Inc. ILEC
Port Byron Telephone Company ILEC
Potlatch Telephone Company ILEC
Quincy Telephone Company ILEC
Riverside Telecom, LLC ILEC
S & W Telephone Company, Inc. ILEC
Salem Telephone Company ILEC
Scandinavia Telephone Company, LLC ILEC
Shiawassee Telephone Company ILEC
Somerset Telephone Company ILEC
Southeast Mississippi Telephone Company, Inc. ILEC
Southeast Telephone Company of Wisconsin, LLC ILEC
Milwaukee SMSA Tower Holding LLC Minority Ownership Investment
Milwaukee SMSA LP Minority Ownership Investment
Southwestern Telephone Company ILEC
St. Stephen Telephone Company ILEC
Stockbridge & Sherwood Telephone Company, LLC ILEC
Sugar Valley Telephone Company ILEC
TDS Broadband LLC Holding Company
TDS Broadband Service LLC CATV/Broadband/CLEC
InterLinx Communication, LLC Wholesale Fiber/Broadband/CLEC
Tonaquint Networks, LLC CATV/Broadband/CLEC
Zolo Broadcasting LLC TV Stations
TDS Long Distance Corporation Competitive Toll Provider
TDS Metrocom, LLC CLEC
TDS Telecom Service LLC Telecommunications Management Services
Centralized Services
TDS Purco, LLC Purchasing Company

New York Access Billing LLC Minority Ownership Investment
Tellico Telephone Company, Inc. ILEC
Tenney Telephone Company, LLC ILEC
The Farmers Telephone Company, LLC ILEC
The Home Telephone Company of Pittsboro, Inc. ILEC
The Island Telephone Company ILEC
The Merchants & Farmers Telephone Company ILEC
The State Long Distance Telephone Company, LLC ILEC
The Vanlue Telephone Company ILEC
The West Penobscot Telephone & Telegraph Company ILEC
Tipton Telephone Company, Inc. ILEC
Township Telephone Company, Inc. ILEC
Tri-County Telephone Company, Inc. ILEC
Tri-County Communications Corporation CATV
Union Telephone Company ILEC
UTELCO, LLC ILEC
Vernon Telephone Company, Inc. ILEC
Virginia Telephone Company ILEC
Warren Telephone Company ILEC
Waunakee Telephone Company, LLC ILEC
West Point Telephone Company, Incorporated ILEC
Williston Telephone Company ILEC
Wilton Telephone Company, Inc. ILEC
Winsted Telephone Company ILEC
Winterhaven Telephone Company ILEC
Wolverine Telephone Company ILEC

Exhibit 2

NELSON-BALL GROUND TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/25

NET OPERATING INCOME AND RATE OF RETURN ON RATE BASE CALCULATION

NET OPERATING INCOME DEVELOPMENT	**Source**	**(1) Subject To Separations**	**(2) Total Interstate**	**(3) Total Intrastate**
OPERATING REVENUES				
Local Service	Net Operating Income, Ln 1	$1,177,471	$0	$1,177,471
Access Charges	Net Operating Income, Ln 2, 3	$1,211,083	$1,029,365	$181,718
LD Messages	Net Operating Income, Ln 5	$0	$0	$0
Billing & Collection	Net Operating Income, Ln 6, 7	$22,998	$5,289	$17,709
Other Miscellaneous Revenue	Net Operating Income, Ln 8	$52,901	$2,331	$50,570
Less: Uncollectibles	Net Operating Income, Ln 11	$3,661	($31)	$3,692
Total Regulated Operating Revenue	**Ln 1+Ln 2+Ln 3+Ln 4+Ln 5-Ln 6**	$2,460,792	$1,037,016	$1,423,776
OPERATING EXPENSES				
Plant Specific	Net Operating Income, Ln 20	$1,105,003	$484,323	$620,680
Plant Non-Specific	Net Operating Income, Ln 21,22,23	$862,703	$443,638	$419,065
Depreciation & Amortization	Net Operating Income, Ln 29	$889,347	$420,745	$468,602
Customer Operations	Net Operating Income, Ln 33	$379,706	$130,961	$248,745
Corporate Operations	Net Operating Income, Ln 36	$1,078,580	$460,877	$617,703
Total Operating Expenses	**Ln 8+Ln 9+Ln 10+Ln 11+Ln 12**	$4,315,339	$1,940,544	$2,374,795
OPERATING TAXES				
Federal Income Tax -Booked	Net Operating Income, Ln 38,39,40	($342,699)	($154,533)	($188,166)
Adjustment to Booked FIT	If Taxes are Imputed, Ln 16-Ln 14	($35,680)	($29,723)	($5,957)
Imputed FIT @ %	(Ln 7-Ln 13-Ln24-Ln21-(Op Inc Ln48))* Rate + Amortization of Excess ADFIT	($378,379)	($184,255)	($194,124)
Adjustment to Imputed FIT	If Taxes are per book, Ln 14-Ln 16	$0	$0	$0
Booked - Imputed FIT (Net of Adj)		$0	$0	$0
State Income Tax -Booked	Net Operating Income, Ln 41,42	($88,178)	($36,537)	($51,641)
Adjustment to Booked SIT	If Taxes are Imputed, Ln 21-Ln 19	($12,478)	($12,478)	($0)
Imputed SIT @ %	(Ln 7-Ln 13-Ln24-(Op Inc. Ln48))* Rate	($100,656)	($49,015)	($51,641)
Adjustment to Imputed SIT	If Taxes are per book, Ln 14-Ln 16	$0	$0	$0
Booked - Imputed SIT (Net of Adj)		$0	$0	$0
Other Taxes	Net Operating Income, Ln 43,44,45	$47,914	$22,893	$25,021
Total Booked Operating Taxes	Ln 14+Ln 15+Ln 19+Ln 20+ Ln 24	($431,121)	($210,377)	($220,744)
Total Imputed Operating Taxes	Ln 14+Ln 15+Ln 19+Ln 20+ Ln 24	($431,121)	($210,377)	($220,744)
NET OPERATING INCOME				
Net Operating Income (NOI)	**Ln 7 - Ln 13 - Ln 25**	**($1,423,426)**	**($693,151)**	**($730,275)**
N.O.I. Adjustment	**Net Operating Income, Ln 56,57**	**$29,360**	**$0**	**$29,360**
Adjusted Net Operating Income (NOI)	**Ln 27 + Ln 28**	**($1,394,066)**	**($693,151)**	**($700,914)**
RATE OF RETURN ON RATE BASE CALCULATION		**As of End of Period**		
RATE BASE				
Land & Support	Rate Base Development, Ln 3	$2,127,446	$967,137	$1,160,309
Central Office Equipment	Rate Base Development, Ln 14	$11,372,326	$7,109,978	$4,262,348
Info. Orig. & Term. Equip.	Rate Base Development, Ln 20	$0	$0	$0
Cable & Wire Facilities	Rate Base Development, Ln 31	$27,552,731	$10,552,696	$17,000,035
Other Investment	Rate Base Development, Ln 34, 35	$0	$0	$0
Total Plant in Service	Ln 30 - Ln 34	$41,052,503	$18,629,811	$22,422,692
Accumulated Depreciation	Rate Base Development, Ln 46	$32,924,456	$15,069,524	$17,854,932
Net Plant in Service	Ln 35 - Ln 36	$8,128,047	$3,560,287	$4,567,760
Plant Held for Future Use	Rate Base Development, Ln 47	$0	$0	$0
Plant Under Construction	Rate Base Development, Ln 48	$257,433	$117,029	$140,404
RTB Class B Stock	Rate Base Development, Ln 49	$0	$0	$0
Prepayments	Rate Base Development, Ln 50	$0	$0	$0
Materials & Supplies	Rate Base Development, Ln 51	$86,665	$33,193	$53,472
Cash Working Capital	Cash Working Capital Develop Ln 3	$126,016	$55,983	$70,033
Deferred Income taxes	Rate Base Development, Ln 54	$1,720,810	$782,624	$938,186
Customer Deposits	Rate Base Development, Ln 55	$0	$0	$0
Rate Base	**Ln 37 + Ln 38-43, - Ln 44 - Ln 45**	**$6,877,351**	**$2,983,868**	**$3,893,484**
Rate of Return on Rate Base	**Ln 29 / Ln 46**	**-20.27%**	**-23.23%**	**-18.00%**

NELSON-BALL GROUND TELEPHONE COMPANY
RATE OF RETURN DEVELOPMENT
YEAR ENDING 06/30/25

COST OF CAPITAL STRUCTURE & RETURN ON EQUITY CALCULATION

ACTUAL COST OF CAPITAL - TOTAL COMPANY

		Amount	% Total	Rate	Weighted Cost Rate
Short Term Debt	Rate Base, Ln 56	$0	0.00%	0.000%	0.000%
Long Term Debt	Rate Base, Ln 59	$0	0.00%	0.000%	0.000%
Other	Rate Base, Ln 53	$0	0.00%	7.000%	0.000%
Equity	Rate Base, Ln 64	$8,222,428	100.00%	-20.270%	-20.270%
Total Capital		$8,222,428	100.00%		-20.270%

ACTUAL COST OF CAPITAL - INTRASTATE ONLY

		Amount	% Total	Rate	Weighted Cost Rate
Short Term Debt	Rate Base, Ln 56	$0	0.00%	0.000%	0.000%
Long Term Debt	Rate Base, Ln 59	$0	0.00%	0.000%	0.000%
Other	Rate Base, Ln 53	$0	0.00%	7.000%	0.000%
Equity	Rate Base, Ln 64	$8,222,428	100.00%	-18.002%	-18.002%
Total Capital		$8,222,428	100.00%		-18.002%

ALLOWED CAPITAL STRUCTURE - INTRASTATE

		Amount	% Total	Rate	Weighted Cost Rate
Short Term Debt	Rate Base, Ln 56	$0	0.00%	0.000%	0.000%
Long Term Debt	Rate Base, Ln 59	$0	0.00%	0.000%	0.000%
Other	Rate Base, Ln 53	$0	0.00%	7.000%	0.000%
Equity	Rate Base, Ln 64	$8,222,428	100.00%	9.250%	9.250%
Total Capital		$8,222,428	100.00%		9.250%

REVENUE REQUIREMENT CALCULATION

Rate Base (Adjusted Rate Base)	Earnings Report, Ln 46		$3,893,484
Allowed Rate of Return on Rate Base	Per GA PSC	Capped	8.00%
Net Operating Income Requirement	Line 1 x Ln 2		$311,479
Net Operating Income Available (Imputed Adjusted NOI)	Earnings Report, Ln 29		($700,914)
Operating Income Excess (Deficiency)	Ln 4 - Ln 3		($1,012,393)
Income Expansion Factor	1-SIT-FIT+FITxSIT		74.820%
Revenue Excess (Deficiency)	Ln 5 / Ln 6		($1,353,100)