

EVILSIZER LAW OFFICE

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July 12, 2018

Mr. Will Rosquist
Montana Public Service Commission, Regulatory Division
1701 Prospect Avenue
P.O. Box 202601
Helena, MT 59620-2601

Re: Ronan Telephone Company - 2017 Annual Report, PSC Docket N2018.2.7

Dear Will:

Enclosed is the 2017 Annual Report for Ronan Telephone Company, pursuant to Section 69-3-203, MCA and ARM 38.5.2602. Two copies are enclosed.

Schedule 5 does not contain any employee compensation information, since RTC does not have any employees which qualify under the PSC's criteria.

Please contact the undersigned if there are any questions.

Sincerely,



Ivan (Chuck) Evilsizer
Attorney for Ronan Telephone Company

Enclosures

General Information

Year: 2017

1	Legal Name of Respondent:	Ronan Telephone Company
2	Name Under Which Respondent Does Business:	Access Montana
3	Date of Incorporation:	1971
4	Address to send Correspondence Concerning Report:	312 MAIN STREET SW RONAN, MT 59864
5	Person Responsible for This Report:	JAY WILSON PRESTON
5a.	Telephone Number:	406-676-2751
Control Over Respondent		
1	If direct control over the respondent was held by another entity at the end of year provide the following:	
	1a. Name and address of the controlling organization or person:	COMMUNITY TEL, INC 312 MAIN STREET SW
	1b. Means by which control was held:	HOLDING COMPANY
	1c. Percent Ownership:	100%

Montana Total State Income Statement

2017

2016

Year:

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues	767,697	846,946
3	5080	Network Access Revenues	2,029,823	2,245,410
4	* 5100	Long Distance Message Revenue	61,435	68,373
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue		1,300
10	^ 5230	Directory Revenue		
11	^ 5240	Rent Revenue		
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue		
14	^ 5270	Carrier Billing and Collection Revenue		
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue	295,957	401,112
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	2,562,998	2,760,917
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense	363,973	315,878
21	6210	Central Office Switching Expense	421,418	356,683
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense	931,390	809,429
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	283,128	183,560
26	^ 6431	Aerial Wire Expense		
27	^ 6441	Conduit Systems Expense		
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense	130,314	122,207
30	6540	Access Expense		
31	6560	Depreciation and Amortization Expense	758,007	512,232
32	6610	Marketing	71,875	60,395
33	6620	Services	296,761	240,100
34	6710	Executive and Planning	144,952	87,809
35	6720	General and Administrative	706,805	346,856
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.26-L.27)	4,108,623	3,035,149
38	7100	Other Operating Income and Expense	(33,241)	
39	7200	Operating Taxes	235,781	(20,948)
40		Net Operating Income (L.17-L.37+L.38-L.39)	(1,814,647)	(253,284)

^ Subaccount of the account marked with a *.

2017

2016

Montana Intrastate Income Statement

Year:

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues		
3	5080	Network Access Revenues		
4	* 5100	Long Distance Message Revenue		
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue		
10	^ 5230	Directory Revenue		
11	^ 5240	Rent Revenue		
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue		
14	^ 5270	Carrier Billing and Collection Revenue		
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue		
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	0	0
18		OPERATING EXPENSES:		
19	6110	Network Support Expense		
20	6120	General Support Expense		
21	6210	Central Office Switching Expense		
22	6220	Operator Systems Expense		
23	6230	Central Office Transmission Expense		
24	6310	Information Origination/Termination Expense		
25	* 6410	Cable and Wire Facilities Expense	0	0
26	^ 6431	Aerial Wire Expense		
27	^ 6441	Conduit Systems Expense		
28	6510	Other Property, Plant & Equipment Expense		
29	6530	Network Operations Expense		
30	6540	Access Expense		
31	6560	Depreciation and Amortization Expense		
32	6610	Marketing		
33	6620	Services		
34	6710	Executive and Planning		
35	6720	General and Administrative		
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-)	0	0
38	7100	Other Operating Income and Expense		
39	7200	Operating Taxes		
40		Net Operating Income (L.17-L.37+L.38-L.39)	0	0

^ Subaccount of the account marked with a *

Montana Intrastate Regulated Income Statement

2017

2016

Year:

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1		REVENUES:		
2	5000	Basic Local Service Revenues	767,697	846,946
3	5080	Network Access Revenues	2,029,823	2,245,410
4	* 5100	Long Distance Message Revenue	61,435	68,373
5	^ 5110	Unidirectional Long Distance Revenue		
6	^ 5120	Long Distance Private Network Revenue		
7	^ 5160	Other Long Distance Revenue		
8	^ 5169	Other Long Distance Revenue Settlements		
9	* 5200	Miscellaneous Revenue	0	1,300
10	^ 5230	Directory Revenue		
11	^ 5240	Rent Revenue		
12	^ 5250	Corporate Operations Revenue		
13	^ 5260	Miscellaneous Revenue		
14	^ 5270	Carrier Billing and Collection Revenue		
15	^ 5280	Nonregulated Revenue		
16	5300	Uncollectible Revenue	295,957	401,112
17		Total Revenues (L.2+L.3+L.4+L.9-L.16)	2,562,998	2,760,917
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30	6540	Access Expense		
31	6560	Depreciation and Amortization Expense	758,007	512,232
32	6610	Marketing	71,875	60,395
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34	6710	Executive and Planning	144,952	87,809
35	6720	General and Administrative	706,805	346,856
36	6790	Provision for Uncollectible Notes Receivable		
37		Total Operating Expenses (Sum L.19 to L.36-L.37)	4,108,623	3,035,149
38	7100	Other Operating Income and Expense	(33,241)	
39	7200	Operating Taxes	235,781	(20,948)
40		Net Operating Income (L.17-L.37+L.38-L.39)	(1,814,647)	(253,284)

^ Subaccount of the account marked with a *.

Company Name:

SCHEDULE 4

2017

2016

Average Rate Base - Total State

Year:

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service	12,377,838	11,955,554
2	3100	Accumulated Depreciation	9,851,928	9,162,028
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies	259,003	104,714
6	4340	Noncurrent Deferred Operating Income Taxes	1,334,500	1,164,024
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)	21,031	415,294
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7-	1,471,444	2,149,510

Average Rate Base - Intrastate

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service		
2	3100	Accumulated Depreciation		
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7-	0	0

Average Rate Base - Regulated Intrastate

Line No.	Acct. No. (a)	Description (b)	This Year (c)	Last Year (d)
1	2001	Telecommunications Plant in Service		
2	3100	Accumulated Depreciation		
3	2002	Property Held for Future Telecommunications Use		
4	3200	Accumulated Depreciation - 2002		
5	1220	Materials and Supplies		
6	4340	Noncurrent Deferred Operating Income Taxes		
7		Pre-1971 Unamortized Investment Tax Credits		
8		Cash Working Capital (if allowed by Commission)		
9		Total Average Rate Base (L.1-L.2+L.3-L.4+L.5-L.6-L.7-	0	0

