

FILED³

DEC 14 2004

Missouri Public
Service Commission

FILED³

APR 07 2003

Missouri Public
Service Commission

**PUBLIC
VERSION**

Spectra Communications Group, LLC

(Full Company Name)

INCUMBENT

LOCAL EXCHANGE CARRIER

ANNUAL REPORT

TO THE

MISSOURI PUBLIC SERVICE COMMISSION

RECEIVED³

APR 04 2003

*Records
Public Service Commission*

For Period Ending December 31, 2002

Exhibit No. 33
Case No(s). CO-2005-0066
Date 11-12-04 Rptr TR

Missouri Public Service Commission

Incumbent Local Exchange Carriers

Annual Report Form

TABLE OF CONTENTS

	Schedule Number
Miscellaneous Data/Questions	1
Balance Sheet Accounts	2
Plant in Service	3
Accumulated Depreciation	4
Salvage and/or Cost of Removal Costs	5
Long-Term and Short-Term Debt	6
Income Statement Accounts	7
Important Changes During the Year	8
Pension Costs	9
Access Lines in Service by Customer Class/Exchange	10
Operational Statistics	11

Annual Report of Spectra Communications Group, LLC as of December 31, 2002

- 1) State in full the exact 'certificated' name of the telephone company:
Spectra Communications Group, LLC

- 2) State in full the mailing and street addresses of the telephone company:
P.O. Box 4065 Monroe, LA 71211
100 CenturyTel Dr. Monroe, LA 71203

- 3) State in full the name, street address, telephone number, email address of the individual to contact concerning the company's telephone operations:
Ted Hankins, Director of State Government Relations

<u>100 CenturyTel Drive, Monroe, La 71203</u>	<u>Phone: (318)-388-9416</u>
<u>P.O. Box 4065, Monroe, La 71211-4065</u>	<u>Fax: (318)-388-9602</u>
<u>tcd.hankins@centurytel.com</u>	

- 4) Under the laws of which state is the telephone company organized:
Delaware

- 5) Was the original telephone company certification in Missouri under any other names? If yes, please provide all names and time periods involved since the original certification:
No

- 6) Date of incorporation or other original organization (e.g. MM/DD/YYYY):
July 7, 1999

- 7) State the names, addresses and shareholdings of persons owning five (5) percent or more of outstanding voting securities:

<u>CenturyTel, Inc., 100 CenturyTel Drive, Monroe, LA 71203</u>	<u>75.65492%</u>
<u>Local Exchange Carriers, LLC, 192 West Broadway, Peculiar, MO 64078</u>	<u>18.67341%</u>
<u>Kansas City Consultants, LLC, 192 West Broadway, Peculiar, MO 64078</u>	<u>5.59271%</u>

Annual Report of Spectra Communications Group, LLC as of December 31, 2002

- 8) List companies owned, controlled, or operated by the utility. Include a statement of the form and extent of such ownership, control or operation:

N/A

- 9) Does the company utilize actual or average cost for settlement purposes? If actual costs are used, please identify the consulting firm engaged to prepare the study; or if performed in house the staff member responsible for this study and the date last prepared.

Actual Cost. The cost study was prepared using FYE 12/31/01 data. The date prepared was 10/25/02. Nolan Moulle', Vice President of Revenues is responsible for preparation.

- 10) Please provide the effective date and file reference to the Depreciation Authority Order or other Case Number wherein the company received authorization for current depreciation rates (reference to HB 360 if appropriate) reported on Schedule 3.

Missouri PSC Order TAO No. 1012 effective 1/1/2001

- 11) Whether a corporation or not, give the particulars requested below concerning the principal officers of the telephone company at the end of the reporting year:

Date Office Assumed	Title	Name
6/27/2002	Chairman & CEO	Glen F. Post, III
9/1/2002	President & COO	Karen A. Puckett
6/11/2002	Executive Vice President	Harvey P. Perry
6/11/2002	Executive Vice President & CFO	R. Stewart Ewing, Jr.
6/11/2002	Senior Vice President	David D. Cole
6/11/2002	Senior Vice President	Michael A. Maslowski
6/11/2002	Vice President & Controller	Neil A. Sweasy
8/12/2002	Vice President & Treasurer	G. Clay Bailey
6/11/2002	V.P., Asst. Gen. Counsel & Asst. Sec.	Stacey W. Goff
6/11/2002	Secretary	Kay C. Buchart
1/22/2001	COO (Spectra)	Kenneth M. Matzdorff

Item	Amount	FCC Account
12) Please identify what amount of Universal Service Fund (USF) payments were received from the National Exchange Carrier Association (NECA) for the reporting year.	\$8,316,680	508010
13) Please identify the "Unseparated NTS Revenue Requirement" as reported to NECA related to the above payment.	n/a	
14) Please identify the "Number of USF Loops" as reported by NECA related specifically to the above payment.	119,607	
15) Please identify what amount of USF payments were received by the company from NECA for the previous reporting year.	\$8,316,680	508010
16) Please identify the amount of USF payments expected to be received by the company for the following reporting year.	\$8,316,680	508010
17) Please identify the amount of Local Switching Support payments received by the company for the current reporting year.	\$0	
18) Please identify the amount of Local Switching Support received by the company for the previous reporting year.	\$0	
19) Please identify the amount of Long Term Support (LTS) payments received, or paid, by the company for the current reporting year.	\$0	
20) Please identify the amount of Long Term Support (LTS) payments received, or paid, by the company for the previous reporting year.	\$0	
21) Type of tax return filed (i.e. 1120C, 1120S, etc.):		1065
22) Taxpayer ID:	72-1451082	

n/a: This item is not applicable to this property as it qualifies under FCC rule 54.305.

Annual Report of Spectra Communications Group, LLC as of December 31, 2002**BALANCE SHEET ACCOUNTS**

FCC #	Account Description	Amount
<u>Current Assets</u>		
1130	Cash	\$143,187
1140	Special Cash Deposits	\$38,193
1150	Working Cash Advance	\$6,200
1160	Temporary Investments	
1180	Telecommunications Accounts Receivable	\$4,901,170
1190	Other Accounts Receivable	\$18,423,734
1191	Accounts Receivable Allowance - Other	
1200	Notes Receivable	
1201	Notes Receivable Allowance	
1210	Interest and Dividends Receivable	
1220	Material and Supplies	\$40,172
1290	Prepaid Rents	
1300	Prepaid Taxes	
1310	Prepaid Insurance	
1320	Prepaid Directory Expenses	
1330	Other Prepayments	\$108,435
1350	Other Current Assets	
Total Current Assets		\$23,661,091
<u>Noncurrent Assets</u>		
1401	Investments in Affiliated Companies	\$151,249,481
1402	Investments in Nonaffiliated Companies	
1406	Nonregulated Investments	\$437,001
1407	Unamortized Debt Issuance Expenses	
1408	Sinking Funds	
1410	Other Noncurrent Assets	
1438	Deferred Maintenance & Retirements	
1439	Deferred Charges	\$33,934
1500	Other Jurisdictional Assets-Net	
Total Noncurrent Assets		\$151,720,416

Annual Report of

Spectra Communications Group, LLC

as of December 31, 2002

BALANCE SHEET ACCOUNTS

FCC #	Account Description	Amount
<u>Regulated Plant</u>		
2001	Telecommunications Plant in Service	\$381,077,424
2002	Property Held For Future Telecommunications Use	
2003	Telecommunications Plant Under Construction - Short Term	\$1,450,690
2004	Telecommunications Plant Under Construction - Long Term	
2005	Telecommunications Plant Adjustment	
2006	Nonoperating Plant	
2007	Goodwill	
Total Regulated Plant		\$382,528,114
<u>Depreciation and Amortization</u>		
3100	Accumulated Depreciation	\$239,877,256
3200	Accumulated Depreciation - Held For Future Use	
3300	Accumulated Depreciation - Nonoperating	
3410	Accumulated Depreciation - Capitalized Leases	
3420	Accumulated Depreciation - Leasehold Improvements	
3500	Accumulated Depreciation - Intangible	
3600	Accumulated Depreciation - Other	
Total Depreciation and Amortization		\$239,877,256
Net Plant		\$142,650,858
Total Assets		\$318,032,365

Annual Report of

Spectra Communications Group, LLC

as of December 31, 2002

BALANCE SHEET ACCOUNTS

FCC #	Account Description	Amount
<u>Current Liabilities</u>		
4010	Accounts Payable	\$3,766,934
4020	Notes Payable	
4030	Advanced Billing and Payments	\$898,631
4040	Customers' Deposits	\$70,643
4050	Current Maturities - Long Term	
4060	Current Maturities - Capital Leases	
4070	Income Taxes Accrued	
4080	Other Taxes Accrued	\$1,124,684
4100	Net Current Deferred Operating Income Taxes	
4110	Net Current Deferred Non-operating Income Taxes	
4120	Other Accrued Liabilities	\$14,320,967
4130	Other Current Liabilities	
Total Current Liabilities		\$20,181,859
<u>Long-Term Debt</u>		
4210	Funded Debt	
4220	Premium on Long-Term Debt	
4230	Discount on Long-Term Debt	
4240	Reacquired Debt	
4250	Obligations Under Capital Leases	
4260	Advances From Affiliated Companies	
4270	Other Long-Term Debt	\$214,135,617
Total Long-Term Debt		\$214,135,617

BALANCE SHEET ACCOUNTS

FCC #	Account Description	Amount
	<u>Other Liabilities and Deferred Credits</u>	
4310	Other Long-Term Liabilities	
4320	Unamortized Operating Investment Tax Credits - Net	
4330	Unamortized Nonoperating Investment tax Credits - Net	
4340	Net Non-current Deferred Operating Income Taxes	\$1
4350	Net Noncurrent Deferred Nonoperating Income Taxes	
4360	Other Deferred Credits	\$80,426
4370	Other Jurisdictional Liabilities and Deferred Credits - Net	
	Total Other Liabilities and Deferred Credits	\$80,427
	<u>Stockholders' Equity</u>	
4510	Capital stock	\$75,000,000
4520	Additional Paid -In Capital	
4530	Treasury Stock	
4540	Other Capital	
4550	Retained Earnings	\$8,634,462
	Total Stockholders' Equity	\$83,634,462
	Total Liabilities and Shareholders' Equity	\$318,032,365

PLANT IN SERVICE

FCC #	Account Description	Authorized Depreciation Rate (A)	Amount
<u>General Support Assets</u>			
2111	Land		\$651,279
2112	Motor Vehicles		
2113	Aircraft		
2114	Tools and Other Work Equipment		
2115	Garage Work Equipment		
2116	Other Work Equipment		
2121	Buildings	4.10%	\$14,268,257
2122	Furniture		
2123.1	Office Equipment - Office Support		
2123.2	Office Equipment - Co. Communications	13.00%	\$547,949
2124	General Purpose Equipment		
Total General Support Assets			\$15,467,485
<u>Central Office Assets</u>			
2211	Analog Electronic Switching		
2212	Digital Electronic Switching	5.40%	\$63,199,093
2215	Electromechanical Switching		
2220	Operator Systems		
2231.1	Satellite and Earth Station Equipment	9.00%	\$458,945
2231.2	Other Radio Facilities	9.00%	\$18,819
2232.1	Circuit Equipment - Digital	12.10%	\$46,272,221
2232.2	Circuit Equipment - Analog	12.10%	\$8,055,855
Total Central Office Assets			\$118,004,933

(A) See Schedule 1, question 10.

Annual Report of Spectra Communications Group, LLC as of December 31, 2002**PLANT IN SERVICE**

FCC #	Account Description	Authorized Depreciation Rate (A)	Amount
<u>Information Origination/Termination Assets</u>			
2311	Station Apparatus		
2321	Customer Premises Wiring		
2341	Large Private Branch Exchange		
2351	Public Telephone Terminal Equipment		
2362	Other Terminal Equipment	3.20%	\$1,921,474
Total Info. Origination/Termination Assets			\$1,921,474
<u>Cable and Wire Facilities Assets</u>			
2411	Poles	7.20%	\$8,960,005
2421.1	Aerial cable - Nonmetallic	3.90%	\$1,377,383
2421.2	Aerial cable - Metallic	6.20%	\$29,980,805
2422.1	Underground cable - Nonmetallic	3.60%	\$741,194
2422.2	Underground cable - Metallic	4.60%	\$1,577,642
2423.1	Buried cable - Nonmetallic	3.70%	\$10,723,381
2423.2	Buried cable - Metallic	5.70%	\$190,749,115
2424.1	Submarine cable - Nonmetallic		
2424.2	Submarine cable - Metallic	3.00%	\$1,336
2425	Deep Sea Cable		
2426	Intrabuilding Network Cable		
2431	Aerial Wire	34.00%	\$230,379
2441	Conduit Systems	2.10%	\$1,342,292
Total Cable and Wire Facilities Assets			\$245,683,532

(A) See Schedule 1, question 10.

Annual Report of Spectra Communications Group, LLC as of December 31, 2002

PLANT IN SERVICE

FCC #	Account Description	Authorized Depreciation Rate (A)	Amount
<u>Amortizable Assets</u>			
2681	Capital Leases		
2682	Leasehold Improvements		
2690	Intangibles		
Total Amortizable Assets			
Total Telecommunications Plant In Service			\$381,077,424

(A) See Schedule 1, question 10.

DEPRECIATION RESERVE

FCC #	Account Description	Depreciation Expense Recorded	Accumulated Balance
<u>General Support Assets</u>			
3111	Land		
3112	Motor Vehicles	\$358,003	\$0
3113	Aircraft		
3114	Tools and Other Work Equipment		
3115	Garage Work Equipment		
3116	Other Work Equipment	\$107,171	
3121	Buildings	\$584,226	\$6,535,526
3122	Furniture	\$15,232	\$0
3123.1	Office Equipment - Office Support	\$49,753	\$0
3123.2	Office Equipment - Co. Communications	\$71,234	\$577,990
3124	General Purpose Equipment	\$213,457	\$0
Total General Support Assets		\$1,399,076	\$7,113,516
<u>Central Office Assets</u>			
3211	Analog Electronic Switching		
3212	Digital Electronic Switching	\$3,792,922	\$18,645,634
3215	Electromechanical Switching		
3220	Operator Systems		
3231.1	Satellite and Earth Station Equipment		\$414,956
3231.2	Other Radio Facilities		\$5,928
3232.1	Circuit Equipment - Digital	\$4,563,981	\$28,613,471
3232.2	Circuit Equipment - Analog	\$1,016,703	\$7,128,022
Total Central Office Assets		\$9,373,606	\$54,808,011

DEPRECIATION RESERVE

FCC #	Account Description	Depreciation Expense Recorded	Accumulated Balance
Information Origination/Termination Assets			
3311	Station Apparatus	\$143	\$0
3321	Customer Premises Wiring		
3341	Large Private Branch Exchange		
3351	Public Telephone Terminal Equipment	\$1,130	\$0
3362	Other Terminal Equipment	\$61,487	\$486,805
Total Info. Origination/Termination Assets		\$62,760	\$486,805
Cable and Wire Facilities Assets			
3411	Poles	\$628,345	\$6,616,182
3421.1	Aerial cable - Nonmetallic	\$52,446	\$416,600
3421.2	Aerial cable - Metallic	\$1,845,005	\$25,065,432
3422.1	Underground cable - Nonmetallic	\$25,811	\$256,909
3422.2	Underground cable - Metallic	\$71,959	\$1,257,566
3423.1	Buried cable - Nonmetallic	\$390,370	\$4,037,413
3423.2	Buried cable - Metallic	\$10,670,466	\$138,929,833
3424.1	Submarine cable - Nonmetallic		
3424.2	Submarine cable - Metallic		\$398
3425	Deep Sea Cable		
3426	Intra-building Network Cable		
3431	Aerial Wire		\$366,207
3441	Conduit Systems	\$28,188	\$522,384
Total Cable and Wire Facilities Assets		\$13,712,590	\$177,468,924
Total Depreciation Reserve		\$24,548,032	\$239,877,256

Annual Report of Spectra Communications Group, LLC as of December 31, 2002**DEPRECIATION RESERVE**

FCC #	Account Description	Amortization Expense Recorded	Accumulated Balance
<u>Amortizable Assets</u>			
3681	Capital Leases		
3682	Leasehold Improvements	\$1,531	\$0
3690	Intangibles		
Total Amortizable Assets		\$1,531	\$0

Annual Report of Spectra Communications Group, LLC as of December 31, 2002

SALVAGE and/or COST OF REMOVAL COSTS

(Do Not Include the Plant Cost Retired)

FCC #	Account Description	Amount Recorded To:	
		Depreciation Reserve	Income Statement
<u>General Support Assets</u>			
2111	Land		
2112	Motor Vehicles		
2113	Aircraft		
2114	Tools and Other Work Equipment		
2115	Garage Work Equipment		
2116	Other Work Equipment		
2121	Buildings		
2122	Furniture		
2123.1	Office Equipment - Office Support		
2123.2	Office Equipment - Co. Communications		
2124	General Purpose Equipment		
Total General Support Assets			
<u>Central Office Assets</u>			
2211	Analog Electronic Switching		
2212	Digital Electronic Switching	\$3,000	
2215	Electromechanical Switching		
2220	Operator Systems		
2231.1	Satellite and Earth Station Equipment		
2231.2	Other Radio Facilities		
2232.1	Circuit Equipment - Digital		
2232.2	Circuit Equipment - Analog		
Total Central Office Assets		\$3,000	

SALVAGE and/or COST OF REMOVAL COSTS

(Do Not Include the Plant Cost Retired)

FCC #	Account Description	Amount Recorded To:	
		Depreciation Reserve	Income Statement
<u>Information Origination/Termination Assets</u>			
2311	Station Apparatus		
2321	Customer Premises Wiring		
2341	Large Private Branch Exchange		
2351	Public Telephone Terminal Equipment		
2362	Other Terminal Equipment		
Total Info. Origination/Termination Assets			
<u>Cable and Wire Facilities Assets</u>			
2411	Poles	\$42,501	
2421.1	Aerial cable - Nonmetallic		
2421.2	Aerial cable - Metallic	\$46,977	
2422.1	Underground cable - Nonmetallic		
2422.2	Underground cable - Metallic	\$4,744	
2423.1	Buried cable - Nonmetallic	\$143	
2423.2	Buried cable - Metallic	\$52,128	
2424.1	Submarine cable - Nonmetallic		
2424.2	Submarine cable - Metallic		
2425	Deep Sea Cable		
2426	Intrabuilding Network Cable		
2431	Aerial Wire	\$10,088	
2441	Conduit Systems		
Total Cable and Wire Facilities Assets		\$156,581	

Annual Report of Spectra Communications Group, LLC as of December 31, 2002

SALVAGE and/or COST OF REMOVAL COSTS

(Do Not Include the Plant Cost Retired)

FCC #	Account Description	Amount Recorded To:	
		Depreciation Reserve	Income Statement
<u>Amortizable Assets</u>			
2681	Capital Leases		
2682	Leasehold Improvements		
2690	Intangibles		
Total Amortizable Assets			
Total Salvage and/or Cost of Removal Costs		\$159,581	

INCOME STATEMENT

FCC #	Account Description	Missouri Jurisdiction	Total Company
<u>Local Network Services Revenues</u>			
5001	Basic Area Revenue	\$16,103,566	\$16,103,566
5002	Optional Extended Area Revenue		
5003	Cellular Mobile Revenue		
5004	Other Mobile Services Revenue		
5040	Local Private Line Revenue	\$3,181,373	\$3,181,373
5050	Customer Premises Revenue		
5060	Other Local Exchange Revenue	\$3,729,825	\$3,729,825
5069	Other Local Exchange Revenue Settlements		
Total Local Network Services Revenues		\$23,014,764	\$23,014,764
<u>Network Access Services Revenues</u>			
5081	End User Revenue	\$18,809,336	\$18,809,336
5082	Switched Access Revenue	\$11,941,368	\$11,941,368
5083	Special Access Revenue	\$3,175,514	\$3,175,514
5084	State Access Revenue	\$40,702,888	\$40,702,888
Total Network Access Services Revenues		\$74,629,106	\$74,629,106
<u>Long Distance Network Services Revenues</u>			
5100	Long Distance Message Revenue	\$5,215,314	\$5,215,314
5111	Long Distance Inward-only Revenue		
5112	Long Distance Outward-only Revenue		
5121	Subvoice Grade L.D. Private Network Revenue		
5122	Voice Grade L.D. Private Network Revenue		
5123	Audio Program Grade L.D. Private Network Revenue		
5124	Video Program Grade L.D. Private Network Revenue		
5125	Digital Transmission L.D. Private Network Revenue		
5126	Long Distance Private Network Switching Revenue		
5128	Other Long Distance Private Network Revenue		
5129	Other L.D. Private Network Revenue Settlements		
5160	Other Long Distance Revenues	\$63,853	\$63,853
5169	Other Long Distance Revenue Settlements		
Total Long Distance Network Services Revenue		\$5,279,167	\$5,279,167

INCOME STATEMENT

FCC #	Account Description	Missouri Jurisdiction	Total Company
<u>Miscellaneous Revenues</u>			
5230	Directory Revenue	\$1,320,966	\$1,320,966
5240	Rent Revenue	\$51,790	\$51,790
5250	Corporate Operations Revenue		
5261	Special Billing Arrangements Revenue	\$115,391	\$115,391
5262	Customer Operations Revenue	\$200,665	\$200,665
5263	Plant Operations Revenue		
5264	Other Incidental Regulated Revenue	\$53,536	\$53,536
5269	Other Revenue Settlements	\$357,098	\$357,098
5270	Carrier Billing & Collection Revenue	\$1,627,279	\$1,627,279
Total Miscellaneous Revenues		\$3,726,725	\$3,726,725
5280	Non-Regulated Operating Revenue		
<u>Uncollectible Revenues</u>			
5301	Uncollectible Revenue - Telecommunications	(\$810,153)	(\$810,153)
5302	Uncollectible Revenue - Other	(\$1,861,845)	(\$1,861,845)
Total Uncollectible Revenues		(\$2,671,998)	(\$2,671,998)
Total Operating Revenues		\$103,977,764	\$103,977,764

INCOME STATEMENT

FCC #	Account Description	Missouri Jurisdiction	Total Company
	<u>Plant Specific Operations Expense</u>		
6110	Network Support Expense		
6112	Motor Vehicle Expense		\$67,773
6113	Aircraft Expense		\$228,670
6114	Tools and Other Work Equipment Expense		
6120	General Support Expenses		
6121	Land and Building Expenses		\$557,300
6122	Furniture and Artworks Expense		\$8,034
6123	Office Equipment Expense		
6124	General Purpose Computers Expense		\$2,309,642
6210	Central Office Switching Expense		
6211	Analog Electronic Expense		\$133
6212	Digital Electronic Expense		\$5,401,670
6215	Electro-mechanical Expense		\$641
6220	Operator System Expense		
6230	Central Office Transmission Expense		
6231	Radio Systems Expense		\$31
6232	Circuit Equipment Expense		\$1,533,215
6310	Information Origination/Termination Expense		
6311	Station Apparatus Expense		
6341	Large Private Branch Exchange Expense		
6351	Public Telephone Terminal Equipment Expense		
6362	Other Terminal Equipment Expense		\$207,683
6410	Cable and Wire Facilities Expense		
6411	Poles Expense		\$509,243
6421	Aerial Cable Expense		\$3,519,309
6422	Underground Cable Expense		\$4,656
6423	Buried Cable Expense		\$10,530,672
6424	Submarine Cable Expense		
6425	Deep Sea Cable Expense		
6426	Intrabuilding Network Cable Expense		
6431	Aerial Wire Expense		\$1,576
6441	Conduit Systems Expense		
	Total Plant Specific Operations Expense		\$24,880,248

INCOME STATEMENT

FCC #	Account Description	Missouri Jurisdiction	Total Company
	<u>Plant Non-specific Operations Expense</u>		
6510	Other Property Plant and Equipment Expense		
6511	Telecommunications Use Expense		
6512	Provisioning Expense		\$205,509
6530	Network Operations Expense		
6531	Power Expense		\$627,462
6532	Network Administration Expense		\$141,504
6533	Testing Expense		\$610,461
6534	Plant Operations Administration Expense		\$2,028,853
6535	Engineering Expense		\$841,995
6540	Access Expense		\$4,043,840
	<u>Total Plant Non-specific Operations Expense</u>		<u>\$8,499,624</u>
	<u>Depreciation and Amortization Expense</u>		
6561	Depreciation Expense - Plant in Service		\$24,549,563
6562	Depreciation Expense - Plant Held for Future Use		
6563	Amortization Expense - Tangible		
6564	Amortization Expense - Intangible		
6565	Amortization Expense - Other		
	<u>Total Depreciation and Amortization Expense</u>		<u>\$24,549,563</u>
	<u>Customer Operations Expense</u>		
6610	Marketing		
6611	Product Management		\$287,329
6612	Sales		\$762,046
6613	Product Advertising		\$227,307
6620	Services		
6621	Call Completion Services		\$37,076
6622	Number Services		\$272,183
6623	Customer Services		\$6,440,455
	<u>Total Customer Operations Expenses</u>		<u>\$8,026,396</u>

INCOME STATEMENT

FCC #	Account Description	Missouri Jurisdiction	Total Company
<u>Corporate Operations Expense</u>			
6710	Executive and Planning		\$1,354,538
6711	Executive		
6712	Planning		
6720	General and Administrative		
6721	Accounting and Finance		\$1,683,615
6722	External Relations		\$468,233
6723	Human Resources		\$653,660
6724	Information Management		\$2,020,994
6725	Legal		\$486,257
6726	Procurement		\$70,797
6727	Research and Development		
6728	Other General and Administrative		\$754,021
6790	Provision for Uncollectible Notes Receivable		
Total Corporate Operations Expense			\$7,492,115
Total Operating Expense			\$73,447,946
Net Operating Income			\$30,529,818
<u>Other Operating Income and Expense</u>			
7110	Income from Custom Work		
7130	Return from Nonregulated Use of Regulated Facilities		
7140	Gains and Losses from Foreign Exchange		
7150	Gains or Losses from Disposition of Land and Artwork		
7160	Other Operating Gains and Losses		\$48,571
Total Other Operating Income and Expense			\$48,571

INCOME STATEMENT

FCC #	Account Description	Missouri Jurisdiction	Total Company
<u>Operating Taxes</u>			
7210	Operating Investment Tax Credits - Net		
7220	Operating Federal Income Taxes		\$30,155,426
7230	Operating State and Local Income Taxes		
7240	Operating Other Taxes		\$1,797,283
7250	Provision for Deferred Operating Income Taxes - Net		(\$30,155,426)
Total Operating Taxes			\$1,797,283
<u>Nonoperating Income and Expense</u>			
7300	Nonoperating Income and Expense		
7310	Dividend Income		
7320	Interest Income		\$16,697
7330	Income from Sinking & Other Funds		
7340	Allowance for Funds Used During Construction		\$279,854
7350	Gains or Losses from the Disposition of Certain Property		
7360	Other Nonoperating Income		\$2,708
7370	Special Charges		(\$74,646)
Total Nonoperating Income and Expense			\$224,613
<u>Nonoperating Taxes</u>			
7410	Nonoperating Investment Tax Credits - Net		
7420	Nonoperating Federal Income Taxes		
7430	Nonoperating State & Local Income Taxes		
7440	Nonoperating Other Taxes		
7450	Provision for Deferred Nonoperating Income Taxes - Net		
Total Non-Operating Taxes			

INCOME STATEMENT

FCC #	Account Description	Missouri Jurisdiction	Total Company
Interest & Related Items			
7510	Interest on Funded Debt		
7520	Interest Expense - Capital Leases		
7530	Amortization of Debt Issuance Expense		
7540	Other Interest Deductions		\$18,621,109
Total Interest & Related Items			\$18,621,109
Extraordinary Items			
7610	Extraordinary Income Credits		
7620	Extraordinary Income Charges		
7630	Current Income Tax Effect of Extraordinary Items - Net		
7640	Provision for Deferred Income Tax Effect of Extraordinary Items - Net		
Total Extraordinary Items			
Jurisdictional Differences & Nonregulated Items			
7910	Income Effect of Jurisdictional Ratemaking Difference - Net		
7990	Nonregulated Net Income		\$773,102
Total Jurisdictional Differences & Nonregulated Items			\$773,102
NET INCOME			\$11,157,712

Annual Report of Spectra Communications Group, LLC as of December 31, 2002**PENSION COST - DEFINED BENEFIT PLANS**

Report each individual Plan covering one or more groups of Company employees on a separate schedule. (i.e. ESOP, Defined Contribution, Other (describe), etc.)

Plan Name: CenturyTel, Inc. Plan For Hourly-Paid Employees' PensionsTrustee Name: Banker's Trust Company of California, NA

Item	Current Year	Previous Year
Date of Actuarial Report:	12/31/02	12/31/01
Accumulated Benefit Obligation	\$5,745,337	\$6,630,920
Projected Benefit Obligation	\$5,745,337	\$7,739,275
Fair Value of Plan Assets	\$4,806,312	\$5,636,978
Discount Rate % for Settlement of Liabilities	7.00%	7.25%
Expected Long-Term Return On Assets Rate %	10.00%	10.00%
Service Cost	\$220,726	\$317,965
Interest Cost	\$375,947	\$499,542
Return On Plan Assets	(\$563,698)	(\$680,957)
Amortization of Transition Amount		
Amortization of Gains or Losses	\$103,195	\$22,873
Total Pension Cost	\$136,170	\$159,423
Minimum Required Contribution		
Actual Contribution		
Maximum Tax Deductible Contribution		
Benefit Payments	\$137,262	\$262,900
Pension Cost Expensed	\$136,170	\$159,423
Pension Cost Capitalized		
Pension Asset/Liability at Close of Year	\$1,449,276	(\$135,638)

Annual Report of Spectra Communications Group, LLC as of December 31, 2002**PENSION COST - DEFINED BENEFIT PLANS**

Report each individual Plan covering one or more groups of Company employees on a separate schedule. (i.e. ESOP, Defined Contribution, Other (describe), etc.)

Plan Name: CenturyTel, Inc. Plan For Salaried Employees' PensionsTrustee Name: Banker's Trust Company of California, NA

Item	Current Year	Previous Year
Date of Actuarial Report:	12/31/02	12/31/01
Accumulated Benefit Obligation	\$977,489	\$1,319,963
Projected Benefit Obligation	\$977,489	\$1,147,462
Fair Value of Plan Assets	\$386,416	\$827,013
Discount Rate % for Settlement of Liabilities	7.00%	7.25%
Expected Long-Term Return On Assets Rate %	10.00%	10.00%
Service Cost	\$175,252	\$124,042
Interest Cost	\$65,202	\$85,730
Return On Plan Assets	(\$82,701)	(\$85,195)
Amortization of Transition Amount		
Amortization of Gains or Losses	\$12,158	(\$35,003)
Total Pension Cost	\$169,911	\$89,574
Minimum Required Contribution		
Actual Contribution		
Maximum Tax Deductible Contribution		
Benefit Payments		
Pension Cost Expensed	\$169,911	\$89,574
Pension Cost Capitalized		
Pension Asset/Liability at Close of Year	\$48,332	(\$198,138)

Annual Report of Spectra Communications Group, LLC as of December 31, 2002

PENSION COST - OTHER THAN DEFINED BENEFIT PLANS

Report **each individual Plan** covering one or more groups of Company employees on a separate schedule. (i.e. ESOP, Defined Contribution, Other (describe), etc.)

Plan Name: _____

Trustee Name: _____

Plan Description: _____

N/A - Not Applicable

Current Year Previous Year

Date of Actuarial Report:

--	--

Projected Benefit Obligation

--	--

Fair Value of Plan Assets

--	--

Expected Long-Term Return on Assets

--	--

Minimum Required Contribution

--	--

Actual Contribution

--	--

Maximum Tax Deductible Contribution

--	--

Benefit Payments

--	--

Pension Cost Expensed

--	--

Pension Cost Capitalized

--	--

Pension Asset/Liability at Close of Year

--	--

NP

Annual Report of

Spectra Communications Group, LLC

Schedule 10 Page 1 of 9

for the year ended December 31, 2002

INCUMBENT LOCAL EXCHANGE CARRIER RETAIL ACCESS LINE REPORT

Note: This page is for retail sales only. Do not report the number of lines you are providing on a wholesale basis.

Exchange (Use name in the tariff)	Full Facility Based		Public Access Lines	
	Residential Voice Grade Equivalent Lines	Business Voice Grade Equivalent Lines	Public	Customer Owned Coin Telephone
AMAZONIA	****	****	****	****
ANNAPOLIS	****	****	****	****
ARCOLA	****	****	****	****
AURORA	****	****	****	****
AVENUE CITY	****	****	****	****
AVILLA	****	****	****	****
BELGRADE	****	****	****	****
BELLEVIEW	****	****	****	****
BIRCH TREE	****	****	****	****
BOLCKOW	****	****	****	****
BOSS	****	****	****	****
BRAYMER	****	****	****	****
BRONAUGH	****	****	****	****
BRUNSWICK	****	****	****	****
BUNKER	****	****	****	****
Non-revenue producing company used lines				
Totals	****	****	****	****

INCUMBENT LOCAL EXCHANGE CARRIER RETAIL ACCESS LINE REPORT

Note: This page is for retail sales only. Do not report the number of lines you are providing on a wholesale basis.

Exchange (Use name in the tariff)	Full Facility Based		Public Access Lines	
	Residential Voice Grade Equivalent Lines	Business Voice Grade Equivalent Lines	Public	Customer Owned Coin Telephone
CALEDONIA	****	****	****	****
CAMERON	****	****	****	****
CANTON	****	****	****	****
CENTERVILLE	****	****	****	****
CLARENCE	****	****	****	****
CLARKSDALE	****	****	****	****
COLLINS	****	****	****	****
CONCORDIA	****	****	****	****
COSBY	****	****	****	****
DADEVILLE	****	****	****	****
DALTON	****	****	****	****
EASTON	****	****	****	****
EDGAR SPRINGS	****	****	****	****
ELDORADO SPRINGS	****	****	****	****
ELLSINORE	****	****	****	****
Non-revenue producing company used lines				
Totals	****	****	****	****

NP

Schedule 10 Page 3 of 9

Annual Report of

Spectra Communications Group, LLC

for the year ended December 31, 2002

INCUMBENT LOCAL EXCHANGE CARRIER RETAIL ACCESS LINE REPORT

Note: This page is for retail sales only. Do not report the number of lines you are providing on a wholesale basis.

Exchange (Use name in the tariff)	Full Facility Based		Public Access Lines	
	Residential Voice Grade Equivalent Lines	Business Voice Grade Equivalent Lines	Public	Customer Owned Coin Telephone
ELMER	****	****	****	****
EMINENCE	****	****	****	****
EVERTON	****	****	****	****
EWING	****	****	****	****
FILLMORE	****	****	****	****
FREMONT	****	****	****	****
GOLDEN CITY	****	****	****	****
GORIN	****	****	****	****
GREENFIELD	****	****	****	****
GROVESSPRING	****	****	****	****
GROWER	****	****	****	****
HAMILTON	****	****	****	****
HARTVILLE	****	****	****	****
HELENA	****	****	****	****
HOUSTON	****	****	****	****
Non-revenue producing company used lines				
Totals	****	****	****	****

NP

Schedule 10 Page 4 of 9

Annual Report of Spectra Communications Group, LLC

for the year ended December 31, 2002

INCUMBENT LOCAL EXCHANGE CARRIER RETAIL ACCESS LINE REPORT

Note: This page is for retail sales only. Do not report the number of lines you are providing on a wholesale basis.

Exchange (Use name in the tariff)	Full Facility Based		Public Access Lines	
	Residential Voice Grade Equivalent Lines	Business Voice Grade Equivalent Lines	Public	Customer Owned Coin Telephone
HUMANSVILLE	****	****	****	****
HUNNEWELL	****	****	****	****
IRONDALE	****	****	****	****
IRONTON	****	****	****	****
JERICO SPRINGS	****	****	****	****
KAHOKA	****	****	****	****
KEYTESVILLE	****	****	****	****
KIDDER	****	****	****	****
KINGSTON	****	****	****	****
LABELLE	****	****	****	****
LADONNIA	****	****	****	****
LAGRANGE	****	****	****	****
LAPLATA	****	****	****	****
LAWSON	****	****	****	****
LESTERVILLE	****	****	****	****
Non-revenue producing company used lines				
Totals	****	****	****	****

NP

Schedule 10 Page 5 of 9

Annual Report of Spectra Communications Group, LLC

for the year ended December 31, 2002

INCUMBENT LOCAL EXCHANGE CARRIER RETAIL ACCESS LINE REPORT

Note: This page is for retail sales only. Do not report the number of lines you are providing on a wholesale basis.

	Full Facility Based		Public Access Lines	
Exchange (Use name in the tariff)	Residential Voice Grade Equivalent Lines	Business Voice Grade Equivalent Lines	Public	Customer Owned Coin Telephone
LEWISTOWN	****	****	****	****
LICKING	****	****	****	****
LOWRY CITY	****	****	****	****
MACON	****	****	****	****
MANES	****	****	****	****
MAYSVILLE	****	****	****	****
MILO	****	****	****	****
MONROE CITY	****	****	****	****
MONTAUK	****	****	****	****
MONTICELLO	****	****	****	****
MT GROVE	****	****	****	****
MT VERNON	****	****	****	****
NEBO	****	****	****	****
NORWOOD	****	****	****	****
OATES	****	****	****	****
Non-revenue producing company used lines				
Totals	****	****	****	****

INCUMBENT LOCAL EXCHANGE CARRIER RETAIL ACCESS LINE REPORT

Note: This page is for retail sales only. Do not report the number of lines you are providing on a wholesale basis.

Exchange (Use name in the tariff)	Full Facility Based		Public Access Lines	
	Residential Voice Grade Equivalent Lines	Business Voice Grade Equivalent Lines	Public	Customer Owned Coin Telephone
OSBORN	****	****	****	****
OSCEOLA	****	****	****	****
PALMYRA	****	****	****	****
PARIS	****	****	****	****
PERRY	****	****	****	****
PLATTSBURG	****	****	****	****
POTOSI	****	****	****	****
RAYMONDVILLE	****	****	****	****
REVERE	****	****	****	****
ROBY	****	****	****	****
ROCKVILLE	****	****	****	****
ROSENDALE	****	****	****	****
SANTA FE	****	****	****	****
SARCOXIE	****	****	****	****
SAVANNAH	****	****	****	****
Non-revenue producing company used lines				
Totals	****	****	****	****

NP

Schedule 10 Page 7 of 9

Annual Report of Spectra Communications Group, LLC

for the year ended December 31, 2002

INCUMBENT LOCAL EXCHANGE CARRIER RETAIL ACCESS LINE REPORT

Note: This page is for retail sales only. Do not report the number of lines you are providing on a wholesale basis.

Exchange (Use name in the tariff)	Full Facility Based		Public Access Lines	
	Residential Voice Grade Equivalent Lines	Business Voice Grade Equivalent Lines	Public	Customer Owned Coin Telephone
SCHELL CITY	****	****	****	****
SHELBYVILLE	****	****	****	****
SHELDON	****	****	****	****
STEWARTSVILLE	****	****	****	****
STOUTSVILLE	****	****	****	****
TIMBER	****	****	****	****
TRIMBLE	****	****	****	****
TURNEY	****	****	****	****
VAN BUREN	****	****	****	****
VANZANT	****	****	****	****
WALKER	****	****	****	****
WAYLAND	****	****	****	****
WEABLEAU	****	****	****	****
WEST QUINCY	****	****	****	****
Non-revenue producing company used lines				
Totals	****	****	****	****

NP

Schedule 10 Page 8 of 9

Annual Report of Spectra Communications Group, LLC

for the year ended December 31, 2002

INCUMBENT LOCAL EXCHANGE CARRIER RETAIL ACCESS LINE REPORT

Note: This page is for retail sales only. Do not report the number of lines you are providing on a wholesale basis.

Exchange (Use name in the tariff)	Full Facility Based		Public Access Lines	
	Residential Voice Grade Equivalent Lines	Business Voice Grade Equivalent Lines	Public	Customer Owned Coin Telephone
WHITESVILLE	****	****	****	****
WINONA	****	****	****	****
Non-revenue producing company used lines				
Totals	****	****	****	****

**Instructions for completing the
Incumbent Local Exchange Carrier Access Line Report**

I. BACKGROUND

In opening local telephone markets to competition, the Missouri Public Service Commission (MoPSC) is interested in determining and tracking the amount of actual competition occurring throughout the state. For a variety of reasons including but not limited to statutory reasons, the MoPSC finds it necessary to track the level of competition in local telephone markets.

II. PURPOSE

The purpose of this portion of the Annual Report is to ascertain, on an exchange specific basis, the number of voice-grade equivalent access lines in service being provided by your company in each exchange (as identified in your tariff) in Missouri. Information is sought for residential and business voice-grade equivalent access lines on an exchange-by-exchange basis. Please use the common exchange name as shown in your tariffs. Further, information is sought on the following ways of provisioning each access line: (A) pure resale lines; (B) unbundled network element lines (UNE); (C) unbundled network element platform lines (UNE-P); and, (D) pure facility based lines. Please report on a separate line the number of lines used for internal company purposes.

III. WHAT IS MEANT BY "VOICE TELEPHONE SERVICE"?

Voice telephone service means local exchange or exchange access services that allow end users to originate and terminate local telephone calls on the public switched telephone network, whether used by the end user for telephone calls or for other types of calls carried over the public switched network (for example, lines used for facsimile equipment and "dial-up" internet lines).

IV. WHAT IS MEANT BY "VOICE-GRADE" EQUIVALENT LINES?

You are to report voice-grade equivalent lines. Count as one voice-grade equivalent line: traditional analog POTS lines, Centrex-CO extensions, and Centrex-CU trunks. Count lines based on how they are charged to the customer rather than how they are physically provisioned. For example, count Basic Rate Integrated (BRI) and Digital Network (ISDN) Services lines as two voice-grade equivalent lines. Report 8 voice-grade equivalent lines if a customer buys 8 trunks that happen to be provisioned over a DS1 circuit. If a customer buys a DS1 circuit that is provided as channelized service, report 24 voice-grade equivalent lines, even if there is some indication that the customer is only using 8 of the derived lines. Thus, a voice-grade equivalent line is a line that directly connects an end user to a carrier and allows the end user to originate and terminate local telephone calls on the public switched network.

Voice-grade equivalent lines include high capacity (DS1, DS-3, etc.) lines that are channelized to provide voice-grade service. In such instances, it is the number of channels available for voice traffic to/from the public switched network that should be counted as voice-grade equivalent access lines. **Note for competitive LEC's providing local exchange service over hybrid fiber-coaxial cable television systems:** Count your records and report how many voice-grade equivalent lines are being billed.

**Instructions for completing the
Incumbent Local Exchange Carrier Access Line Report Con't.**

V. WHAT IS MEANT BY PURE RESALE VOICE GRADE EQUIVALENT LINES?

Pure resold lines are those lines provided pursuant to § 251 (c)(4) of the Communications Act of 1934, as amended. Pure resold lines are those lines not owned or controlled by the telephone company billing the end user for the service. Pure resold lines are typically leased from an underlying carrier at a wholesale discount off the tariffed rate. The use of resold lines exclusively provides a means to offer service without owning or controlling any equipment. Pure resold lines are those lines provided under a general or local exchange tariff, but without benefit of an accompanying switched access tariff.

VI. WHAT IS MEANT BY UNBUNDLED NETWORK ELEMENT (UNE) LINES?

UNE lines are those lines where the carrier provides some portion of the equipment required to provide telephone service. The most common example is a competitive LEC who provides the switching but leases a loop (or extended loop) from the incumbent LEC. UNE loops are obtained on a stand alone basis and service is provided to the end user without combining other UNEs. Service provisioned over UNE loops requires the carrier to lease a loop from another LEC in order to connect the customer to the carrier's own switch. UNE lines are provided under a general or local exchange tariff in combination with a switched access tariff.

VII. WHAT IS MEANT BY UNE-P VOICE GRADE EQUIVALENT LINES?

UNE Platform (UNE-P) lines are those lines utilizing a combination of UNEs so that service provisioned over UNE-P lines does not require the carrier to use its own switch, port, or loop. UNE-P lines are commonly used by competitive LECs. UNE-P lines are provided under a general or local exchange tariff in combination with a switched access tariff.

VIII. WHAT IS MEANT BY FULL FACILITY BASED VOICE GRADE EQUIVALENT LINES?

Full facility based lines are those lines owned or controlled exclusively by a local exchange carrier and used to connect to an end user's premises. Count as your own such facilities, those facilities that you actually owned as well as facilities such as dark fiber that you obtained the right to use from other entities. Do not include, as full facilities based lines, lines provided over UNE loops that you obtained from another carrier. Full facility based lines are provided under a general or local exchange tariff in conjunction with a switched access tariff.

IX. WHAT IS MEANT BY PUBLIC ACCESS LINES?

Some carriers (particularly incumbent carriers) still separate pay telephone lines from business lines. Use this column to report pay telephone lines if your company tariffs reflect pay telephone lines distinct from business lines.

NP

Schedule 11

Annual Report of Spectra Communications Group, LLC as of December 31, 2002

OPERATIONAL STATISTICS (ANNUAL TOTALS)

Originating Number of Messages:

Local

IntraLata - Intrastate

InterLata - Intrastate

Interstate

Originating Minutes of Use:

Local

IntraLata - Intrastate

InterLata - Intrastate

Interstate

Terminating Number of Messages:

Local

IntraLata - Intrastate

InterLata - Intrastate

Interstate

Wireless

Terminating Minutes of Use:

Local

IntraLata - Intrastate

InterLata - Intrastate

Interstate

Wireless

Annual Report of Spectra Communications Group, LLC for the year ended December 31, 2002

VERIFICATION

The foregoing report must be verified by the oath of the President or chief officer of the company. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

State Of Louisiana
County Of Ouachita } ss:

Karen A. Puckett makes oath and says that
(Insert here the name of the affiant)

he is President and Chief Operating Officer
(Insert here the official title of the affiant)

of Spectra Communications Group, LLC
(Insert here the exact legal title or name of the respondent)

that he has examined the foregoing report; that to the best of his knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent.

January 1, 2002, to and including December 31, 2002

Karen A. Puckett
(Signature of affiant)

Subscribed and sworn before me, a Notary Public in and for the
State and county above named, this 14th day of March, 2003
My Commission expires at death

P.C. Robinson
(Signature of officer authorized to administer oaths)

