

2010

**DECLARATION OF COSTS AND OTHER RELATED PROPERTY INFORMATION
AS OF 12:01 A.M., JANUARY 1, 2010**

This statement must be completed, signed, and filed with the State-Assessed Properties Division, Board of Equalization, P.O. Box 942879, Sacramento, California 94279-0061, by March 1, 2010. Omit cents; round to the nearest dollar.

NAME, STREET, CITY, STATE and ZIP CODE

OFFICIAL REQUEST

This request is made in accordance with section 826 of the Revenue and Taxation Code. This property statement must be completed according to the instructions and filed with the Board of Equalization (BOE) on or before March 1, 2010. If you do not file this statement, you may be subject to the penalty provided in section 830 of the Revenue and Taxation Code. Attached schedules are considered to be part of the statement. **THIS STATEMENT IS SUBJECT TO AUDIT.**

SBE No.



MAKE NECESSARY CORRECTIONS TO ADDRESS LABEL

Indicate if above is a change of name and/or address.

THIS STATEMENT SHALL CONSIST OF:	DATE SUBMITTED	DATE TO BE SUBMITTED	N/A	Name and address of person to whom correspondence regarding audit should be addressed:
(1) Financial Schedules A through D				NAME
(2) Schedules of Leased Equipment	600-A			MAILING ADDRESS (including zip code)
	600-B			TELEPHONE NUMBER ()
(3) Summary Control				E-MAIL ADDRESS
(4) Schedule of Intangible Information				LOCATION OF ACCOUNTING RECORDS (street, city, state and zip code):
(5) Tangible Property List				
(6) Statement of Land Changes, BOE-551				
(7) Statement of Authorization, BOE-892				
(8) Other information (see instructions on reverse)				
a. 2009 Annual Report to CPUC				NAME OF AUTHORIZED REPRESENTATIVE (if applicable) *
b. 2009 Annual Report to FCC				ADDRESS (street, city, state, zip code)
c. 2009 SEC Form 10K — 2 copies				DAYTIME TELEPHONE NUMBER ()
d. 2009 Shareholders Report — 3 copies				E-MAIL ADDRESS
e. Franchise Payments for Cable TV				
f. Payments to Local Governments in CA				
g. Other information as requested				
				*BOE-892, Statement of Authorization, must be filed annually.

List business activities:

Has your company taken a FASB write-down to reflect a reduction in the value of your fixed assets? Yes No

If yes, enter the date the write-down was booked _____

() ENTITY TYPE: Proprietorship Partnership Corporation Other Change in ownership prior 12 months? Yes No

CERTIFICATION

I certify (or declare) under penalty of perjury under the laws of the State of California that I have examined this Property Statement, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete and covers all property required to be reported which is owned, claimed, possessed, controlled, or managed by the person named in the statement at 12:01 a.m. on January 1, 2010. If prepared by a person other than the taxpayer, this declaration is based on all information of which preparer has knowledge.

FULL LEGAL NAME OF BUSINESS

PRINTED NAME OF SIGNATORY

TITLE

SIGNATURE OF OWNER, PARTNER, OR CORPORATE OFFICER

DATE

2010

SIGNATURE OF AUTHORIZED REPRESENTATIVE

DATE

2010

FOR OFFICIAL USE ONLY

Under the provisions of sections 826 and 830 of the Revenue and Taxation Code and section 901, Title 18, California Code of Regulations, the BOE requests that you file a property statement with the BOE between January 1, 2010, and 5:00 p.m. on March 1, 2010. This property statement shall be completed in accordance with instructions included with the property statement and in publication 67-TC, *Instructions for Reporting State-Assessed Property*, for lien date 2010. If you do not have these instructions, please let us know and a copy will be mailed to you.

All parts of the property statement must be filed by March 1 (exception — see “N/A” below). Extensions of time for filing the property statement or any of its parts may be granted only on a showing of good cause under a written request made prior to March 1, 2010. If you do not file timely, it may result in an added penalty of ten percent of the assessed value as required by section 830 of the Revenue and Taxation Code.

(7) OTHER INFORMATION — INSTRUCTIONS

The following information shall be provided with the property statements:

- a. a copy of your annual report to the California Public Utilities Commission (CPUC).
- b. a copy of your annual report to the Federal Communications Commission (FCC).
- c. a copy of your Form 10K filed with the Securities and Exchange Commission (SEC).
- d. three (3) copies of your 2009 annual report to stockholders.
- e. list franchise fee payments for video and cable TV made during 2009. Do not include payments reported in item f below.
- f. a statement of your 2009 payments to governmental agencies for the use of public property located in California. Payments for video and cable TV franchise should be reported on BOE-517-FF, *Franchise Fee Payments*. Please indicate those payments which are on the basis of agreements entered into prior to December 1955 and which have not been subsequently extended or renewed.
- g. other information as requested.

A positive response is required for all parts of the property statement. If a requested item does not apply, please so state. If you do not respond to all parts of the property statement, you may be subject to the penalties of section 830 of the Revenue and Taxation Code.

N/A — Not Applicable

Report book cost (100 percent of actual cost). Include excise, sales and use taxes (see instructions below for imported use tax information), freight-in, installation charges, finance charges during construction, and all other relevant costs required to place the property in service. **Do not reduce costs for depreciation.** Accumulated depreciation must be reported separately. Report separately the details of any write-downs of cost, extraordinary damage or obsolescence, or any other information that may help the BOE in estimating the fair market value of your property.

BOE 600-A, *Schedule of Leased Equipment to be Assessed by the BOE to the State Assessee (Lessee)*, BOE-600-B, *Schedule of Leased Equipment Which is to be Reported by Lessor to Local Assessor for Assessment*, and BOE-551, *Statement of Land Changes*, need not be returned if there is nothing to report. However, a positive response under the “N/A” column on Page S1F is required for those forms not returned. A summary control need not be filed unless tangible property is located in more than one county.

You have the option of substituting for Financial Schedules A to D inclusive, copies of schedules of corresponding information as filed in your annual report required by the California Public Utilities Commission or Federal Communications Commission, or other financial statements that contain the appropriate information for the corresponding period including depreciation and taxes as called for in the schedules.

Note: All replacement cost studies, obsolescence requests, and other voluntary information that assessees believe affects the value of their property must be filed with the property statement or by a date granted by a formal extension. If such information is not filed by that date, staff is not required to consider it in determining its unitary value recommendation.

USE TAX INFORMATION

California use tax is imposed on consumers of tangible personal property that is used, consumed, given away or stored in this state. Businesses must report and pay use tax on items purchased from out-of-state vendors not required to collect California tax on their sales. If your business is not required to have a seller's permit with the BOE, the use tax may be reported and paid on your California State Income Tax Return or directly to the BOE on the tax return provided in publication 79-B, *California Use Tax*. Obtain additional use tax information by calling the BOE Taxpayer Information Section at 800-400-7155 or from our website www.boe.ca.gov/sutax/usetaxreturn.htm.

2010

SCHEDULE A — Comparative Balance Sheet

COMPANY NAME	SBE NO.
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BALANCE AT JANUARY 1, 2009	ASSETS	BALANCE AT JANUARY 1, 2010
	Plant and equipment _____	
	Accumulated Depreciation—plant and equipment ^a _____	
	Accumulated Depreciation—exempt software ^a _____	
	Accumulated Depreciation—other nontaxable property ^a _____	
	Miscellaneous physical property ^a _____	
	Investments in securities _____	
	Other investments _____	
	Sinking and other funds _____	
	Other utility plant _____	
	Cash and working funds _____	
	Temporary cash investments and special deposits _____	
	Notes receivable _____	
	Accounts receivable _____	
	Interest, dividends, and rents receivable _____	
	Materials and supplies ^a _____	
	Inventory held for sale or lease in ordinary course of business ^a _____	
	Discount on capital stock _____	
	Discount and expense on funded debt _____	
	Prepayments _____	
	All other deferred debits (<i>describe</i>) _____	
	TOTAL ASSETS AND OTHER DEBITS	

EQUITY & LIABILITIES		
	Capital stock _____	
	Premiums and assessments on capital stock _____	
	Funded debt unmatured _____	
	Capital stock expense _____	
	Other long term debt _____	
	Loans and notes payable _____	
	Accounts payable _____	
	Matured interest and dividends _____	
	Taxes accrued _____	
	Customer deposits and advances _____	
	Other current and accrued liabilities _____	
	Premium on long term debt _____	
	Deferred income taxes _____	
	Other reserves _____	
	Employees' provident reserve _____	
	Other deferred and unadjusted credits _____	
	Retained earnings _____	
	TOTAL EQUITY, LIABILITIES AND OTHER CREDITS	

^a Interstate companies show California January 1, 2010 amount in box.

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SCHEDULE B — Plant and Equipment

COMPANY NAME _____	SBE NO. _____
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Has your company taken a FASB write-down to reflect a reduction in the value of your fixed assets? Yes No
 If yes, enter the date the write-down was booked _____
 If a FASB write-down has been taken, do the costs reported in Schedule B reflect the write-down? Yes No

ACCOUNT NO.	ACCOUNT TITLE	CALIFORNIA				SYSTEM
		BALANCE BEGINNING OF 2009	ADDITIONS	RETIREMENTS	BALANCE END OF 2009	BALANCE END OF 2009
	REAL ESTATE					
	Land ^A _____					
	Rights of Way, Easements, etc. ^A _____					

	Buildings _____					
	Misc. Structures & Leasehold Improvements _____					
	PLANT ASSETS IN SERVICE					
	Licensed Motor Vehicles ^B _____					
	Unlicensed Vehicles _____					
	Furniture & Office Equipment _____					
	General Purpose Computers _____					
	Computer Application Software ^B _____					

	CENTRAL OFFICE EQUIPMENT (COE)					
	Switches _____					
	Routers _____					
	Peripheral _____					
	Switch Application Software ^B _____					
	OUTSIDE PLANT — Cable, Conduit, Towers, etc.					

	MISCELLANEOUS WORK EQUIPMENT (<i>describe</i>)					

	CUSTOMER PREMISE EQUIPMENT (CPE)					

	OTHER (<i>describe</i>)					
	Aircraft _____					
	TOTAL IN SERVICE					
	BOE-600-A PROPERTY (LEASED EQUIPMENT) _____					
	FUTURE USE PROPERTY _____					
	CONSTRUCTION WORK IN PROGRESS _____					
	MATERIALS & SUPPLIES _____					
	TOTAL					
	ACCUMULATED DEPRECIATION—12-31-09					
		CALIFORNIA	SYSTEM			
	Licensed Motor Vehicles ^B					
	Application Software ^B					
	All other tangible property					
	Total Depreciation					

^A If additions and/or retirements are reported, BOE-551, *Statement of Land Changes*, must be filed with the State-Assessed Properties Division.

^B Property exempt from assessment.

**SCHEDULE B-1 COST DETAIL OF DEPRECIABLE
PROPERTY AS OF JANUARY 1, 2010 (1 of 2)**

2010

COMPANY NAME	SBE NO.
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CAL. YEAR OF ACQ.	BUILDINGS ORIGINAL COST	MISC. STRUCTURE AND LEASEHOLD IMPROVEMENTS ORIGINAL COST	FURNITURE AND OFFICE EQUIPMENT ORIGINAL COST	GENERAL PURPOSE COMPUTERS ORIGINAL COST	COE - SWITCH ORIGINAL COST
2009					
2008					
2007					
2006					
2005					
2004					
2003					
2002					
2001					
2000					
1999					
1998					
1997					
1996					
1995					
1994					
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1977					
1976					
1975					
1974					
1973					
1972					
1971					
1970					
1969					
1968					
1967					
1966					
1965					
Prior					
TOTAL					

NOTE: Do not include Licensed Motor Vehicle or Computer Software Cost in any Schedule B-1 Category.

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**SCHEDULE B-1 COST DETAIL OF DEPRECIABLE
PROPERTY AS OF JANUARY 1, 2010 (2 of 2)**

COMPANY NAME	SBE NO.
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CAL. YEAR OF ACQ.	COE-PERIPHERAL (EXCEPT SWITCH) ORIGINAL COST	OUTSIDE PLANT ORIGINAL COST	CUSTOMER PREMISE EQUIPMENT ORIGINAL COST	MISC. WORK EQUIPMENT ORIGINAL COST	OTHER (EXPLAIN) ORIGINAL COST
2009					
2008					
2007					
2006					
2005					
2004					
2003					
2002					
2001					
2000					
1999					
1998					
1997					
1996					
1995					
1994					
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1975					
1974					
1973					
1972					
1971					
1970					
1969					
1968					
1967					
1966					
1965					
Prior					
TOTAL					

NOTE: Do not include Licensed Motor Vehicle or Computer Software Cost in any Schedule B-1 Category.

CALIFORNIA**2010****SCHEDULE C — Operating Income Statement (1 of 2)**

COMPANY NAME _____

SBE NO. _____

ACCOUNT TITLE	ACCOUNT NO.	2009 CALENDAR YEAR	2008 CALENDAR YEAR
OPERATING REVENUES			
Local service revenues _____			
Long distance revenues _____			
Uncollectible revenues — debit _____			
Miscellaneous operating revenues _____			

Network access revenues _____			

Total Operating Revenues			
OPERATING EXPENSES			
Network and general support expense _____			
Central office switching expense _____			
Central office transmission _____			
Other plant and equipment expense _____			
Network operations expense _____			
Access expense _____			
Marketing expense _____			
General and administrative expense _____			
Miscellaneous operating expense _____			

Expenses Subtotal _____			

Interest Expense _____			

TAXES			
Ad valorem (property) taxes _____			
State income taxes _____			
Federal income taxes _____			
Other taxes (<i>itemize by major category</i>) _____			

NONCASH EXPENSES			
Depreciation — plant in-service _____			
Amortization — intangible property _____			
Extraordinary items _____			
Other (<i>describe</i>) _____			

Total Expenses			
NET INCOME AFTER TAX			

SYSTEM**2010****SCHEDULE C — Operating Income Statement (2 of 2)**

COMPANY NAME		SBE NO.	
ACCOUNT TITLE	ACCOUNT NO.	2009 CALENDAR YEAR	2008 CALENDAR YEAR
OPERATING REVENUES			
Local service revenues _____			
Long distance revenues _____			
Uncollectible revenues — debit _____			
Miscellaneous operating revenues _____			
Network access revenues _____			
Total Operating Revenues			
OPERATING EXPENSES			
Network and general support expense _____			
Central office switching expense _____			
Central office transmission _____			
Other plant and equipment expense _____			
Network operations expense _____			
Access expense _____			
Marketing expense _____			
General and administrative expense _____			
Miscellaneous operating expense _____			
Expenses Subtotal _____			
Interest Expense _____			
TAXES			
Ad valorem (property) taxes _____			
State income taxes _____			
Federal income taxes _____			
Other taxes (<i>itemize by major category</i>) _____			

NONCASH EXPENSES			
Depreciation — plant in-service _____			
Amortization — tangible property _____			
Extraordinary items _____			
Other (<i>describe</i>) _____			

Total Expenses			
NET INCOME AFTER TAX			

2010**SCHEDULE C-1 — Statement of Income**

COMPANY NAME		SBE NO.	
	BALANCE AT END OF 2009	BALANCE AT END OF 2008	
Net operating income (from Schedule C) _____			
Net income from other operations _____			
Other income			
Revenues from nonoperative physical property _____			
Other income _____			
Total _____			
Income deductions			
Depreciation on nonoperative physical property _____			
Taxes on nonoperative physical property _____			
Other expenses of nonoperative physical property _____			
Interest _____			
Other income deductions _____			
Total _____			
Net income _____			

SCHEDULE D — California Allocation Data

	SYSTEM	CALIFORNIA
Tangible property, at original cost _____		
Operating revenue _____		
Calls originated _____		
Message units _____		
Other (<i>identify</i>) _____		

Note: If California income is not identifiable, California operations must be identified on Schedule C-1 in terms of the number of calls, billing units, message units, etc., in relation to the system total of such units. If a requested item is not available or not applicable, indicate this by stating "N/A" in the appropriate space.