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PUBLIC SERVICE COMMISSION

Robert C. Riter, Jr.
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Associate:
Lindsey Riter-Rapp

Of Counsel:
Robert D. Hofer

May 16, 2008

North Dakota Public Service Commission
600 E. Boulevard, Dept. 408
Bismarck, ND 58505-0480

Re: Valley Telecommunications Cooperative, Inc.

To Whom It May Concern:

Enclosed herein, please find a new Exhibit A to replace the Confidential Exhibit A which was filed on April 17, 2008 by Valley Telecommunications Cooperative Association, Inc. in its Application for a Certificate of Public Convenience and Necessity. Please send the previous Confidential Exhibit A back to me in the enclosed envelope. Contact me if you have any questions.

Yours truly,

RITER, ROGERS, WATTIER &
NORTHRUP LLP

By: *Margo D Northrup*
Margo D. Northrup

MDN/lma

Enclosure

2 PU-08-196 Filed: 5/21/2008 Pages: 3
Exhibit A to Replace Confidential Exhibit A

Valley Telecommunications Cooperative, Inc.

Law Office
Riter, Rogers, Wattier, & Northrup, LLP
Phone: 605-224-5825 • Fax: 605-224-7102 • www.riterlaw.com
319 South Coteau Street • P.O. Box 280 • Pierre, South Dakota 57501-0280

Consolidated Statements of Operations & Patronage Capital

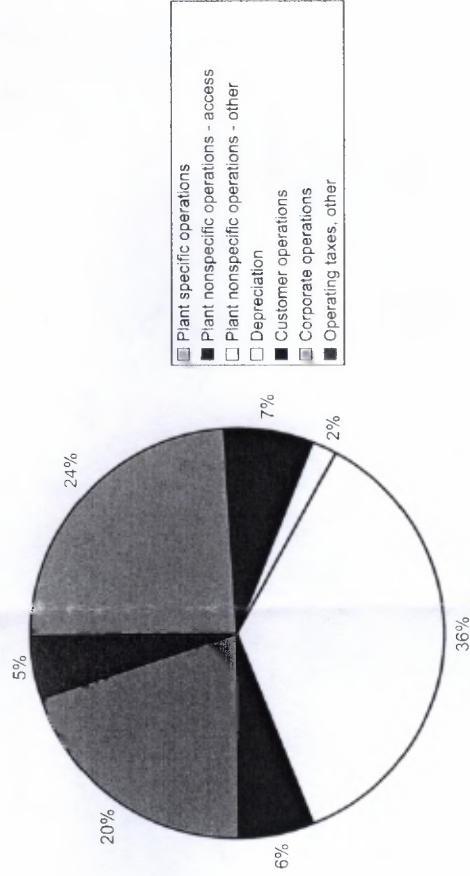
For the twelve month period ending June 30, 2007

Operating Revenues:	\$	
Local network access	744,996	
Network access services	5,332,469	
Long distance network services	419,959	
Miscellaneous revenue	163,777	
Nonregulated revenue	67,707	
Uncollectible revenue	(90,933)	
Internet revenue	367,309	
Video television revenue, net of programming	105,576	
Total Operating Revenue	\$7,110,860	
Operating Expenses:		
Plant specific operations	1,330,283	
Plant nonspecific operations-access	371,384	
Plant nonspecific operations-other	103,012	
Depreciation	2,072,296	
Customer operations	327,791	
Corporate operations	1,126,225	
Operating taxes-other	270,067	
Total Operating Expenses	5,601,058	
NET OPERATING MARGIN	1,509,802	
NONOPERATING MARGIN:		
Interest and dividend income	125,545	
Allowance for funds used during construction	7,848	
Nonoperating (expense)	(37,780)	
Equity earnings	154,727	
Amortization of plant adjustment	(38,537)	
Net Non-Operating Margin	211,803	
NET MARGIN BEFORE INTEREST EXPENSE & INCOME TAXES	1,721,605	
INTEREST EXPENSE	659,897	
PROVISION FOR INCOME TAX	19,030	
NET MARGIN	\$1,042,678	

Sources of Revenue



Distribution of Revenue



Consolidated Balance Sheet
June 30, 2007

ASSETS

CURRENT ASSETS:

Cash--and cash equivalents	2007	\$1,603,775
Investments in held-to maturity securities		2,195,581
Telecommunications accounts receivable		603,651
Interest receivable		38,827
Materials and supplies		51,545
Prepayments		104,387
Total Current Assets		\$4,597,766

INVESTMENTS & NONCURRENT ASSETS:

Other investments	1,374,897
Nonregulated investments: Video plant, net	1,177,596
Telecommunications equipment-net	60,172
Total Investments & Noncurrent Assets	\$2,612,665

TELECOMMUNICATIONS AND CATV PLANT:

In service	31,767,836
Under construction	7,476
Plant adjustment	578,055
Total investment in plant	32,353,367
Less accumulated depreciation	17,102,539
Net Plant	15,250,828
TOTAL ASSETS	\$22,461,259

LIABILITIES AND EQUITIES

CURRENT LIABILITIES:

Current maturities of long-term debt	\$1,224,000
Account payable	23,168
Advance billing and customers' deposits	33,393
Accrued taxes - other	396,792
Other current liabilities	97,322
Total Current Liabilities	\$1,774,675

LONG-TERM DEBT, LESS CURRENT MATURITIES

	\$11,730,897
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Consolidated Balance Sheet (continued)

OTHER LIABILITIES

Deferred income taxes	51,146
Accumulated postretirement benefit obligation	1,439,101
Total other liabilities	1,490,247

EQUITIES

Patronage capital	5,634,954
Other equities	2,560,388
Accumulated other comprehensive income	(729,902)
Total equities	7,465,440
TOTAL LIABILITIES AND EQUITIES	\$22,461,259



Capital Credit checks will be mailed from our headquarters office prior to the Annual Meeting!

ACCESS LINES

	2001	2002	2003	2004	2005	2006	2007
Leola	469	467	463	449	445	446	445
Herreid	534	523	500	493	487	489	488
Hosmer	266	277	274	265	254	241	230
Long Lake	127	118	117	116	108	104	101
Pollock	326	311	294	287	287	279	273
Glenham	238	226	225	222	221	229	221
Mound City	160	155	156	144	144	137	131
Ipswich	787	788	785	791	810	778	743
Eureka	865	850	830	833	804	783	759
Totals	3772	3715	3644	3600	3560	3486	3391