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State Of WASH. UTIL. AND TRANSP. COMMISSION



PO Box 609 Mount Vernon, OR 97865-0609 1-888-383-4132

June 7, 2022

Mr. Mark L. Johnson, Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503

RE: USF Compliance Report per WAC 480-123-130

Dear Mr. Johnson:

Pursuant to WAC 480-123-130, Skyline Telecom Inc submits this State USF Compliance Report for Docket UT-210575.

Please contact me if you should require any further information.

Sincerely,

Delinda Kluser Vice-Pres, Manager deedeek@otcconnections.net 541-932-4411

REPORT OF SKYLINE TELECOM INC COMPANY UNDER THE WASHINGTON UNIVERSAL COMMUNICATIONS SERVICES PROGRAM IN COMPLIANCE WITH WAC 480-123-130

July 1, 2022

Docket No. UT-210575

File electronically

	1.	WAC 480-123-130	1)(a) - Access Lines Served	[NECA 1.3	working loop	os
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	January 1, 2021	December 31, 2021
Residential	99	93
Business	15	15

2. WAC 480-123-130(1)(a) - Use of Support

The funds received by the Company from the Universal Communications Services Program in represent monies that the Company formerly received through the Washington Exchange Carrier Association (WECA) pooling process and the reduction of support under the Federal Communications Commission's (FCC's) Connect America Fund InterCarrier Compensation Fund (CAF ICC) program. As such, the funds from the universal communications services program contributed to defrayal of the ongoing operation and maintenance expenses of the Company. The funds from the universal communication services program are contributing to the Company's ongoing provision of high-quality basic telecommunications service to customers residing in the area the Company serves.

In January 2022, the Company received a payment of \$114,209 from the universal communications services program for the fiscal year ending June 30, 2022.

During the first six months of 2022, the Company undertook the engineering of a fiber to the home project in the MT Hull exchange, noted as Phase 3A. This project will replace the current existing copper and is designed in three phases (Phase 3A-3C). Phase 3A has the potential to reach 22 subscribers. Permits have been secured and the necessary materials have been ordered and received for Phase 3A. Construction is slated to begin early this summer and be complete by year end. This project is budgeted for approximately \$90,000.

Phase 1 (constructed in 2020) deployed fiber to 17 locations. Phase 2 (constructed in 2021) included 15 potential subscribers reached with fiber.

Funds will also be used to secure T-1's into our Silverton exchange. Our current provider notified the Company that the existing circuits would not be available to us due to upgrades to their network. We have secured alternative circuits, however the cost of equipment to provision these circuits will be approximately \$30,000. The funds received from the Universal Communications Services Program can be viewed as contributing to the Company's ability to perform these projects, including, without limitation, the repayment of loan funds.

Currently we have 243 locations that have access to the internet. Of these locations, 127 have the ability to achieve speeds greater than or equal to 25/3.

WAC 480-123-130(1)(d) - Unfilled Consumer Requests for New Basic Telecommunications Service*

None

- * Service requests that are ongoing but still within normal processing times are not counted as unfulfilled.
- 3. WAC 480-123-130(1)(g & i) FCC Form 477

This form was previously filed on or about March 1, 2022 under Docket UT-220001.

4. WAC 480-123-130(1)(h) - Report on Operational Efficiencies/Business Plan Modifications

The Company continually reviews its operations to determine if efficiencies can be achieved. The Company already has a plan in place to concentrate on improving broadband service while continuing to provide high-quality basic telecommunications service to the customers that are located within the area that the Company serves. The Company continues to serve the broadband needs of its subscribers, even though doing so results in a net loss of income. The funds received from the universal communications services program can be viewed as assisting in the Company's efforts to obtain operational efficiencies.

5. WAC 480-123-130(1)(j) and (k) - Other information

N/A

Certified Statement as required by WAC 480-123-130(1)(d):

I, Delinda Kluser, am an officer of Skyline Telcom Inc, and upon personal knowledge and with responsibility therefor, hereby certify under penalty of perjury, that Skyline Telecom Inc, materially complied with Commission rules under Chapter 480-120 WAC that are applicable to the Company and its provision of service within the area for which the Company received universal communications services program support.

Signed at Mount Vernon, Oregon this 7th day of June, 2022.

Vice-Pres, Manager