

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

July 1, 2024

Docket No. UT-230582

File electronically

1. WAC 480-123-130(1)(a) - Access Lines Served [NECA 1.3 working loops]

	January 1, 2023	December 31, 2023
Residential	_____ 87 _____	_____ 81 _____
Business	_____ 16 _____	_____ 14 _____
Broadband Lines Served		
	_____ 42 _____	_____ 48 _____

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 December 2023, the Company received a payment of \$114,209 from the universal communications services program for the fiscal year ending June 30, 2024.

Early in 2024, the Company undertook the engineering of a fiber to the home project in the MT Hull exchange, noted as Mount Hull 2024. This project will replace the current existing copper and has been designed in several phases (formally noted as Phase 3A-3C and MT Hull 2023). This project has the potential to reach 31 subscribers. Permits have been submitted and the necessary materials have been ordered and received for this phase.

Phase 1 (constructed in 2020) deployed fiber to 17 locations. Phase 2 for the Mt Hull exchange was completed in the fourth quarter of 2021 and brought fiber to 15 potential subscribers at a cost of \$115,723. This total cost included both fiber and electronics.

Phase 3A construction was completed in 2022 for a total of \$91,810. This phase brought fiber to a potential of 36 subscribers. Mount Hull 2023 was completed in 2023 for a total of \$83,303 bringing service to potentially 30 subscribers.

Skyline could offer speeds up to 1Gig for all fiber locations (to date 149 locations). Currently we have 249 locations that have access to the internet. Of these locations, 164 have the ability to achieve speeds greater than or equal to 25/3.

Funds were also used in 2023 to purchase a new switch for the Mt Hull exchange. This switch will allow for operational efficiency and cost savings as it is part of an overall switch consolidation project at the parent level, Oregon Telephone Corporation.

Total regulated operating expenses for 2023 total \$679,822 and non-regulated expenses which are largely broadband related total \$177,887.

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 any necessary loan funds.

WAC 480-123-130(1)(c): Because the company had already met its Commission-established buildout requirements by the time that its petition in this docket was submitted, broadband buildout specific location information is not included with this filing.

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.

WAC 480-123-130(1)(g): Skyline will file its Broadband Data Collection polygons/lists in UT-240058 no later than September 15, 2024.

WAC 480-123-130(1)(i): Skyline files its Form 477 data as set forth in UT-240062.

3. 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.

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

N/A

Certified Statement as required by WAC 480-123-130(1)(e & f):

I, Delinda Kluser, an officer of The Company, and, in that capacity, hereby certify that The Company (“Company”) (i) materially complied with all Commission rules in 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 and consistent with WAC 480-123-120(5) (ii) has met its broadband deployment obligation established by the Commission.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Signed at MT Vernon, Oregon this 7th day of June, 2024



Vice-Pres, Special Project Accounting