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June 30, 2015

**VIA E-FILING**

Mr. Steven V. King, Executive Director and Secretary

Washington Utilities and Transportation Commission

1300 South Evergreen Park Drive SW

Olympia, WA 98504-7250

Re: Skyline Telecom, Inc. - Docket UT-141470 - Report Pursuant to Paragraph 20 of Order No. 01

Dear Mr. King:

 This report is filed on behalf of Skyline Telecom, Inc. In Order 01 in Docket UT-141470, the Commission granted Skyline's application for funding from the State USF Program in the amount of $49,581.00. In Paragraph 20 of said Order, Skyline is required to provide an accounting of its funds by July 1, 2015. This letter will provide that accounting and provide a report on the progress of the project authorized for use of said funds.

Attached as Exhibit 1 are reports from the Bank of Eastern Oregon, showing the deposit of the $49,581.00 into a separate account and showing that the monies are all still in that account.

 Attached as Exhibit 2 is a breakdown of the projects for use of the funds. All of the equipment for the E3-48c items depicted on Exhibit 2 have been purchased. In addition, all of the equipment for the C7 items have been purchased. These items exceed the amount of the $49,581.00. It is expected that the bank account amounts will be drawn down in the next sixty days.

 The Company expects that the items that have been purchased will arrive by the date of this report or shortly thereafter. Installation will begin the week after they arrive.

 Backup power and some other miscellaneous items have not yet been purchased. The plan is to purchase those items in the third quarter of 2015.

 Once the equipment is installed, both telephone and data services will be cut over from existing facilities. The new facilities will provide more reliable telecommunications service and greater broadband capacity for all customers in the Mount Hull exchange. Depending upon the quality of the copper drops involved, the Company expects speeds of up to thirty megabytes of download capacity can be achieved.

 Thank you for your attention to these matters.

 Sincerely,

 RICHARD A. FINNIGAN

RAF/cs

Enclosure

cc: Client (via e-mail)