PO BOX 60 85 PO BOX 60 P

August 13, 2018

Sean Bennett Regulatory Analyst Utilities & Transportation Commission PO Box 47250 Olympia, WA 98504

Dear Mr. Bennett

I am writing you today to provide an update on the Skyline Telecom aerial fiber project. You and I had spoke a few weeks ago about the timeline and requirements in the order (Docket UT-170861). I believe I had told you that we were waiting for the make ready assessment to be issued by the Snohomish County PUD before we could proceed. We received the report late last week which I have attached.

As you might imagine, the make ready cost of \$513,000 makes this project impossible to complete. The report indicates that almost half of the poles require additional costs before construction can begin. If we were to proceed, the 13 mile fiber build would cost almost One-million dollars to complete. In an area with very few subscribers, no regulator nor business person could make this project pencil.

Skyline Telecom will continue to search for alternative solutions to bring broadband to this area. However, the construction is not likely to begin in 2018.

If you have any suggestions to the situation, I would be happy to consider them.

Thanks for your time and efforts in this matter.

Sincerely,

Delinda Kluser

Vice-Pres, General Manager

Skyline Telecom Inc

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