

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

May 29, 2014

Ms. Carole J. Washburn Executive Secretary Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW Olympia, WA 98504-7250

RE: Request for Certification Pursuant to WA 480-123-060 and 47 C.F.R §54.314

Dear Ms. Washburn:

Pursuant to WAC 480-123-060, Skyline Telecom ("Company") hereby requests that the Washington Utilities and Transportation Commission certify that the Company has met the requirements of 47 C.F.R. §54.314 for eligibility for continued receipt of federal high-cost funds.

The Certifications and reports that are specified in WAC 480-123-060, WAC 480-123-070 and WAC 480-123-080 are enclosed.

Sincerely,

Delinda Kluser

Enclosures



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# REPORTS AS REQUIRED BY WAC 480-123-070 AND WAC 480-123-080

Skyline Telecom (the "Company") hereby submits the following reports in accordance with WAC 480-123-070 and WAC 480-123-080.

<u>Report 1</u>: WAC 480-123-070(1)(a): Attached is a copy of the Company's NECA-1 Report for the calendar year 2013, that, as of the date of the report, the Company has reported as the basis for support from the federal high-cost fund.

Report 2: WAC 480-123-070(1)(b): The Company reports that the investments and expenses reported under Report 1, above, benefited customers as follows:

Through the expenditure of these funds, the Company was able to continue to provide services at a level that the Company believes meets the intent of providing quality telecommunications services to customers in the service area for which the Company is designated as an ETC.<sup>2</sup> The Company has made substantial investments over the past several years which allow it to provide quality telecommunications services to all of its customers even before the Company began to receive federal high-cost funds. These expenditures and investments benefit all customers within the designated ETC service area. The Company offers services comparable to services offered in urban areas at rates comparable to such urban areas.

Throughout 2013 the Company has also continued to provide maintenance to buried cable as needed due to winter weather damage and state road issues. The Company also continued to provide and maintain DSL to the exchange in 2013.

Report 3: WAC 480-123-070(4): The Company reports that the Company was not notified of any complaints during calendar year 2013 by the Federal Communications

<sup>&</sup>lt;sup>1</sup> It is the Company's understanding that it is not required to submit the reports described in WAC 480-123-070(2) and (3).

<sup>&</sup>lt;sup>2</sup> The term "ETC" is used in the same sense as the term is used in Chapter 480-123 WAC.

Commission or the Consumer Protection Division of the Office of the Attorney General of the State of Washington concerning the services provided to its customers.

Report 4: WAC 480-123-080(1)(b): The Company reports that newspaper advertisements detailing basic supported services as well as the Lifeline and Link-Up programs were run in The Daily Herald and Sound Publishing throughout 2013. The Company expects to continue to advertise these services throughout 2014.

Report 5: WAC 480-123-080(1)(b): The Company expects investments and expenditures to remain fairly consistent with prior years in relation to maintenance, replacement and upgrades to our plant. The Company does not anticipate major adjustments in staffing levels for the levels for the relevant period. Customers will continue to receive the high level of telecommunications services that they have experienced over the past few years with the possibility of increased services.

Report 6: WAC 480-123-080(2): The Company expects investments and expenditures to remain fairly consistent with prior years in relation to maintenance, replacement and upgrades to our plant. The Company has not yet started the budgeting process for 2015 and therefore does not have the final numbers prepared for investments and expense levels for 2015. The Company does not anticipate major adjustments to staffing levels in 2015. Customers will continue to receive the high level of telecommunications service that they have experienced over the past few years with the possibility of increased services. The Company expects that the continued receipt of federal high-cost support will allow the Company to continue to provide the supported services at rates comparable to the rates for such services in urban areas to all customers in the designated ETC service area.



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# AFFIDAVIT CONTAINING CERTIFICATIONS PURSUANT TO WAC 480-123-060 AND WAC 480-123-070

- I, Delinda Kluser, being of lawful age, state that I am Vice-Pres of Finance and General Manager of Skyline Telecom ("Company"), that I am authorized to execute this Affidavit on behalf of the Company, and that the facts set forth in this Affidavit are true to the best of my knowledge, information and belief. On this basis, I hereby certify to the Washington Utilities and Transportation Commission ("Commission") for use by the Commission in providing the certification to the Federal Communications Commission and Universal Service Administrative Company required by 47 C.F.R. §54.314, as follows:
- (1) That all federal high-cost support provided to the Company within the State of Washington has been used in the preceding calendar year and will be used in the coming calendar year only for the provision, maintenance and upgrading of facilities and services for which the support is intended;
- (2) That during the 2013 calendar year, the Company met substantially the applicable service quality standard found in WAC 480-123-030(1)(h);
- (3) That during the 2013 calendar year, the Company maintained the ability to function in emergency situations under the standard found in WAC 480-123-030(1)(g), as such standard relates to functionality of wireline carriers in emergency situations; and
- (4) That during the 2013 calendar year, the Company publicized the availability of its applicable telephone assistance programs in a manner reasonably designed to reach those likely to qualify for service and in a manner which, in the Company's judgment, included advertisements likely to reach those who are not current customers of the Company within the Company's designated service area.

# National Exchange Carrier Association

Universal Service Fund

28-May-14 04:57 PM

2014 Data Collection Form

Before Corp Exp Adj & Regression Adj

CS File:

033CS13

SAC: 520581

SAC NAME: SKYLINE TELECOM INC.

REGION:

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Filename: C:\Users\ken\_s.GVNW\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.Outlook\MBLAO9FN\[033 USF 14]

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L	EXCHANGE CARRIER/DATA IDENTIFICATION						
(010)	Study Area Code	(010)	520581				
(020)	Contact Name	(020)	KEN SNOW				
(030)	Contact Telephone Number	(030)	503.612.4400				
(040)	USF Data Collection Period	(040)	2014-1				
Data Line	Description	Latest View 0	Data Line	Enter 2013	Data Source		
11.	WORKING LOOPS	THE		and and the der the year the late and appropriate the tree took			
(060)	Total Loops (Cat 1.1, 1.2 and 1.3)		0 (060)	139	F303:H31		
(070)	Category 1.3 Loops (Excluding Cat 1.3 TWX Loops)		0 (070)	139	F303:H20		
(080)	Reserved						
III.	INVESTMENT, EXPENSE AND TAXES						
Net Plant Investment							
(160)	Acct 2001 - Telephone Plant in Service		0 (160)	2,974,818	F310:P25-Input G27		
(170)	Acct 1220 - Material and Supplies		0 (170)	0	F310:P37		
(190)	Acct 3100 - Accumulated Depreciation		0 (190)	1,651,488	F300.4:SUM(P13:P19)-Input		
(195)	Acct 3400 - Accumulated Amortization Tangible		0 (195)	0	F300.4:P20		
(200)	Reserved						
(205)	Reserved						
(210)	Acct 4340 - Net Noncurrent De- ferred Operating Income Taxes		0 (210)	75,646	F300.5:P25		
(220)	Net Plant Investment (Sum Line 160+170 less lines 190 to	2	0 (220)	1,247,684			

### National Exchange Carrier Association Universal Service Fund 2014

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(285)	Reserved	=======================================	===== :		
(290)	Reserved				
(295)	Reserved				
(300)	Reserved				
(305)	Reserved				
(310)	Acct 4340 (2210) - Net Noncurrent Deferred Operating Income Taxes - Central Office Switching Equipment	0	(310)	15,107	F300.5:P14+P17
(315)	Acct 4340 (2220) - Net Noncurrent Deferred Operating Income Taxes - Operator System Equipment	0	(315)	0	F300.5:P15
(320)	Acct 4340 (2230) - Net Noncurrent Deferred Operating Income Taxes - Central Office Transmission Equipment	0	(320)	5,435	F300.5:P16
(325)	Acct 4340 (2210-2230) Net Noncurrent Deferred Operating Income taxes - Central Office Equipment (Sum of Lines 310 - 320)	0	(325)	20,542	
(330)	Acct 4340 (2410 - Net Noncurrent Deferred Operating Income Taxes - Cable and Wire Facilities	0	(330)	50,913	F300.5:P19

### National Exchange Carrier Association Universal Service Fund 2014

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Line	Description	0	Line	2013	Source
		=========			
(400)	Acct 6230 - Benefits Portion of Central Office Expense - Transmission Equipment		0 (400)	2	.009 F302:E22
(405)	Acct 6230 - Rents Portion of Central Office Expense - Transmission Equipment		0 (405)		0 F302:G22
(410)	Accts 6210 - 6230 - Central Office Expense Total (Sum of Lines 365 + 380 + 395)		0 (410)	63	.046
(415)	Reserved	No Entr	y Required	No En	try Required
(420)	Reserved	No Entr	y Required	No En	try Required
(425)	Reserved	No Entr	y Required	No En	try Required
(430)	Acct 6410 - Cable and Wire Facilities Expense - Total		0 (430)	66.	.143 F320:I20-I81
(435)	Acct 6410 - Benefits Portion Cable and Wire Facilities Expense		0 (435)	3,	386 F302:E24
(440)	Acct 6410 - Rents Portion Cable and Wire Facilities Expense		0 (440)		0 F302:G24
(445)	Total Plant Specific Expense (Sum of Lines 335 + 350 + 365 + 380 + 395 + 415 + 430)		0 (445)	167,	256
Plant Non Specific Expense					
(450)	Acct 6530 - Network Operations Expense - Total		0 (450)	12,	621 F320:I23
(455)	Acct 6530 - Benefits Portion Network Operations Expense		0 (455)		108 F302:E26

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(550)	Acct 6720 - General Administrative Expense - Total	0 (550)	221,279	F320:161
(555)	Acct 6720 - Benefits Portion - General Administrative Expense	0 (555)	26,195	F302:E30
(565)	Total Corporate Operations Expense (Sum of Lines 535 + 550)	0 (565)	221,279	
Other Exper	nses and Revenues			
(600)	Benefits Portion of All Operating Expenses - Total	0 (600)	35,201	F302:E32
(610)	Rents Portion of All Operating Expenses - Total	0 (610)	7.800	F302:G32
(620)	Reserved			
(630)	Reserved			
Taxes				
(650)	Acct 7200 - Operating Taxes	0 (650)	48,339	F367:E11+Input G24
(655)	Reserved			
IV.	PART 36 - COST STUDY DATA			
(700)	Cost Study Average Cable and Wire Facilities Acct 2410	0 (700)	2,002,190	F310:R19
(710)	Cost Study Average Cable and Wire Facilities Cat 1 - Total Exchange Line C&WF Excluding Wide Band	11,361,069 (710)	1,635,570	INDLIT GR
	THIS DAILS	11,001,000 (710)	1,000,070 1	14.01.00

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

Dated this <u>29th</u> day of <u>May</u> 2014 at <u>MountVernon, Oregon</u>.

Company: Skyline Telecom

By:

Its: Vice President, Manager