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7 **BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

8 IN RE

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10 PETITION OF SKYLINE TELECOM INC
11 TO RECEIVE SUPPORT FROM THE
12 UNIVERSAL SERVICE
13 COMMUNICATIONS PROGRAM

DOCKET NO.

PETITION FOR SUPPORT

14 COMES NOW Skyline Telecom Inc. (the "Company") and, pursuant to Chapter 480-123 of
15 the Washington Administrative Code ("WAC"), including, but not limited to, WAC 480-123-110,
16 hereby petitions the Washington Utilities and Transportation Commission (the "Commission") to
17 receive support from the Universal Service Communications Program (the "Program") for the
18 Program year 2024.

19
20 **I. Demonstration of Eligibility under WAC 480-123-100**

- 21 1. WAC 480-123-100(1)(a): The Company is a local exchange company as defined in WAC
22 480-120-021 that serves fewer than forty thousand access lines within the state.

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PETITION OF Skyline Telecom Inc.
TO RECEIVE SUPPORT FROM THE
UNIVERSAL SERVICE COMMUNICATIONS
PROGRAM - 1

- 1 2. WAC 480-123-100(1)(b): The Company is an incumbent local exchange carrier as defined
2 in 47 U.S.C. Sec. 251(h) The Company has been designated as an incumbent local
3 exchange carrier by the Federal Communications Commission.
- 4 3. WAC 480-123-100(1)(c): The Company offers basic residential and business exchange
5 telecommunications services as set forth in WAC 480-120-021 and RCW 80.36.630.
- 6 4. WAC 480-123-100(1)(d): The Company has established a plan, as described in WAC 480-
7 123-110, to provide, maintain or enhance broadband service (See II.4, below).
- 8 5. WAC 480-123-100(1)(e): The Company has been designated by the Commission as an
9 eligible telecommunications carrier ("ETC") for purposes of receiving federal universal
10 services support pursuant to 47 C.F.R. Part 54 Subpart D - Universal Service Support for
11 High Cost Areas with respect to the service areas for which the Company is seeking
12 Program support.

13 **II. Demonstration of Eligibility under WAC 480-123-110**

- 14 1. WAC 480-123-110(1)(a): The name of the legal entity that provides communications
15 services and is seeking Program support is as follows: Skyline Telecom Inc. dba Rally
16 Networks.
17
- 18 2. WAC 480-123-110(1)(b): A corporate organization chart showing the relationship between
19 the Company and affiliates as defined in RCW 80.16.010 is attached hereto as Exhibit 1. ¹
20 A detailed description of any transactions between the Company and the affiliates named in
21 Exhibit 1 recorded in the Company's operating accounts is attached hereto as Exhibit 2. ²
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23
24 ¹ Pursuant to agreement with Commission Staff, Exhibit 1 is limited to those affiliates having transactions
25 with the Company that are to be identified in Exhibit 2.
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- 1 3. WAC 480-123-110(1)(c): A service area map for the Company can be found at Sheet Nos.
2 49 and 63 of the Company's Tariff WN U-2.
- 3 4. WAC 480-123-110(1)(d): The Company's broadband plan to provide, maintain, or enhance
4 broadband services in its service area is attached hereto as Exhibit 3.
- 5 5. WAC 480-123-110(1)(f): An unsworn statement by a Company officer certifying that the
6 Company complies with state and federal accounting, cost allocation, and cost adjustment
7 rules pertaining to incumbent local exchange carriers is attached as Exhibit 4.
- 8 6. WAC 480-123-110(1)(g): The number of residential local exchange access lines served by
9 the Company as of December 31, 2022, was 87. The number of residential local exchange
10 access lines served by the Company as of December 31, 2021, was 93. The number of
11 business local exchange access lines served by the Company as of December 31, 2022, was
12 16. The number of business local exchange access lines served by the Company as of
13 December 31, 2021, was 15. The number of broadband connections served by the Company
14 as of December 31, 2022, was 42. The number of broadband connections served by the
15 Company as of December 31, 2021, was 42. Currently we have 249 locations that have
16 access to the internet. Of these locations, 134 have the ability to achieve speeds greater than
17 or equal to 25/3. The unbundled monthly recurring rate charged by the Company for
18 residential local exchange access service on December 31, 2022, was \$25.00 for Silverton
19 and \$19.50 for Mt Hull. The unbundled monthly recurring rate charged by the Company for
20 residential local exchange access service on December 31, 2021, was \$25.00 for Silverton
21 and \$19.50 for Mt Hull. The unbundled monthly rate charged by the Company for single
22 line business local exchange access service on December 31, 2022, was \$35.00 for Silverton
23

24 ² Exhibit 2 also includes transactions between the Company and affiliates. Pursuant to agreement with the
25 Commission Staff, Exhibit 2 is limited to transactions other than employment compensation and benefits
26

1 and \$25.00 for MT Hull. The unbundled monthly rate charged by the Company for single
2 line business local exchange access service on December 31, 2021, was \$35.00 for Silverton
3 and \$25.00 for MT Hull. The unbundled monthly rate charged for broadband service as of
4 December 31, 2022, and as of December 31, 2021, is set out in the attached Exhibit 5.

- 5 7. WAC 480-123-110(1)(h): The requested statements are attached as Exhibit 6.
- 6 8. WAC 480-123-110(1)(h)(i): An unsworn statement by a Company officer certifying that the
7 Company is in compliance with the Federal Communications Commission's obligation for
8 deployment of broadband at speeds specified by the Federal Communications Commission
9 applicable to the Company and that the Company meets one of the eligibility criteria set out
10 in WAC 480-123-110(1)(j)(ii), (iii) or (iv) is attached at Exhibit 7.
- 11 9. All exhibits attached hereto are incorporated into this Petition as though fully set forth.

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14 Respectfully submitted this 15th day of Sept, 2023.

15 SKYLINE TELECOM INC

16 By

17 
18 Delinda Kluser
19 Vice-Pres, Manager
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CERTIFICATION

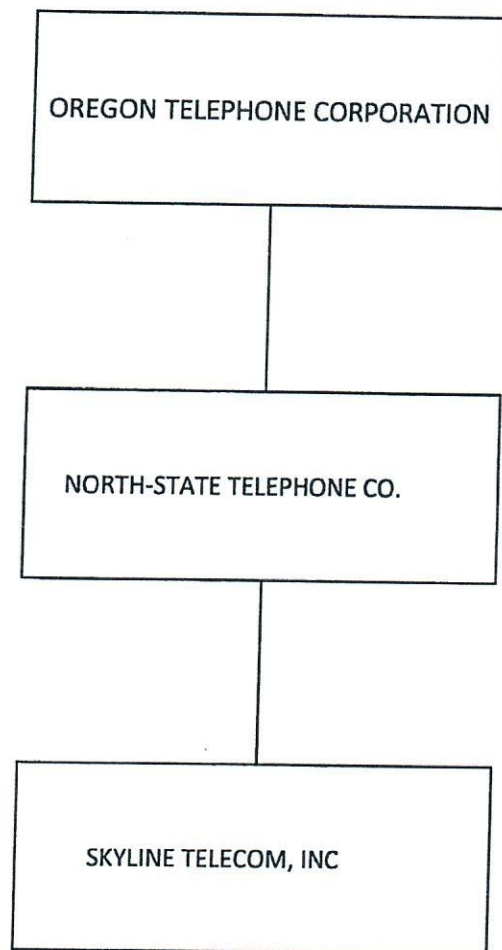
I Delinda Kluser, an officer of the Company that is responsible for the Company's business and financial operations, hereby certify under penalty of perjury that the information and representations set forth in the Petition, above, are accurate and the Company has not knowingly withheld any information required to be provided to the Commission pursuant to the rules governing the Program.

Delinda Kluser
Vice-Pres, Manager

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EXHIBIT 1

CORPORATE ORGANIZATION CHART



PETITION OF SKYLINE TELECOM, INC TO
RECEIVE SUPPORT FROM THE UNIVERSAL
SERVICE COMMUNICATIONS PROGRAM –

EXHIBIT 2

AFFILIATED TRANSACTIONS

Affiliated Transactions

Oregon Telephone Corporation is the managing company for Skyline Telecom Inc. The business office is located in MT Vernon, OR. All billing, customer support, technical support and financial reporting is performed by the staff of Oregon Telephone Corporation. All labor and expenses are direct coded to Skyline by affiliated companies. A management agreement is in place which identifies how expenses are allocated between companies.

Service orders (new installs or changes) or trouble tickets are assigned to employees at either Oregon Telephone Corporation or North-State Telephone. These same technicians also assist with construction projects. These employees also direct code labor and expenses to Skyline Telecom.

EXHIBIT 3 Broadband Plan

Skyline Telecom Inc. offers broadband services to both of its exchanges, Silverton and Mt Hull. Skyline incurs considerable costs to not only continue to build and improve its network, but considerable monthly costs are also incurred to maintain the network in both of our exchanges. The backbone connections to the world for each of these areas is one such monthly cost. In 2022 almost \$160,000 was incurred for the internet backbone to both Silverton exchange and the Mt Hull exchange. 2021 costs for these circuits were very comparable at almost \$130,000. In 2023 the backbone was increased in the Mt Hull exchange to allow for the increased usage due to the fiber buildouts. This upgrade will incur an additional monthly cost of approximately \$1,000.

Expenses for installation of broadband services to customers along with responding to network or customer outages are also a significant cost. Expenses totaling almost \$53,000 were incurred in 2022 for maintenance to both networks. This includes technician labor only along with the necessary vehicle, tools and materials. 2021 costs were approximately \$5,000 less than 2022. Skyline's broadband operations operate in a net loss position each year due to these costs. Skyline however is committed to continuing to provide quality broadband service to its subscribers and continues to maintain all plant necessary to provide these necessary services.

Beginning in 2020, Skyline engineered a three-phase fiber to the home build for the Mt Hull exchange. This allows for not only a considerable increase in broadband speeds, but also improves the reliability of service when compared to aging copper. Phase 1 was completed in 2020 for a total of \$89,665. Seventeen customers were converted to fiber.

Phase 2 for the Mt Hull exchange was completed in 2021 and brought fiber to 15 potential subscribers at a cost of \$115,723. Phase 3A construction was completed in 2022 for a total of \$91,810. This phase brought fiber to a potential of 36 subscribers.

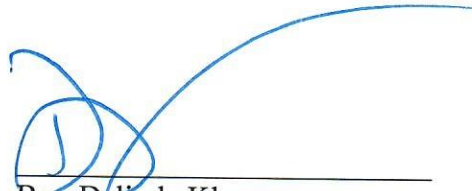
Mount Hull 2023 (formally Phase 3C) is slated to begin construction in 2023. 30 subscribers will have the opportunity for fiber to the home capabilities. Maps and bill of materials for Mount Hull 2023 have been included as part of this exhibit.

We have started engineering Mount Hull 2024. Maps along with proposed costs are also included as part of this exhibit. This fiber build is designed to reach 29 locations with fiber.

Skyline could offer speeds up to 1Gig for all of these fiber subscribers.

Funds were also used in 2022 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 secured the new alternative circuits along with the necessary equipment in 2022. Unfortunately, this solution still does not allow for increased bandwidth.

We are still constrained by the limitations at the meetpoint with Zply. Skyline Telecom is continuing to seek solutions to increase backbone capabilities into the Silverton exchange. New backbone would also provide for broadband access to all residents rather than just 5-6 residents. Current projections for the 12 miles of fiber are almost \$1,000,000.

A handwritten signature in blue ink, consisting of a large, stylized 'D' followed by a horizontal line that extends to the right.

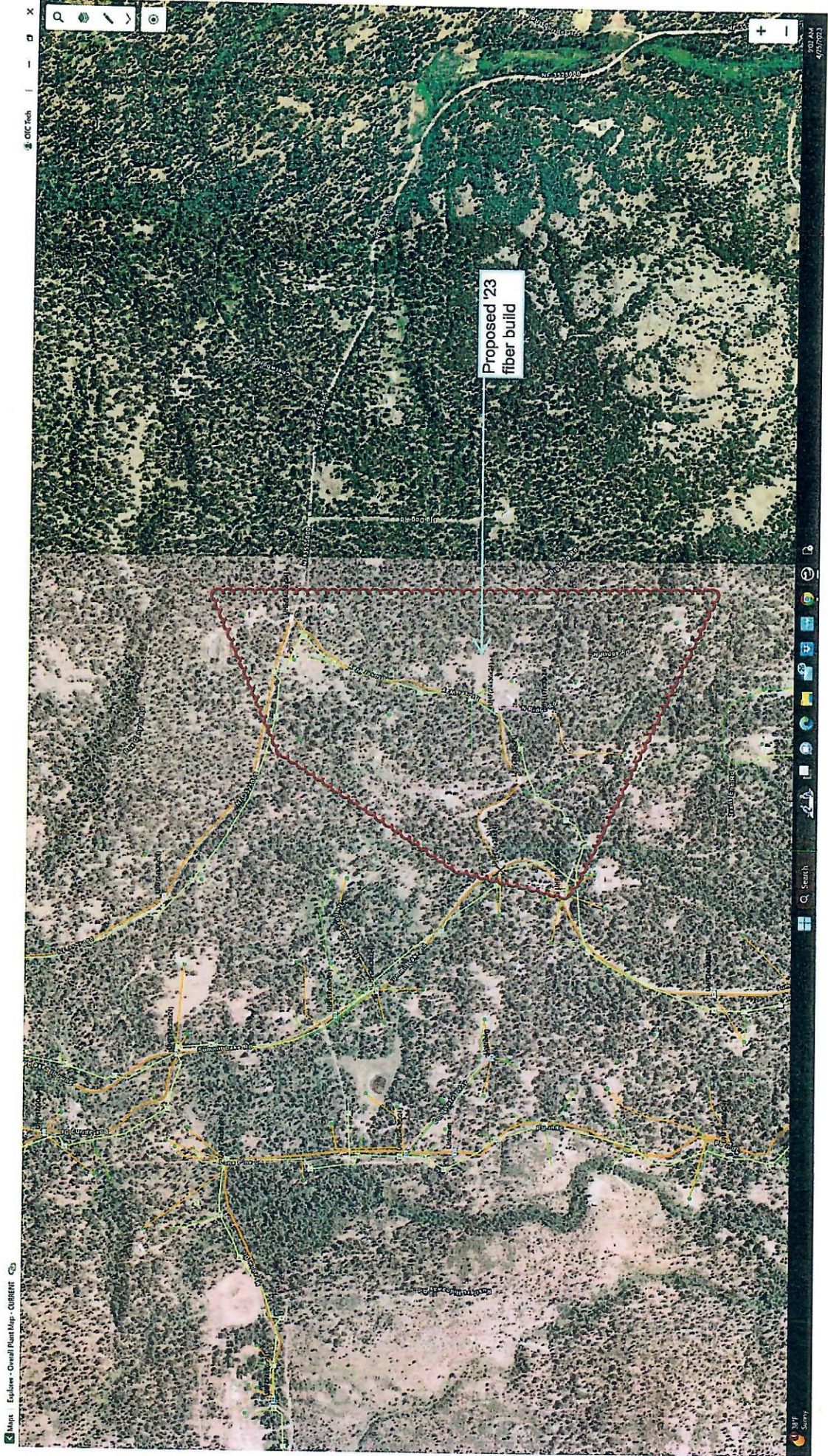
By: Delinda Kluser
Title: Vice-Pres, Finance

Mount Hull 2023
BOM

Subtype	Status	Type	Class	Size	Owner	Quantity (ft)
Fiber Cable	Proposed	Loose tube	BFO	2	Skyline	15788
Fiber Cable	Proposed	Loose tube	BFO	48	Skyline	13098
Conduit	Proposed	BFOV(1)(1.25)		1.25"	Skyline	13098
Handhole	Proposed	UHF(24x36x24)			Skyline	15
Structure	Existing				Skyline	35



2023
Proposed new



Proposed '23
fiber build

MT Hull 2024
FIBER BUILD ESTIMATE AND COST BREAKDOWN

ROUTE SEGMENT	ROUTE TYPE	FOOTAGE	CONSTRUCTION	S/FOOT	ADDER	ADDER FOOTAGE	ADDER\$/FT	SERVICE LOCATIONS	VAULTS / PED	SPICE POINTS	TOTAL BUILD COST	BUILD \$/FT
144F	Backbone	7071	DUPLICATE/ROUND	\$ 10.25				79	5	348	\$ 72,683	\$ 10.25
44F	Lateral	10691	DUPLICATE/ROUND	\$ 10.00					11	90	\$ 1,069,100	\$ 10.00
Drops	Drop	8993	DUPLICATE/ROUND									
TOTALS	57%	26175	5.07		0	0		29	16	0	\$ 1,141,783	\$ 43.28

MATERIALS BY ROUTE	ROUTE TYPE	FOOTAGE	DUCTS / FT	CABLE \$ / FT	MISC \$ / FT	VAULTS	VAULTS \$ / EA	SPICE POINTS	MATERIALS / SPICE	TOTAL MATERIAL COST	MATERIAL \$/FT
TOTAL BACKBONE	BACKBONE	7071	1.40	\$ 1.50	\$ 0.25	5	\$ 1,100.00	5	600.00	\$ 30,836.05	\$ 4.35
EXISTING DUCT	BACKBONE			\$ 1.50	\$ 0.25	0	\$ 1,100.00				
TOTAL LATERAL	LATERAL	10691	1.25	\$ 1.00	\$ 0.25	11	\$ 800.00	11	400.00	\$ 39,927.50	\$ 3.73
TOTAL DISTRIBUTION	DISTRIBUTION	0	1.25	\$ 1.00	\$ 0.25	0	\$ 250.00		100.00		
TOTALS	23%	17782				16		16		\$ 70,763.55	\$ 3.98

SERVICE LOCATIONS / ENTRANCE	SL TYPE	AVERAGE FT	QUANTITY	TOTAL FOOTAGE	MATERIAL \$ / FT	MISC MATERIAL \$ / EA	ENTRANCE \$ / EA	TERMINATION \$ / EA	ELECTRONIC EQUIPMENT	INSTALLATION LABORS \$ / EA	TOTAL SL COST	\$ / SL
SERVICE LOCATION	DROP CABLE	250	29	7250	\$ 1.50	\$ -	\$ 250	\$ -	200	\$ 31,317	\$ 1,073.00	
SERVICE LOCATION	DROP SPICING		29	0	\$ -	\$ -	\$ -	\$ -	113	\$ 7,627	\$ 263.00	
SERVICE LOCATION	CPE		29	0	\$ -	\$ -	\$ -	\$ -	375	\$ 13,805	\$ 465.00	
NETWORK POINT	CENTRAL OFFICE		0	0	\$ -	\$ 500	\$ -	\$ -	4,000	\$ 1,600	\$ -	
NETWORK POINT - CABINET	NETWORK		0	0	\$ 4.00	\$ 1,000	\$ 2,000	\$ 10,000	10,000	\$ 2,500	\$ -	
NETWORK POINT - BUILDING	NETWORK		0	0	\$ 4.00	\$ 500	\$ 1,000	\$ 5,000	10,000	\$ 5,000	\$ -	
TOTALS	37%		87	7250	\$ 10.875	\$ 4,350	\$ 7,250	\$ -	\$ 16,675	\$ 13,079	\$ 32,229	\$ 600.33

LAND AND BUILDING	SITES	LAND ACQUISITION	COMMERCIAL POWER	OTHER UTILITIES	STRUCTURE	HANDLING	INSTALLATION	MISC	TOTAL LEBB COST	\$ / SITE
CENTRAL OFFICE	CO	0								
FIBER HNT / I/A SITE	I/A	0								
ACTIVE EQUIPMENT CABINET	ACT	0								
PASSIVE CABINET	PON	0								
TOTALS	0%	0							\$ -	\$ -

PROFESSIONAL SERVICES	ROUTE TYPE	FOOTAGE	\$ / FT	SERVICE FEE	MAN/DAYS	PER DIEM	TRAVEL	TRAVEL RELATED COSTS	TOTAL PS COST	PS \$ / FT		
ENGINEERING / DESIGN	BACKBONE	7071	\$ 0.160	\$ 1,135					\$ 1,135	\$ 0.16		
ENGINEERING / DESIGN (empty duct)	BACKBONE	0	\$ 0.100	\$ -					\$ -	\$ -		
ENGINEERING / DESIGN	LATERAL	10691	\$ 0.160	\$ 1,711					\$ 1,711	\$ 0.16		
ENGINEERING / DESIGN	DISTRIBUTION	0	\$ 0.160	\$ -					\$ -	\$ -		
ENGINEERING / DESIGN	DROPS	7250	\$ 0.100	\$ 725					\$ 725	\$ 0.10		
STAKING	ALL	17782	\$ 0.050	\$ 889					\$ 889	\$ 0.05		
PERMITTING	ALL	17782	\$ 0.063	\$ 1,120					\$ 1,120	\$ 0.06		
ENVIRONMENTAL	ALL	0	\$ 3,000	\$ -					\$ -	\$ -		
PROJECT / CONSTRUCTION MANAGEMENT	ALL	0	\$ 0.145	\$ -					\$ -	\$ -		
INSPECTION / COMMISSIONING	ALL	0	\$ 0.120	\$ -					\$ -	\$ -		
DOCUMENTATION / MAPPING	ALL	17782	\$ 0.050	\$ 889					\$ 889	\$ 0.05		
TOTALS	3.2%	TOTAL		\$ 6,469	TOTAL	\$ 750	\$ 150	TOTAL	\$ 1,200	\$ 1,500	\$ 30,069	\$ 0.57

TOTAL FEET	26,175	5.07
TOTAL PROJECT COST	\$ 3,312,654	\$ 61,655

\$ 1.06

Route Types
Backbone
Lateral
Distribution
Drop

Untitled Map

Proposed fiber path 23 20k feet

Legend

 Proposed fiber

Google Earth

3000 ft



low




EXHIBIT 4

Certification Relating to Accounting Standards

I, Delinda Kluser, am an officer of Skyline Telecom Inc. (the Company as set out in the Petition to which this is an Exhibit). Thereby, I certify that the Company complies with state and federal accounting, cost allocation, and cost adjustment rules pertaining an incumbent local exchange carrier for the period of time that the Company will receive support under the Petition to which this is an Exhibit.

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

Signed at NOT VERNON, Oregon this 15th day of September, 2023.



Delinda Kluser

Vice-Pres, Finance

Skyline Telephone

Internet/Phone Bundle w/phone features	
Tonasket/Mt Hull/Oroville	
Speeds:	Monthly Price:
6	\$75.95
15	\$85.95
30	\$90.95
50	\$95.95
100	\$100.95
500	\$145.95

Internet/Phone Bundle Basic phone	
Tonasket/Mt Hull/Oroville	
Speeds:	Monthly Price:
6	\$50.00
15	\$60.00
30	\$70.00
50	\$80.00
100	\$90.00
500	\$140.00

Granite Falls ONLY	
Service:	Monthly Price:
Phone Only	\$25.00
512 meg Internet Bundle:	\$39.95
	\$50.00

Internet Only		
556		
Speeds:	Residential:	Business:
6	\$49.95	\$59.95
15	\$59.95	\$69.95
30	\$69.95	\$79.95
50	\$79.95	\$89.95
100	\$89.95	\$99.95
500	\$139.95	\$149.95

Phone Only	
Tonasket/Mt Hull/Oroville	
	Monthly Price:
Residential	\$19.50
Business	\$25.00

EXHIBIT 5
 PETITION OF Skyline Telecom Inc.
 TO RECEIVE SUPPORT FROM THE UNIVERSAL
 SERVICE COMMUNICATIONS PROGRAM

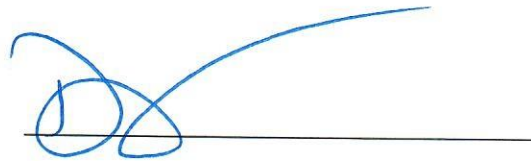
EXHIBIT 6

STATEMENT REQUIRED BY WAC 480-123-110(1)(h)

I Delinda Kluser, am an officer of Skyline Telecom (“Skyline”), and make this statement in that capacity. I hereby certify that if Skyline receives program support it will continue to provide communications services throughout its service territory in Washington for which it is seeking and receives program support for the entirety of the year for which Skyline is applying for support from the program. In addition, if Skyline receives program support, I certify that Skyline will continue to provide broadband services throughout its service territory in Washington, as it is or becomes available, during the entirety of the year in which Skyline is applying for support from the program.

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 15 day of September, 2023.



Delinda Kluser

Vice-Pres, Finance

EXHIBIT 7

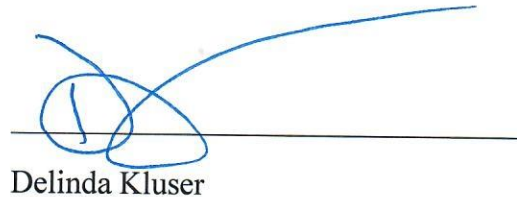
Certification of Eligibility

I, Delinda Kluser, am an officer of Skyline Telecom Inc. (the Company as set out in the Petition to which this is an Exhibit) and thereby certify that the Company is in compliance with the Federal Communications Commission's obligation for deployment of broadband at speeds specified by the Federal Communications Commission that apply to the Company.

For (j)(iii): Further, I certify that the Company has already met the Federal Communications Commission's total deployment obligations associated with federal high-cost program support as of the date of the Petition to which this is an Exhibit. Further, I certify that the Company has since January 1, 2018, deployed broadband to the number of locations that Washington Utilities and Transportation Commission has determined by order.

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

Signed at Net Vernon, Oregon this 5th day of September, 2023.



Delinda Kluser

Vice-Pres, Finance