



PUBLIC NOTICE

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WIRELINE COMPETITION BUREAU ANNOUNCES APPLICATIONS FILED FOR THE SECURE AND TRUSTED COMMUNICATIONS NETWORKS REIMBURSEMENT PROGRAM

WC Docket No. 18-89

By this Public Notice, the Wireline Competition Bureau (Bureau) announces the applications filed for the Secure and Trusted Communications Networks Reimbursement Program (Reimbursement Program). The Reimbursement Program received 181 applications and, upon initial review by the Reimbursement Program Fund Administrator, the gross cost estimate demand for Reimbursement Program support contained in the applications initially found eligible and acceptable for filing is nearly \$5.6 billion.¹

The filing window closed on January 28, 2022, and the Commission commenced the official 90-day application review period for the Reimbursement Program on January 31, 2022.² Given the number and complexity of the applications filed as further discussed herein, the Bureau will extend the application review period by an additional 45 days as authorized by section 4(d)(3)(A)(ii) of the Secure and Trusted Communications Networks Act of 2019, as amended (Secure Networks Act), and section 1.50004(d) of the Commission's rules.³ Accordingly, the Bureau's deadline for acting on the submitted applications is Wednesday, June 15, 2022.

Background. As directed by the Secure Networks Act, the Commission established the Reimbursement Program to reimburse providers of advanced communications services with ten million or fewer customers for reasonable costs incurred in the removal, replacement, and disposal of covered communications equipment or services from their networks that pose a national security risk.⁴ The

¹ The gross cost estimate demand does not mean that all cost estimates have been found reasonable and approved. The Bureau will make those determinations, with the assistance of the Reimbursement Program Fund Administrator, after conducting a thorough review of the applications.

² 47 CFR § 1.50004(d); see also *Wireline Competition Bureau Finalizes Application Filings, Procedures, Cost Catalog, and Replacement list for the Secure and Trusted Communications Networks Reimbursement Program*, WC Docket 18-89, Public Notice, DA 21-947, 2021 WL 3466248 at *11, paras. 34 (WCB Aug. 3, 2021) (*Finalized Reimbursement Process Public Notice*) (“The 90-day review period will commence on the next business day following the close of the filing window, per the Commission's rules.”). Accordingly, the 90-day application review period commenced on Monday, January 31, 2022.

³ 47 U.S.C. § 1603(d)(3)(A)(ii); 47 CFR § 1.50004(d).

⁴ Secure and Trusted Communications Networks Act of 2019, Pub. L. No. 116-124, § 4(a)-(c), 134 Stat. 158 (2020) (codified as amended at 47 U.S.C. §§ 1601–1609) (Secure Networks Act). The Commission implemented the Secure Networks Act on December 10, 2020. *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*, WC Docket No. 18-89, Second Report and Order, 35 FCC Red 7821 (2020) (*2020 Supply Chain Order*). On July 13, 2021, the Commission amended its rules, consistent with amendments to the Secure Networks Act included in the Consolidated Appropriations Act, 2021. *Protecting Against National*

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Commission, in the *2021 Supply Chain Order*, clarified that for purposes of the Reimbursement Program, covered communications equipment or services is limited to the communications equipment or services produced or provided by Huawei Technologies Company (Huawei) or ZTE Corporation (ZTE), that were obtained by providers on or before June 30, 2020.⁵ To participate in the Reimbursement Program, eligible providers were required to file an FCC Form 5640 Application Request for Funding Allocation,⁶ using the Bureau’s dedicated online application filing portal.⁷ Each applicant was required to include in its application estimates for the costs that will be reasonably incurred for the removal, replacement, and disposal of covered communications equipment and services.⁸ These cost estimates will form the basis for the Bureau’s funding allocation determinations.⁹ Once an allocation is issued, participants can then seek disbursements from the allocation as expenses are incurred.¹⁰

Applications Filed. A total of 181 applications were filed to participate in the Reimbursement Program.¹¹ Of those filed, 162 have been initially found eligible and acceptable for filing.¹² Of those applications filed and initially found eligible and acceptable for filing, the gross cost estimate demand for support for the removal, replacement, and disposal of Huawei and ZTE equipment is approximately \$5.6 billion. Further, based on an initial review of the applications, this support would go towards the strengthening of our nation’s networks by removing, replacing, and disposing of approximately 24,000 units of covered communications equipment and services across approximately 8,400 number of locations throughout the United States and its territories. As required by the Secure Networks Act and the Commission’s rules, applicants whose applications are found materially deficient will have a 15-day opportunity to cure the deficiency before their application is denied.¹³ The Reimbursement Program Fund Administrator will individually notify those applicants.¹⁴

Funding Available for Allocation. Congress appropriated \$1.9 billion to the Commission to “carry out” the Secure Networks Act, of which \$1.895 billion must be used for the Reimbursement Program.¹⁵ The gross demand for requested funding, based on an initial review of the cost estimates

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Security Threats to the Communications Supply Chain Through FCC Programs, WC Docket No. 18-89, Third Report and Order, FCC 21- 86, 2021 WL 3024271, at 49-51, Appx. A (July 13, 2021) (*2021 Supply Chain Order*).

⁵ *2021 Supply Chain Order*, 2021 WL 3024271, at 49-51, Appx. A. See generally *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs – Huawei Designation*, PS Docket No. 19-351, Order, 35 FCC Rcd 6604 (PSHSB 2020) (*Huawei Designation Order*); *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs – ZTE Designation*, PS Docket No. 19-352, Order, 35 FCC Rcd 6633 (PSHSB 2020) (*ZTE Designation Order*).

⁶ 47 CFR § 1.50004(c).

⁷ *Finalized Reimbursement Process Public Notice* at *6.

⁸ 47 CFR § 1.50004(c)(1)(i).

⁹ *Id.* § 1.50004(c)-(d).

¹⁰ *Id.* § 1.50004 (d).

¹¹ As some entities filed multiple applications, the 181 applications filed amount to 96 unique filing entities.

¹² See Appx. A. An initial finding of eligibility and acceptability for filing does not guarantee application approval and participation into the Reimbursement Program. Such determinations will be made following a comprehensive review of the applications by the Bureau, with the assistance of the Reimbursement Program Fund Administrator.

¹³ 47 U.S.C. § 1603(d)(3)(B); 47 CFR § 1.50004(d)(1). Such notice will be distinct from this Public Notice and the 15-day cure period will commence on the date the individual email notification is sent by the Commission and received by the applicant. *Finalized Reimbursement Process Public Notice* at *12.

¹⁴ *Finalized Reimbursement Process Public Notice* at *12.

¹⁵ CAA § 906. Section 906 provides that “[t]here is appropriated to the Federal Communications Commission, out of amounts in the Treasury not otherwise appropriated, for fiscal year 2021, to remain available until expended—

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contained in the applications submitted, exceeds the \$1.9 billion appropriated for the Reimbursement Program.¹⁶ If available funding is insufficient to issue funding allocations in full to all approved applicants, then the Commission will apply the prioritization scheme directed by Congress and specified in the Commission’s rules.¹⁷ Specifically, under this scheme, the Commission will allocate available funding “first, to approved applications that have 2,000,000 or fewer customers . . . , [then] to approved applicants that are accredited public or private non-commercial educational institutions providing their own facilities-based educational broadband services . . . [and] health care providers and libraries providing advanced communications service, [then] to any remaining approved applicants determined to be eligible for reimbursement under the [Reimbursement] Program.”¹⁸ If available funding is insufficient to satisfy all funding requests in a prioritization category, the Bureau will prorate the available funding equally across all requests in the relevant prioritization category to ensure that total funding allocated does not exceed the funding available.¹⁹

Upon initial review, the cost estimates submitted with applications appear to be significantly higher than the estimated amounts reported to the Commission in the 2019 data collection.²⁰ The Commission continues to closely review the applications, but factors contributing to the increase in cost estimates include: an expansion, following the 2019 data collection, in the Reimbursement Program from Eligible Telecommunications Carriers to all providers of advanced communications services with fewer than 10 million customers; increased costs due to supply chain constraints and/or inflation since 2019; additional costs associated with expediting projects to meet the statutory obligation to complete the removal, replacement, and disposal process within one year from the initial disbursement of funds;²¹ and other costs of complying with Reimbursement Program requirements not accounted for when cost estimates were reported in 2019. To increase accountability measures for the Reimbursement Program, the Commission, in the *2020 Supply Chain Order*, adopted a number of measures to protect against waste,

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. . . (2) \$1,900,000,000 to carry out the Secure and Trusted Communications Networks Act of 2019 (47 U.S.C. 1601 et seq.), of which \$1,895,000,000 shall be used to carry out the program established under section 4 of that Act (47 U.S.C. 1603).” The funding appropriated by Congress is not only for reimbursing program recipients but also covers the expenses incurred by the Commission to implement and operate, that is, “carry out,” the Reimbursement Program. See CAA §§ 901, 906.

¹⁶ See *Finalized Reimbursement Process Public Notice* at *11 (“the Reimbursement Program Fund Administrator will conduct an initial review of the applications to help the Bureau determine . . . the gross estimate demand contained in those applications.”).

¹⁷ CAA § 901(1)(C); 47 CFR § 1.50004(f); *2021 Supply Chain Order* at 24-26, paras. 53-59.

¹⁸ CAA § 901(1)(C)(ii); 47 CFR § 1.50004(f); *2021 Supply Chain Order* at 24-26, paras. 53-59. The Rural Wireless Association, Inc. (“RWA”) filed a Petition for Reconsideration of the Commission’s decision in the *2021 Supply Chain Order* to replace its initial prioritization scheme with the scheme provided by the CAA. See Petition for Reconsideration of the Rural Wireless Association, Inc., WC Docket No. 28-89 (filed Sept. 22, 2021). The Petition is pending.

¹⁹ *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*, WC Docket No. 18-89, Second Report and Order, 35 FCC Rcd 14284, 14349, para. 157 (2020) (*2020 Supply Chain Order*). Specifically, the Bureau will determine a pro-rata factor by dividing the total amount of available funding by the total amount of funding requested. The Bureau will then multiply the pro-rata factor by the total amount of support requested by each applicant in the prioritization category and then the Bureau will allocate funds to each eligible applicant in the prioritization category consistent with this calculation. 47 CFR § 1.50004(f)(1); see also *2020 Supply Chain Order*, 35 FCC Rcd at 14352, para. 163.

²⁰ See *Wireline Competition Bureau and Office of Economics and Analytics Release Results from Supply Chain Security Information Collection*, Public Notice, 35 FCC Rcd 9471, 9472 (WCB 2020) (*Information Collection Results Public Notice*).

²¹ *2020 Supply Chain Order*, 35 FCC Rcd at 14331, para. 169 (establishing a one-year timeline for removal, replacement, and disposal).

fraud, and abuse.²² As a result, the Fund Administrator and Commission are carefully reviewing all cost estimates submitted with applications to determine funding allocations.²³ Both the Reimbursement Program Fund Administrator and the Commission will closely scrutinize Reimbursement Claim Requests to ensure that reimbursement is limited to reasonable expenses that are actually incurred.²⁴ Additionally, consistent with the Secure Networks Act, Reimbursement Program recipients are subject to regular audits and reviews of reimbursements under the Program and other investigations, such as field investigations, to evaluate their compliance with the statutory and regulatory requirements for the program.²⁵ As directed by the Secure Networks Act, the Commission is “tak[ing] all necessary steps to avoid waste, fraud, and abuse with respect to the Program.”²⁶

Application Review Period. The Commission’s rules and the Secure Networks Act require the Bureau to “approve or deny” Reimbursement Program applications no later than 90 days after the close of the relevant filing window.²⁷ During the application review period, the Bureau “will determine whether the application is complete, whether the applicant is eligible for the Reimbursement Program, and . . . assess the reasonableness of the cost estimates provided by the applicant.”²⁸ If additional time is needed to review the applications, the Bureau may extend the deadline of the application review period by an additional 45 days “if it determines that an excessive number of applications have been filed during the window and additional time is needed to review the applications.”²⁹

Based on the number of applications initially determined eligible and acceptable for filing, the Bureau will need to review and evaluate the reasonableness of approximately 439,000 separate cost estimates contained in 162 applications. Given the number and complexity of the applications received and the large volume of costs estimates requiring review, the Bureau will need additional time beyond the 90-day period to review the applications.³⁰ The Bureau, after considering various factors impacting application review, thus finds an extension necessary and accordingly extends the 90-day application review period by an additional 45 days as permitted by the Commission’s rules.³¹ Accordingly, the deadline for the Bureau to “approve or deny” the submitted applications is extended from May 1, 2022 to June 15, 2022.

Additional Information. We encourage all applicants for the Reimbursement Program to review the *Finalized Reimbursement Process Public Notice*,³² which adopts the final procedures for the Reimbursement Program application filing process. Applicants with questions regarding its application may contact the Fund Administrator Help Desk by email at SCRPFundAdmin@fcc.gov or by calling (202) 418-7540 from 9:00 AM ET to 5:00 PM ET, Monday through Friday, except for Federal holidays. General information and Commission documents regarding the Reimbursement Program are available on the Reimbursement Program webpage, <https://www.fcc.gov/supplychain>. All non-confidential filings

²² 2020 Supply Chain Order, 35 FCC Rcd at 14331, para. 109.

²³ Finalized Reimbursement Process Public Notice at *8-9.

²⁴ See 47 CFR § 1.50004(g); 2020 Supply Chain Order, 35 FCC Rcd at 14353, para. 165.

²⁵ 47 CFR § 1.50004(o); 2020 Supply Chain Order, 35 FCC Rcd at 14331, para. 109.

²⁶ 47 U.S.C. § 1603(e)(1).

²⁷ 47 U.S.C. § 1603 (d)(3)(A)(i); 47 CFR §1.50004(d).

²⁸ 47 CFR § 1.50004(d).

²⁹ *Id.*

³⁰ Finalized Reimbursement Process Public Notice at *13.

³¹ 47 U.S.C. § 1603(d)(3)(A)(ii); 47 CFR § 1.50004(d).

³² See generally Finalized Reimbursement Process Public Notice.

submitted by participants in the Reimbursement Program are publicly available and searchable in the Public Search database, which is now available through the online portal at <https://www.fcc.gov/supplychain>.³³

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³³ 47 U.S.C. § 1603(d)(8); *2020 Supply Chain Order*, 35 FCC Rcd at 14370, para. 215.

APPENDIX

**FCC Secure and Trusted Communications Networks Program
Applications Found Initially Eligible and Acceptable for Filing**

Applicant Name	File Number
Angeles Enterprises	SCR0001009
AST Telecom, LLC d/b/a Bluesky	SCR0001076
Beamspeed, L.L.C.	SCR0001010
Board of Trustees, Northern Michigan University	SCR0001040
Central Louisiana Cellular, LLC	SCR0001042
Commnet Wireless, LLC	SCR0001026 SCR0001027 SCR0001028 SCR0001029
Copper Valley Wireless, LLC	SCR0001157
Country Wireless LLC	SCR0001017
Eastern Oregon Telecom, LLC	SCR0001037
Eltopia Communications, LLC	SCR0001167
FIF Utah LLC	SCR0001006
FirstLight Fiber, Inc.	SCR0001005
Flat Wireless, LLC	SCR0001103
Gallatin Wireless Internet, LLC	SCR0001039
Gigsky, Inc.	SCR0001143
Gogo Business Aviation LLC	SCR0001134
Hargray Communications Group, Inc.	SCR0001101
Hotwire Communications, Ltd.	SCR0001146 SCR0001147 SCR0001148
Hunter Communications & Technologies LLC	SCR0001133
IdeaTek Telcom, LLC	SCR0001139
Inland Cellular LLC	SCR0001144
Interoute US LLC	SCR0001030
James Valley Cooperative Telephone Company	SCR0001105
Kings County Office of Education	SCR0001142
LakeNet LLC	SCR0001145
Latam Telecommunications, L.L.C.	SCR0001168
Leaco Rural Telephone Cooperative, Inc.	SCR0001175

Applicant Name	File Number
Level 3 Communications, LLC	SCRP0001043 SCRP0001044 SCRP0001045 SCRP0001047 SCRP0001050 SCRP0001051 SCRP0001052 SCRP0001053 SCRP0001054 SCRP0001055 SCRP0001056 SCRP0001057 SCRP0001058 SCRP0001059 SCRP0001060 SCRP0001061 SCRP0001062 SCRP0001063 SCRP0001064 SCRP0001065 SCRP0001066 SCRP0001067 SCRP0001068 SCRP0001069 SCRP0001070 SCRP0001071 SCRP0001072 SCRP0001073 SCRP0001074 SCRP0001075 SCRP0001077 SCRP0001078 SCRP0001079 SCRP0001080 SCRP0001081 SCRP0001082 SCRP0001083 SCRP0001085 SCRP0001086 SCRP0001088 SCRP0001091 SCRP0001093 SCRP0001094 SCRP0001095 SCRP0001097
LIGTEL Communications Inc.	SCRP0001155
Mark Twain Communications Company	SCRP0001021
Mediacom Communications Corporation	SCRP0001140
Metro Fibernet, LLC	SCRP0001016
MHG Telco LLC	SCRP0001023

Applicant Name	File Number
Millennium Telecom, L.L.C., dba OneSource Communications	SCR0001152
Monmouth Telephone & Telegraph	SCR0001032
Natural G.C. Inc.	SCR0001008
NE Colorado Cellular Inc	SCR0001106 SCR0001107 SCR0001108 SCR0001109 SCR0001110 SCR0001111 SCR0001113 SCR0001114 SCR0001115 SCR0001116 SCR0001117 SCR0001118 SCR0001119 SCR0001120 SCR0001121 SCR0001122 SCR0001123 SCR0001124 SCR0001125 SCR0001126 SCR0001135 SCR0001141
Nemont Telephone Cooperative, Inc.	SCR0001084
New Wave Net Corp	SCR0001012
NfinityLink Communications, Inc.	SCR0001173
NTInet, inc	SCR0001011
NTUA Wireless, LLC	SCR0001024 SCR0001025
One Ring Networks, Inc.	SCR0001001
Panhandle Telecommunication Systems Inc	SCR0001033
Pine Belt Cellular, Inc.	SCR0001038
Pine Telephone Company	SCR0001034 SCR0001035 SCR0001036
Plateau Telecommunications, Incorporated	SCR0001112
PocketiNet Communications Inc.	SCR0001031
Point Broadband Fiber Holding, LLC	SCR0001128 SCR0001129 SCR0001130 SCR0001131 SCR0001132
Premier Holdings LLC	SCR0001150
PTA-FLA, Inc.	SCR0001018
Puerto Rico Telephone Company, Inc.	SCR0001162

Applicant Name	File Number
Roome Telecommunications Inc	SCR0001154
Santel Communications Cooperative, Inc.	SCR0001151
SI Wireless, LLC	SCR0001013
Skybeam, LLC	SCR0001156 SCR0001158 SCR0001159 SCR0001161
South Canaan Telephone Company	SCR0001099
Southern Ohio Communication Services Inc	SCR0001019
Stealth Communications	SCR0001138
TelAlaska Cellular, Inc.	SCR0001160
Texas 10, LLC	SCR0001041
Transtelco Inc.	SCR0001170
Triangle Communication Systems Inc	SCR0001048
Triangle Telephone Cooperative Association, Inc.	SCR0001046
Trinity Basin Preparatory, Inc.	SCR0001002
Union Telephone Company	SCR0001087 SCR0001089 SCR0001090 SCR0001092 SCR0001096 SCR0001098
United Wireless Communications, Inc.	SCR0001104
Utah Telecommunication Open Infrastructure Agency	SCR0001102
Velocity Communications, Inc.	SCR0001136
Virginia Everywhere, LLC	SCR0001022
Vitelcom Cellular, Inc. d/b/a Viya Wireless	SCR0001020
Webformix Internet Company	SCR0001003
Windstream Communications LLC	SCR0001004
Windy City Cellular	SCR0001015
WorldCell Soutions, LLC	SCR0001137
Xtreme Enterprises LLC	SCR0001171
Zito West Holding, LLC	SCR0001049