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For Immediate Release

FCC RELEASES RESULTS OF SUPPLY CHAIN DATA REQUEST

Identifies Carriers with Huawei and ZTE Equipment and Services in Their Networks

WASHINGTON, September 4, 2020—The Federal Communications Commission today released the results of its efforts to identify use of Huawei and ZTE equipment and services in U.S. telecommunications networks that receive support from the federal Universal Service Fund. The Commission's November 2019 order barring the use of USF support for the purchase of equipment and services from companies that pose a national security threat initially designated Huawei and ZTE as covered entities and directed Commission staff to conduct this information collection. In June 2020, the Commission's Public Safety and Homeland Security Bureau issued final designations of Huawei and ZTE as posing national security threats to the integrity of communications networks. Today's announcement includes a list of eligible telecommunications carriers, or their affiliates and subsidiaries, that have reported using at least some Huawei and ZTE equipment or services in their networks.

Based on data Commission staff collected through the information collection, all filers report it could cost an estimated \$1.837 billion to remove and replace Huawei and ZTE equipment in their networks. Of that total, filers that appear to initially qualify for reimbursement under the Secure and Trusted Communications Network Act of 2019 report it could require approximately \$1.618 billion to remove and replace such equipment. Other providers of advanced communications service may not have participated in the information collection and yet still be eligible for reimbursement under the terms of that Act.

"It is a top priority of our nation and this Commission to promote the security of our country's communications networks. That's why we sought comprehensive information from U.S. carriers about equipment and services from untrusted vendors that have already been installed in our networks. Today's announcement marks a critical milestone in our ongoing commitment to secure our networks," said FCC Chairman Ajit Pai. "By identifying the presence of insecure equipment and services in our networks, we can now work to ensure that these networks—especially those of small and rural carriers—rely on infrastructure from trusted vendors. I once again strongly urge Congress to appropriate funding to reimburse carriers for replacing any equipment or services determined to be a national security threat so that we can protect our networks and the myriad parts of our economy and society that rely upon them."

The Commission's Wireline Competition Bureau and Office of Economics and Analytics began the information collection in February, requiring eligible telecommunications carriers participating in the Universal Service Fund programs, and their affiliates or subsidiaries, to

report on their use of equipment and services from Huawei and ZTE and provide an estimated cost for replacing them with trusted equipment and services.

The Public Notice and attachment which lists the eligible telecommunications carriers is available at: https://www.fcc.gov/document/fcc-releases-results-supply-chain-data-request

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).