**DA 22-774**

**Released: July 18, 2022**

**WIRELINE COMPETITION BUREAU ANNOUNCES THE GRANT OF APPLICATIONS FOR THE SECURE AND TRUSTED COMMUNICATIONS NETWORKS REIMBURSEMENT PROGRAM**

**WC Docket No. 18-89**

In this Public Notice, the Wireline Competition Bureau (Bureau) announces the approved applications for reimbursement submitted in the Secure and Trusted Communications Networks Reimbursement Program (Reimbursement Program).[[1]](#footnote-3) The funding made available through these approvals will support providers of advanced communications services as they remove potential national security vulnerabilities from their systems.[[2]](#footnote-4)

As directed by the Secure and Trusted Communications Networks Act of 2019, as amended (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.[[3]](#footnote-5) In the *2021 Supply Chain Order*, the Commission 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.[[4]](#footnote-6) To participate in the Reimbursement Program, eligible providers were required to file an FCC Form 5640 Application Request for Funding Allocation during an application window that opened on October 29, 2021, and closed on January 28, 2022,[[5]](#footnote-7) using the Bureau’s dedicated online application filing portal.[[6]](#footnote-8) Each applicant was required to include in its application estimates for the costs that it will reasonably incur for the permanent removal, replacement, and disposal of covered communications equipment and services.[[7]](#footnote-9) A total of 181 applications seeking approximately $5.6 billion in gross program support were filed in the Reimbursement Program.[[8]](#footnote-10)

*Available Funding and Allocation Determinations*. The Reimbursement Program is funded by a $1.9 billion congressional appropriation.[[9]](#footnote-11) Because demand for program support exceeds available funding, the Secure Networks Act requires that the Bureau implement a prioritization scheme that requires funding to be allocated first to approved applicants that have 2,000,000 or fewer customers (Priority 1).[[10]](#footnote-12) After review of the submitted applications, the Bureau has determined that Priority 1 applicants have submitted approximately $4,640,284,672 in cost estimates that are reasonable and supported. Because available funding is substantially less than that amount, the Commission rules require that allocations to Priority 1 applicants be prorated on an equal basis.[[11]](#footnote-13) The pro-rata factor applied to those allocations is approximately 39%.[[12]](#footnote-14) Additional funding made available through denied requests was then distributed to each allocation on a proportional basis, resulting in an adjusted pro-rata factor of approximately 39.5%.[[13]](#footnote-15) The allocations approved for Priority 1 applicants are set forth in the Appendix.

*Reimbursement Claim Requests*. Pursuant to the Commission’s rules, after eligible providers receive funding allocations and incur actual costs, they may begin filing reimbursement claims along with supporting invoices and other cost documentation to draw from their allocations.[[14]](#footnote-16) Each Reimbursement Program recipient must file at least one reimbursement claim to receive a funding disbursement within one year of the approval of its Application Request for Funding Allocation.[[15]](#footnote-17) Consistent with the Secure Networks Act, the Commission’s rules require Reimbursement Program participants to complete the removal, replacement, and disposal process within one year from the initial disbursement of funds.[[16]](#footnote-18) Program recipients may apply for and the Bureau may grant individual extensions of the removal, replacement, and disposal term for a period not to exceed six months on a case-by-case basis once the one-year removal, replacement, and disposal term deadline is established.[[17]](#footnote-19)

*Additional Requirements.* We remind Reimbursement Program participants that the Secure Networks Act requires them to file status updates with the Commission on the work they have done to permanently remove, replace, and dispose of the Huawei and ZTE communications equipment and services in their networks at least once every 90 days, beginning on the date the Bureau approves the recipient’s application for reimbursement and until the recipient files its final certification.[[18]](#footnote-20) We also remind Reimbursement Program applicants that are eligible telecommunications carriers (ETCs) and seek universal service funding that they remain subject to the requirements of section 54.11 of the Commission’s rules, which requires ETCs to certify that they do not use covered communications equipment or services prior to receiving a universal service funding commitment or support.[[19]](#footnote-21)

*Additional Information and Resources.* Applicants with questions 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, including best practices on covered equipment disposal, are available on the Reimbursement Program webpage, <https://www.fcc.gov/supplychain>. All non-confidential filings submitted by participants in the Reimbursement Program are publicly available and searchable in the Public Search database, which is available through the online portal at <https://www.fcc.gov/supplychain>.[[20]](#footnote-22)

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**APPENDIX**

**FCC Secure and Trusted Communications Networks Program**

**Granted Applications for Reimbursement^**

|  |  |  |  |
| --- | --- | --- | --- |
| **Applicant Name** | **Application No.** | **Approved Cost Estimates**  | **Approved Prorated Allocation^^** |
| Advantage Cellular Systems, Inc.**\*** | SCRP0001177 | $3,479,000.31 | $1,375,596.72 |
| Angeles Enterprises | SCRP0001009 | $20,362.50 | $8,051.33 |
| AST Telecom, LLC d/b/a Bluesky | SCRP0001076 | $49,959,592.39 | $19,754,022.83 |
| Beamspeed, L.L.C. | SCRP0001010 | $ 16,478,147.33 | $6,515,459.45 |
| Bestel (USA), Inc. | SCRP0001149 | $6,887,500.00 | $2,723,317.50 |
| Board of Trustees, Northern Michigan University | SCRP0001040 | $45,450,678.91 | $17,971,198.44 |
| Bristol Bay Cellular Partnership\* **+**  | SCRP0001182 | $7,525,541.10 | $2,975,598.95 |
| Carrollton Farmers Cellular, ISD**+** | SCRP0001169 | $6,072,219.89 | $2,400,955.74 |
| Central Louisiana Cellular, LLC | SCRP0001042 | $26,234,044.52 | $10,372,941.20 |
| Commnet Wireless, LLC | SCRP0001026 | $100,374,206.55 | $39,687,961.27 |
| Commnet Wireless, LLC | SCRP0001027 | $129,636,272.77 | $51,258,182.25 |
| Commnet Wireless, LLC | SCRP0001028 | $83,729,599.68 | $33,106,683.71 |
| Commnet Wireless, LLC | SCRP0001029 | $87,597,144.89 | $34,635,911.09 |
| Copper Valley Wireless, LLC | SCRP0001157 | $11,148,318.64 | $4,408,045.19 |
| Country Wireless LLC | SCRP0001017 | $16,081,113.42 | $6,358,472.25 |
| Crystal Broadband Networks**\*** | SCRP0001176 | $28,704.00 | $11,349.56 |
| Eastern Oregon Telecom, LLC | SCRP0001037 | $13,849,385.00 | $5,476,046.83 |
| Eltopia Communications, LLC | SCRP0001167 | $7,741,966.72 | $3,061,173.64 |
| FIF Utah LLC | SCRP0001006 | $2,253,587.48 | $891,068.49 |
| FirstLight Fiber, Inc. | SCRP0001005 | $3,306,644.12 | $1,307,447.09 |
| Flat Wireless, LLC | SCRP0001103 | $76,268,322.53 | $30,156,494.73 |
| Gallatin Wireless Internet, LLC | SCRP0001039 | $3,182,661.99 | $1,258,424.55 |
| Gigsky, Inc. | SCRP0001143 | $3,128,678.00 | $1,237,079.28 |
| Gogo Business Aviation LLC | SCRP0001134 | $333,675,172.50 | $131,935,163.21 |
| Hargray Communications Group, Inc. | SCRP0001101 | $40,479,181.55 | $16,005,468.38 |
| Hotwire Communications, Ltd. | SCRP0001146 | $49,025,795.17 | $19,384,799.41 |
| Hotwire Communications, Ltd. | SCRP0001147 | $46,445,721.98 | $18,364,638.47 |
| Hotwire Communications, Ltd. | SCRP0001148 | $44,762,029.87 | $17,698,906.61 |
| Hunter Communications & Technologies LLC**+** | SCRP0001133 | $7,932,360.00 | $3,136,455.14 |
| IdeaTek Telcom, LLC | SCRP0001139 | $181,899.09 | $71,922.90 |
| Inland Cellular LLC**+** | SCRP0001144 | $432,021.50 | $170,821.30 |
| Interoute US LLC | SCRP0001030 | $4,865,459.55 | $1,923,802.71 |
| James Valley Cooperative Telephone Company | SCRP0001105 | $52,502,055.58 | $20,759,312.78 |
| Kings County Office of Education | SCRP0001142 | $3,137,678.50 | $1,240,638.08 |
| LakeNet LLC | SCRP0001145 | $193,277.04 | $76,421.74 |
| Latam Telecommunications, L.L.C. | SCRP0001168 | $6,479,910.30 | $2,562,156.53 |
| Leaco Rural Telephone Cooperative, Inc. | SCRP0001175 | $1,454,668.49 | $575,175.92 |
| LIGTEL COMMUNICATIONS INC. | SCRP0001155 | $5,041,354.51 | $1,993,351.57 |
| Mark Twain Communications Company | SCRP0001021 | $24,571,915.87 | $9,715,735.53 |
| Mediacom Communications Corporation | SCRP0001140 | $86,001,584.58 | $34,005,026.54 |
| Metro Fibernet, LLC | SCRP0001016 | $7,323,913.73 | $2,895,875.49 |
| MHG Telco LLC | SCRP0001023 | $11,904,136.90 | $4,706,895.73 |
| Millennium Telcom, L.L.C., dba OneSource Communications**+** | SCRP0001152 | $475,534.58 | $188,026.37 |
| Monmouth Telephone & Telegraph | SCRP0001032 | $68,867.00 | $27,230.01 |
| Natural G.C. Inc. | SCRP0001008 | $27,312.50 | $10,799.36 |
| NE Colorado Cellular Inc | SCRP0001113 | $52,375,618.97 | $20,709,319.74 |
| NE Colorado Cellular Inc | SCRP0001106 | $47,480,905.69 | $18,773,950.11 |
| NE Colorado Cellular Inc | SCRP0001107 | $44,389,007.86 | $17,551,413.71 |
| NE Colorado Cellular Inc | SCRP0001108 | $55,591,083.96 | $21,980,714.60 |
| NE Colorado Cellular Inc | SCRP0001109 | $48,493,547.71 | $19,174,348.76 |
| NE Colorado Cellular Inc | SCRP0001110 | $53,367,882.29 | $21,101,660.66 |
| NE Colorado Cellular Inc | SCRP0001111 | $54,617,848.17 | $21,595,897.17 |
| NE Colorado Cellular Inc | SCRP0001114 | $51,872,067.75 | $ 20,510,215.59 |
| NE Colorado Cellular Inc | SCRP0001115 | $50,326,160.70 | $19,898,963.94 |
| NE Colorado Cellular Inc | SCRP0001116 | $53,330,511.94 | $21,086,884.42 |
| NE Colorado Cellular Inc | SCRP0001117 | $45,194,693.96 | $ 17,869,981.99 |
| NE Colorado Cellular Inc | SCRP0001118 | $59,679,686.78 | $23,597,348.15 |
| NE Colorado Cellular Inc | SCRP0001119 | $48,267,791.87 | 19,085,084.91 |
| NE Colorado Cellular Inc | SCRP0001120 | $46,028,760.55 | $18,199,771.92 |
| NE Colorado Cellular Inc | SCRP0001121 | $41,203,489.92 | $16,291,859.91 |
| NE Colorado Cellular Inc | SCRP0001122 | $52,904,887.71 | $ 20,918,592.60 |
| NE Colorado Cellular Inc | SCRP0001123 | $ 49,848,796.25 | $19,710,214.04 |
| NE Colorado Cellular Inc | SCRP0001124 | $48,483,909.64 | $19,170,537.87 |
| NE Colorado Cellular Inc | SCRP0001125 | $43,810,585.34 | $17,322,705.44 |
| NE Colorado Cellular Inc | SCRP0001126 | $52,492,297.46 | $20,755,454.42 |
| NE Colorado Cellular Inc | SCRP0001135 | $ 42,716,934.78 | $ 16,890,276.01 |
| NE Colorado Cellular Inc | SCRP0001141 | $101,361,438.96 | $40,078,312.96 |
| NEMONT TELEPHONE COOPERATIVE INC | SCRP0001084 | $110,812,229.54 | $43,815,155.56 |
| New Wave Net Corp | SCRP0001012 | $2,115,772.38 | $836,576.40 |
| NfinityLink Communications, Inc. | SCRP0001173 | $37,450,154.67 | $14,807,791.16 |
| NTInet, inc | SCRP0001011 | $198,339.79 | $78,423.55 |
| NTUA Wireless, LLC | SCRP0001024 | $88,634,695.49 | $35,046,158.60 |
| NTUA Wireless, LLC | SCRP0001025 | $31,679,117.40 | $12,525,923.02 |
| One Ring Networks, Inc. **+** | SCRP0001001 | $1,630,940.50 | $644,873.87 |
| Panhandle Telecommunication Systems Inc | SCRP0001033 | $17,980,235.99 | $7,109,385.31 |
| Pasadena ISD | SCRP0001014 | $4,158,281.04 | $1,644,184.32 |
| Pine Belt Cellular, Inc. | SCRP0001038 | $68,972,766.73 | $27,271,831.97 |
| Pine Telephone Company | SCRP0001034 | $46,454,618.52 | $18,368,156.16 |
| Pine Telephone Company | SCRP0001035 | $17,058,586.52 | $6,744,965.11 |
| Pine Telephone Company | SCRP0001036 | $16,212,437.06 | $6,410,397.61 |
| Plateau Telecommunications, Incorporated | SCRP0001112 | $29,990,808.91 | $11,858,365.84 |
| PocketiNet Communications Inc. | SCRP0001031 | $6,741,415.15 | $2,665,555.55 |
| Point Broadband Fiber Holding, LLC | SCRP0001128 | $15,780,592.28 | $6,239,646.19 |
| Point Broadband Fiber Holding, LLC | SCRP0001129 | $9,460,722.05 | $3,740,769.50 |
| Point Broadband Fiber Holding, LLC | SCRP0001130 | $9,307,192.62 | $3,680,063.96 |
| Point Broadband Fiber Holding, LLC | SCRP0001131 | $10,175,570.67 | $4,023,420.64 |
| Point Broadband Fiber Holding, LLC | SCRP0001132 | $7,944,881.90 | $3,141,406.30 |
| Premier Holdings LLC | SCRP0001150 | $8,615,747.96 | $3,406,666.74 |
| Puerto Rico Telephone Company, Inc. | SCRP0001162 | $8,821,773.50 | $3,488,129.24 |
| Roome Telecommunications Inc | SCRP0001154 | $67,384.00 | $26,643.63 |
| Santel Communications Cooperative, Inc. | SCRP0001151 | $1,979,103.11 | $782,537.37 |
| SI Wireless, LLC**+** | SCRP0001013 | $181,087,825.81 | $71,602,126.33 |
| Skybeam, LLC | SCRP0001156 | $7,460,923.50 | $2,950,049.15 |
| Skybeam, LLC | SCRP0001158 | $39,806,824.01 | $15,739,618.21 |
| Skybeam, LLC | SCRP0001159 | $10,594,616.18 | $4,189,111.24 |
| Skybeam, LLC | SCRP0001161 | $30,186,587.73 | $11,935,776.79 |
| South Canaan Telephone Company | SCRP0001099 | $541,876.00 | $214,257.77 |
| Southern Ohio Communication Services Inc | SCRP0001019 | $1,312,845.76 | $519,099.21 |
| Stealth Communications | SCRP0001138 | $193,379,253.12 | $76,462,156.68 |
| TelAlaska Cellular, Inc. | SCRP0001160 | $26,465,813.89 | $10,464,582.81 |
| Texas 10, LLC | SCRP0001041 | $29,088,794.55 | $11,501,709.37 |
| TRANSTELCO INC. | SCRP0001170 | $25,573,213.00 | $10,111,648.42 |
| Triangle Communication Systems Inc | SCRP0001048 | $2,779,370.61 | $1,098,963.14 |
| Triangle Telephone Cooperative Association, Inc. | SCRP0001046 | $18,223,023.34 | $7,205,383.43 |
| Trinity Basin Preparatory, Inc. **+** | SCRP0001002 | $370,828.50 | $146,625.59 |
| Union Telephone Company | SCRP0001087 | $108,594,104.21 | $42,938,108.80 |
| Union Telephone Company | SCRP0001089 | $117,494,348.57 | $46,457,265.42 |
| Union Telephone Company | SCRP0001090 | $110,028,722.23 | $43,505,356.77 |
| Union Telephone Company | SCRP0001092 | $129,435,760.71 | $51,178,899.78 |
| Union Telephone Company | SCRP0001096 | $106,163,447.53 | $41,977,027.15 |
| Union Telephone Company | SCRP0001098 | $95,557,686.29 | $37,783,509.16 |
| United Wireless Communications, Inc. | SCRP0001104 | $ 133,419,981.89 | $ 52,754,260.84 |
| University of San Francisco | SCRP0001172 | $1,543,770.20 | $ 610,406.74 |
| Utah Telecommunication Open Infrastructure Agency | SCRP0001102 | $1,619,250.00 | $640,251.45 |
| Velocity Communications, Inc. | SCRP0001136 | $2,901,140.20 | $1,147,110.84 |
| Virginia Everywhere, LLC | SCRP0001022 | $561,328.45 | $221,949.27 |
| Vitelcom Cellular, Inc. d/b/a Viya Wireless | SCRP0001020 | $2,939,288.71 | $1,162,194.76 |
| VTel Wireless, Inc. **\*** | SCRP0001178 | $203,750.12 | $80,562.80 |
| Waxahachie ISD | SCRP0001153 | $450,646.00 | $178,185.43 |
| Waxahachie, City of | SCRP0001100 | $97,300.00 | $38,472.42 |
| Webformix Internet Company | SCRP0001003 | $22,400.00 | $8,856.96 |
| Windstream Communications LLC | SCRP0001004 | $118,271,652.23 | $46,764,611.29 |
| Windy City Cellular | SCRP0001015 | $5,562,067.35 | $2,199,241.43 |
| WorldCell Soutions, LLC | SCRP0001137 | $12,289,572.77 | $4,859,297.07 |
| Xtreme Enterprises LLC**+** | SCRP0001171 | $1,306,370.37 | $516,538.84 |
| Zito West Holding, LLC | SCRP0001049 | $1,453,468.50 | $574,701.44 |

**^** We find good cause to grant a waiver of the application filing deadline, *see* 47 CFR § 1.50004(b), for the application filed by Commsell (File No. SCRP0001180). We find that Commsell was unable to submit its application by the January 28, 2022 deadline due to technical difficulties with the SCRP Portal beyond its control and ensured that its application was filed within a reasonable period after the close of the filing window. *See Requests for Waiver and Review of Decisions of the Universal Service Administrator by Abbotsford School District et al.; Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Order, 27 FCC Rcd 15299, 15300, para. 2 (WCB 2012). However, after review of the submission, Commsell’s application was denied as ineligible for support from the Reimbursement Program. We deny the waiver request submitted by Xiber, LLC (“Xiber”) for a waiver of the application filing deadline. We find that Xiber has failed to present special circumstances that justify a waiver. *See* *Northeast Cellular Tel. Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990). Unlike the applicants for which we granted waivers of the filing deadline, Xiber failed to make reasonable efforts to comply with the filing deadline, and having failed to do so, also failed to make reasonable, good faith efforts to submit its application within a reasonable period after the close of the filing window, despite outreach from the Fund Administrator concerning the need to submit its application promptly. Therefore, we deny its request for a waiver.

**^^** The allocations in this column reflect an approximate 39% pro-rata factor and the applicant’s proportional share of additional funding made available through denied requests, resulting in an adjusted proration of approximately 39.5%.

**+** We find good cause to grant the foregoing applicants a waiver of the application filing deadline, *see* 47 CFR § 1.50004(b), to allow them to amend their applications to correct ministerial and clerical errors.

**\*** We find good cause to grant a waiver of the application filing deadline, *see* 47 CFR § 1.50004(b), for the foregoing applicants that were unable to submit their applications by the January 28, 2022 deadline due to technical difficulties with the SCRP Portal beyond their control and ensured that their applications were filed within a reasonable period after the close of the filing window.

1. Approved funding allocations are listed by applicant and application number in the Appendix. The Wireline Competition Bureau has issued decision letters to applicants that set forth the bases for any denied or reduced cost estimates within a particular application. [↑](#footnote-ref-3)
2. *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, 14285, para. 2 (2020) (*2020 Supply Chain Order*). [↑](#footnote-ref-4)
3. 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. §§ 1601–09). The Commission implemented the Secure Networks Act on December 10, 2020. *2020 Supply Chain Order*, 35 FCC Rcd 14284. 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 Security Threats to the Communications Supply Chain Through FCC Programs*, WC Docket No. 18-89, Third Report and Order, 36 FCC Rcd 11958, 11959, Appx. A (July 13, 2021) (*2021 Supply Chain Order*). [↑](#footnote-ref-5)
4. *2021 Supply Chain Order*, 36 FCC Rcd at 11965, Appx. A; *see also 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*). [↑](#footnote-ref-6)
5. 47 CFR § 1.50004(c); *see also Wireline Competition Bureau Announces Application Filing Window for the Secure and Trusted Communications Networks Reimbursement Program – Filing Window Opens October 29, 2021*, WC Docket No. 18-89, Public Notice, DA 21-1207 (WCB rel. Sept. 27, 2021); *Protecting against National Security Threats to the Communications Supply Chain Through FCC Programs, Motion for Extension of Time of the Rural Wireless Association, Inc. and NTCA – The Rural Broadband Association*, WC Docket No. 18-89, Order, DA 22-131 (WCB rel. Feb. 9, 2022). [↑](#footnote-ref-7)
6. *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 \*6, para. 18 (WCB Aug. 3, 2021) (*Finalized Reimbursement Process Public Notice*). [↑](#footnote-ref-8)
7. 47 CFR § 1.50004(c)(1)(i). [↑](#footnote-ref-9)
8. *Wireline Competition Bureau Announces Applications Filed for the Secure and Trusted Communications Networks Reimbursement Program*, WC Docket No. 18-89, Public Notice, DA 22-131 (WCB rel. Feb. 9, 2022). As a result of the review of the applications submitted in the Reimbursement Program by the Fund Administrator and the Bureau, gross demand for the program was ultimately reduced to approximately $5.26 billion. [↑](#footnote-ref-10)
9. 47 U.S.C. § 1603(k) (“In carrying out [the Reimbursement Program], the Commission may not expend more than $1,900,000,000.”). [↑](#footnote-ref-11)
10. *See* 47 U.S.C. § 1603(d)(5)(C). All approved applicants fall into Priority 1 except Level 3 Communications, L.L.C. (Level 3), which filed 45 separate applications requesting funding from the Reimbursement Program. Level 3 identified Lumen Technologies, Inc. as its real-party-in-interest and indicated it has more than 2 million customers. *See* 47 U.S.C. § 1608(6) (“The term ‘customers’ means, with respect to a provider of advanced communications service – (A) the customers of such provider; and (B) the customers of any affiliate . . . of such provider.”). As such, it falls within the third tier of Congress’s prioritization scheme. *See* 47 U.S.C. § 1603(d)(5)(C)(iii). For this reason, Level 3’s applications are denied due to lack of funding. *See* 47 CFR § 1.50004(f)(1) (“Requests for funds in subsequent prioritization categories will be denied due to lack of available funding.”). [↑](#footnote-ref-12)
11. The Commission’s rules provide that “[i]f there is insufficient funding to fully fund all requests in a particular prioritization category, then the [Bureau] will pro-rate the available funding among all eligible providers in that prioritization category.” 47 CFR § 1.50004(f)(1); *see also* 47 U.S.C. § 1603(d)(5)(A) (“[T]he Commission shall make reasonable efforts to ensure that reimbursement funds are distributed equitably among all applicants for reimbursements under the Program according to the needs of the applicants, as identified by the applications of the applicants.”). [↑](#footnote-ref-13)
12. As required by the Commission’s rules, the pro-rata factor was determined by dividing available funding by Priority 1 demand. 47 CFR § 1.50004(f)(2)(i). Available funding was determined by deducting approximately $62,049,300 in expected program administration expenses from the $1.9 billion congressional appropriation, Consolidated Appropriations Act, 2021 Sec. 906 (appropriating funds for the Commission to “carry out” the provisions of the Secure Networks Act, of which $1,895,000,000 must be used to “carry out” the Reimbursement Program); 47 U.S.C. § 1603(k) (stating that the Commission may not expend more than $1.9 billion to “carry out” the Reimbursement Program), and Priority 1 demand for eligible requests is approximately $4,710,940,177. [↑](#footnote-ref-14)
13. 47 C.F.R. § 1.50004(f)(1) (requiring the Bureau to “issue full funding allocations for all eligible providers in the Priority 1 prioritization category before issuing funding allocations in any subsequent prioritization categories”). [↑](#footnote-ref-15)
14. *See* *id.* § 1.50004(g); *2020 Supply Chain Order*, 35 FCC Rcd at 14353, para. 165. [↑](#footnote-ref-16)
15. 47 CFR § 1.50004(g)(1). [↑](#footnote-ref-17)
16. *2020 Supply Chain Order*, 35 FCC Rcd at 14354, para. 169 (establishing a one-year timeline for removal, replacement, and disposal). The initial disbursement is deemed to occur on the date on which the Commission first distributes reimbursement funds to the recipient. *Id.* (establishing a one-year timeline for removal, replacement, and disposal). [↑](#footnote-ref-18)
17. *2020 Supply Chain Order*, 35 FCC Rcd at 14354-55, para. 171. The general extension provision authorizes the Commission to issue *sua sponte* a one-time six-month extension to all program recipients. 47 U.S.C. § 1603(d)(6)(B); *see also* *2020 Supply Chain Order*, 35 FCC Rcd at 14355, para. 172. The Commission has interpreted the Secure Networks Act to allow grant of multiple individual extensions of time to a participant. *2020 Supply Chain Order*, 35 FCC Rcd at 14355, para. 173. [↑](#footnote-ref-19)
18. 47 U.S.C. § 1603(d)(8)(A). Additionally, Reimbursement Program recipients must file spending reports beginning with the initial disbursement of funds to the recipient and terminating once the recipient has filed its final spending report showing the expenditure of all funds received as compared to the estimated costs submitted. 47 CFR § 1.50004(l); *2020 Supply Chain Order*, 35 FCC Rcd at 14359-60, paras. 186-89. Within 10 days following the expiration of the removal, replacement, and disposal term, recipients must file a final certification with the Commission. 47 U.S.C. § 1603(e)(4)(A); 47 CFR § 1.50004(m)(1). Pursuant to the Secure Networks Act and the *2020 Supply Chain Order*,if an applicant’s final certification indicates that it has not fully complied with all terms of program participation, the applicant must file an updated final certification “when the recipient has fully complied.” *See* 47 U.S.C. § 1603(e)(4)(B); 47 CFR § 1.50004(m)(2); *2020 Supply Chain Order*, 35 FCC Rcd at 14360, para. 190. [↑](#footnote-ref-20)
19. 47 CFR § 54.11. This certification requirement goes into effect in February 2023. *Id.* at § 54.11(c). Reimbursement Program recipients are not subject to this certification requirement “until after the expiration of their corresponding removal, replacement, and disposal term.” *Id*. § 54.11(d). [↑](#footnote-ref-21)
20. 47 U.S.C. § 1603(d)(8); *2020 Supply Chain Order*, 35 FCC Rcd at 14370, para. 215. [↑](#footnote-ref-22)