In the Matter of
Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs WC Docket No. 18-89

COMMENTS OF NTCA–THE RURAL BROADBAND ASSOCIATION

NTCA–The Rural Broadband Association (“NTCA”)¹ hereby submits these comments in response to the Public Notice released by the Federal Communications Commission (“Commission”) in the above-referenced proceeding.² In the Notice, the Commission seeks comment on the Supply Chain Reimbursement Program Study (“Study”) and a preliminary Catalog of Eligible Expenses and Estimated Costs (“Cost Catalog”), including a preliminary List of Categories of Suggested Replacement Equipment and Services (“Replacement List”), which were included in the Notice. As the Commission noted, these documents are intended to assist providers with the removal and replacement of equipment and services deemed a threat to national security by identifying potential replacements as well as defined replacement costs.

¹ NTCA represents approximately 850 independent, community-based companies and cooperatives that provide advanced communications services in rural America and more than 400 other firms that support or are themselves engaged in the provision of such services.

NTCA welcomes the guidance offered by the Study and the Replacement List but requests that the Commission include a statement in the Replacement List and, as needed, Commission rules that specifically allows providers to replace covered equipment or services with any equipment or technology that is capable of providing advanced communications services. Specifically, NTCA encourages the Commission to make clear that while providers must remove and dispose of all covered equipment, these same providers can choose the equipment and technology to install in their networks. Thus, for example, a provider of fixed wireless services could choose to replace covered fixed wireless equipment with a fiber network solution. Such a result is consistent with the framework established by the Commission in this proceeding whereby the Commission recognized that “investing money on outdated and soon-to-be decommissioned equipment is of little benefit and an inefficient and wasteful use of Federal support.”

To the extent, however, that a provider chooses to install a different type of equipment than the type currently residing in the provider’s network and the new equipment costs more to purchase and/or install than an up to date version of the equipment being replaced, the provider should remain eligible for reimbursement up to the full amount that would have been allowed pursuant to the Cost Catalog, or that can be demonstrated by the provider as necessary, for an updated version of the same type of equipment that was removed. The provider would then be responsible only for bearing any cost above the reimbursement amount.

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3 Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs, Second Report and Order, WC Docket No. 18-89 (Dec. 11, 2020), ¶ 126 ("Second Report and Order").

4 Indeed, the Commission’s Second Report and Order seems to anticipate and allow for this possibility. See Id.
Allowing for reimbursement of equipment that is different from the type being removed, but which continues to offer advanced communications capabilities, not only aligns with the Commission’s policies in the Second Report and Order, but also makes good economic sense both for the provider and the use of limited Federal funds. In this scenario, replacing the fixed wireless equipment with 5G ready equipment of the same type, only for the provider to then remove the new equipment in a few years and replace it with fiber (if that is ultimately what the provider believes to be the best means of delivering advanced communications services in an area) would be inefficient and disruptive for consumers and providers alike.

Based on the foregoing, NTCA encourages the Commission to state expressly that providers do not need to replace covered equipment with the same type of equipment to be eligible for reimbursement, but rather, can choose the type of equipment that best fits their needs. Any costs above those deemed necessary either through the Cost Catalog or through other methods demonstrated by the provider and approved by the Commission for purchasing and installing the same type of equipment would then be the responsibility of the provider.

Respectfully submitted,

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