



November 15, 2023

Ex Parte Notice

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
45 L Street, N.E.
Washington, D.C., 20554

RE: WC Docket No 18-89, *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*

Dear Ms. Dortch:

NTCA–The Rural Broadband Association (“NTCA”) submits this correspondence in support of the concerns raised in *ex parte* letters filed in the above referenced proceeding by the Competitive Carrier Association (“CCA”) on November 1, 2023¹ and the Rural Wireless Association (“RWA”) on November 10, 2023.² Like CCA and RWA, NTCA members are participating in the FCC’s Secure and Trusted Communications Networks Reimbursement Program (“Reimbursement Program”) and they are encountering comparable challenges relating to its administration.

NTCA specifically requests that the Federal Communications Commission (the “Commission”) address the following:

- Excessive delays for invoice approval and reimbursement for completed work. While NTCA appreciates that the Fund Administrator may be addressing staffing shortages, participants in the Reimbursement Program continue to experience excessive delays in getting invoices approved and additional delays for receiving reimbursements. The delays could force some participants to seek effective bridge financing that impose unnecessary and inefficient transactional costs and interest expenses. Even as the Fund Administrator might attempt to ramp up to help mitigate such concerns, the Commission should take interim steps now to address the long reimbursement process, including consideration of coverage of expenses associated with loans required due to delays in payment processing by the Fund Administrator.
- Modification approval is lengthy and halts all reimbursement. Participants report problems associated with modifications. Not only is the modification approval process lengthy, but a modification request locks an entire application, halting the process of reimbursement of other submitted invoices unrelated to the modification. Excessive delays are reported even in situations where the participant seeks modification approval to reduce its reimbursement from the initial cost estimate, or when modifications are required due to minor changes

¹ *Ex parte* notice, Angela Simpson, Senior Vice President & General Counsel, CCA, WC Docket No. 18-89 (filed Nov. 1, 2023).

² *Ex parte* notice, Carri Bennet, General Counsel, RWA, WC Docket No. 18-89 (filed Nov. 10, 2023).

unrelated to cost estimates. The process should be revised such that modifications are processed expeditiously and so that minor modifications do not lock an application.

- Minor discrepancies trigger further investigation. Participants report receiving Requests for Information (“RFIs”) for minor discrepancies – including for less than \$1.00. Participants are required to respond to these RFIs, spending time and resources for *de minimis* rounding errors within invoices for millions of dollars. Rather than waste the resources of the Fund Administrator and the participant, immaterial rounding errors should not flag further investigation.

Unforeseen delays in the Reimbursement Program are making it difficult for participants to complete the required work within the one-year timeline. This not only lengthens the amount of time that insecure equipment remains in operation, but it also costs participants significant resources. As RWA states, “[s]hifting the burden of the costs associated with the time and expense of the Reimbursement Program onto the backs of small rural carriers is not in the public interest and risks harming consumers who may find themselves without network coverage.”³ NTCA urges the Commission to engage in more active management of the Fund Administrator and to develop mitigation strategies to address these challenges in program administration.

This letter is being filed electronically in the above-referenced docket pursuant to Section 1.1206 of the Commission’s rules.

Please direct any questions regarding this matter to the undersigned,

Respectfully submitted,



By: /s/ Jill Canfield
Jill Canfield
General Counsel, VP of Policy

cc: Ramesh Nagarajan, Office of Chairwoman Rosenworcel
Greg Watson, Office of Commissioner Carr
Justin Faulb, Office of Commissioner Starks
Marco Peraza, Office of Commissioner Simington
Hayley Steffen, Office of Commissioner Gomez
Elizabeth Drogula, Associate Bureau Chief, Wireline Competition Bureau
Matthew Collins, Deputy Division Chief of the Competition Policy Division
Ty Covey, Attorney, Wireline Competition Bureau

³ RWA *Ex Parte*, p. 2.