

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Protecting Against National Security Threats to the)	
Communications Supply Chain Through FCC)	WC Docket No. 18-89
Programs)	
Denial of Application Request of PTA-FLA, Inc.)	
for Funding Allocation for Participation in Secure)	SCRP Participant ID: SCRPO001018
and Trusted Communications Networks)	
Reimbursement Program (SCRP))	File No. SCRPO01018-AM001

PETITION FOR RECONSIDERATION

PTA-FLA, Inc. (“PTA-FLA”), by its attorneys, and pursuant to Section 1.106 of the rules and regulations of the Federal Communications Commission (“FCC” or “Commission”) hereby requests reconsideration of a decision of the FCC’s Wireline Competition Bureau (“Bureau”) to deny the above-referenced Application Request for Funding Allocation (“Application”) filed by PTA-FLA on January 23, 2022 and amended on May 17, 2022.¹ As discussed below, the Bureau’s determination that PTA-FLA is ineligible to participate in the Secure and Trusted Communications Networks Reimbursement Program (“SCRP” or “Reimbursement Program”) because it does not qualify as a provider of advanced communications services is in error, and the Application should therefore be reinstated, processed and granted.

I. The FCC Erred in Concluding that PTA-FLA Was Not Eligible and Failed to Address PTA-FLA’s Demonstration of Eligibility Through its Affiliates.

The FCC erred in denying the Application. The Denial Email states that the Application was denied because “Based on the information contained in your application, we have

¹ The Application was denied by email of July 15, 2022 from IT Service Desk to Leslie Williams and Ellen Diemer (“Denial Email”). A copy of the Denial Email is attached hereto as Exhibit 1.

determined that you are ineligible to participate in the SCRP because you do not qualify as a provider of advanced communications services with 10 million or fewer customers as defined under the Commission’s rules.” However, the Application contains information demonstrating that PTA-FLA, through its affiliates, Rural Connect, LLC (“Rural Connect”), SI Wireless, LLC (“SI Wireless”) and Gallatin Wireless, LLC (“Gallatin”), qualified as a provider of advanced communications services with 10 million or fewer customers. Accordingly, the Denial Email’s conclusion that “Applicant ceased network operations in 2014 and is thus no longer considered a provider for purposes of the SCRP” is incorrect.

Rural Connect and Gallatin are affiliates of PTA-FLA, through the cognizable ownership interest held by Eric Steinmann in each entity, while SI Wireless is an affiliate of PTA-FLA through the cognizable ownership interest held by Leslie Williams in each entity.² While PTA-FLA was not providing advanced communications service directly to customers on January 23, 2022, the date it filed its FCC Form 5640, its affiliates, Rural Connect, Gallatin, and SI Wireless had deployed covered Huawei or ZTE equipment.³ to provide advanced communications service to customers on that date.⁴ Pursuant to Section 1.50004 of the Commission’s Rules, “Providers of advanced communications service with ten million or fewer customers are eligible to participate in the Reimbursement Program.” The FCC defines “customers” as “those taking

² A chart depicting the ownership of PTA-FLA, Rural Connect, SI Wireless, and Gallatin is attached to the Application.

³ Rural Connect uses ZTE equipment owned by PTA-FLA. SI Wireless deployed Huawei equipment owned by PTA-FLA as well as additional Huawei equipment purchased directly from Huawei. Gallatin had Huawei equipment that it owned.

⁴ As discussed in the Application, PTA-FLA purchased the covered equipment in its own name and, because the invoices documenting such purchase were in its name, filed the Application under its name rather than under the name of the affiliate that was providing advanced communications service to customers. PTA-FLA had been advised by its consultant to file under its own name because the invoices and contracts with Huawei and ZTE were with PTA-FLA and filing as PTA-FLA would allow for ease in processing the eventual requests for disbursement of funds.

advanced communications service from the provider *and/or* its affiliate.”⁵ Accordingly, through its affiliates, PTA-FLA was providing advanced communications service to customers on January 23, 2022 – two of which had deployed PTA-FLA’s equipment in their respective networks -- and was therefore an advanced communications service provider on that date, and thus eligible to participate in the Reimbursement Program.⁶

Information regarding PTA-FLA’s affiliates was provided in the Application, but the Denial Email’s summary two-sentence conclusion that PTA-FLA was ineligible because *PTA-FLA itself* was not providing advanced communications service on January 23, 2022, failed to address the fact that its affiliates, Rural Connect, SI Wireless, and Gallatin were providing advanced communications services to customers on that date and in two instances had deployed PTA-FLA’s covered equipment.

⁵ *Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs*, WC Docket No. 18-89, Third Report and Order, rel. July 14, 2021 (“Third Report and Order”), at par. 15 (emphasis added).

⁶ PTA-FLA was providing advanced communications service using covered Huawei and ZTE equipment up through 2014. In 2014, PTA-FLA discontinued its provision of advanced communications service, transferring its customers and covered equipment to various affiliates. While continuing to provide advanced communications service through its affiliate Rural Connect, PTA-FLA also maintained and continues to maintain ZTE equipment on 41 towers previously used by PTA-FLA for commercial mobile radio service in Tennessee. PTA-FLA also has covered equipment in warehouses in Tennessee and South Carolina. PTA-FLA has Huawei equipment deployed on sites that were part of a mobile network consisting of 122 sites in South Carolina. All this equipment awaits execution of PTA-FLA’s planned relaunch of advanced communications service. Specifically, PTA-FLA has entered into agreements with participants in FCC spectrum auctions to provide service in areas where they successfully acquire spectrum and has met with senior state officials responsible for delivering broadband in unserved areas in anticipation of PTA-FLA’s relaunch of service. PTA-FLA is currently working to launch an advanced communications service network in Tennessee on spectrum leased from Blue Ridge Wireless, LLC. If PTA-FLA’s application is not granted, it will commence service using Huawei and ZTE equipment and/or sell the equipment to third parties.

II. Reversing the Denial Email and Finding that PTA-FLA is Eligible for Reimbursement is Consistent with the Purpose of the SCRP and Serves the Public Interest.

The Commission is well aware of the danger that continued deployment of Huawei and ZTE equipment in U.S. telecommunications networks poses to national security. Indeed, the need to address this danger was the reason for the creation of the SCRP. Granting PTA-FLA eligibility status in the SCRP will make it feasible for PTA-FLA to replace and destroy its equipment and equipment utilized (but not owned by) its affiliates, Rural Connect and SI Wireless ensuring that such equipment is no longer deployed in the United States.⁷

By contrast, allowing the Denial Email to stand will jeopardize national security. Covered Huawei and ZTE equipment is currently utilized in the Rural Connect, Gallatin, and SI Wireless networks, attached on PTA-FLA towers, and stored in warehouses. Should the Commission deny the instant petition, it will allow for continued operation of the covered equipment by Rural Connect, redeployment by PTA-FLA, or resale for third party use. Such a result is clearly inconsistent with the intent of the SCRP and threatens harm to the public. PTA-FLA will also be entitled to use additional Huawei and ZTE equipment as it will not be bound by the restrictions of the SCRP. The Federal Bureau of Investigation has determined that Huawei equipment currently attached to towers near U.S. military bases in portions of rural areas in several western states (Montana, Colorado, Wyoming and Nebraska) is capable of capturing and disrupting highly restricted Defense Department communications, including those used by U.S.

⁷ To be clear, both Gallatin and SI Wireless purchased and deployed covered equipment of their own in addition to SI Wireless deploying covered equipment purchased by PTA-FLA. SI Wireless and Gallatin filed separate applications under the Reimbursement Program which do not include equipment purchased by PTA-FLA and deployed by SI Wireless. Rural Connect did not purchase any covered equipment. Rural Connect did deploy ZTE equipment purchased by PTA-FLA. The information submitted under the FCC's Reimbursement Program by Gallatin and SI Wireless did not include the covered equipment purchased by PTA-FLA.

Strategic Command, which oversees the country's nuclear weapons.⁸ There are numerous military bases and installations in PTA-FLA's service area including Ft. Jackson, McEntire Air Base, and Shaw Air Base in and around Columbia, South Carolina; and Milan Army Munition Plant outside of Jackson, Tennessee. Attached are maps depicting the cell site locations and coverage of the former PTA-FLA service⁹ that are capable of serving these highly sensitive military defense areas.

III. In the Alternative, the FCC Should Open Up Another Reimbursement Filing Window.

In the event the FCC affirms the Denial Email, it should open a new filing window. Section 1.50004(b) of the Commission's rules gives the Bureau the authority to "implement additional filing windows as necessary" and Congress in the Secure and Trusted Communications Networks Act contemplated multiple filing windows to allow denied applicants an opportunity to resubmit an application at a later date.¹⁰

Opening an additional filing window would give PTA-FLA and other similarly situated applicants an opportunity to apply for funding to remove, replace, and destroy Huawei and ZTE equipment that poses substantial national security risks as outlined above. Affording PTA-FLA such an opportunity clearly serves the public interest as opening a second window would give PTA-FLA the opportunity to ensure its eligibility by recommencing the provision of advanced communications service itself, rather than through an affiliate.

⁸ *CNN Exclusive: FBI Investigation Determined Chinese-Made Huawei Equipment Could Disrupt US Nuclear Arsenal Communications*, [CNN Exclusive: FBI investigation determined Chinese-made Huawei equipment could disrupt US nuclear arsenal communications - CNNPolitics](#), last updated July 25, 2022.

⁹ While the maps depict the service formerly provided by PTA-FLA, the coverage area depicted in the Tennessee maps largely duplicates the current coverage of Rural Connect.

¹⁰ See 47 U.S.C. § 1603(d)(3)(C) ("Denial of an application for a reimbursement under the Program shall not preclude the applicant from resubmitting the application or *submitting a new application for a reimbursement under the Program at a later date.*") (emphasis added). See also 47 C.F.R. § 1.50004(d)(2) ("Denial of an application shall not preclude the applicant from submitting a new application for reimbursement in a subsequent filing window.").

There are no impediments to opening a new filing window. Any allocated funds that are left unclaimed by recipients in the first filing window “will revert automatically to the Reimbursement Program for reallocation to other participants pursuant to a future filing window.”¹¹ There is currently \$1.895 billion available for the Reimbursement Program.¹² While the FCC has recently announced pro rata allocations which total approximately \$1.834 billion,¹³ this still leaves about \$62 million available for disbursement through a second window. Accordingly, even after accounting for administrative expenses, the FCC should have sufficient funds leftover to open an additional filing window, allowing PTA-FLA and other similarly situated applicants to apply for funds to remove, replace, and destroy their Huawei and ZTE equipment that will continue to pose a national security threat if left unattended. It is also possible that funds may go unused by current eligible and approved applicants that could be repurposed to fund applicants in a second window.

¹¹ See *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, para. 168 (2020).

¹² *Wireline Competition Bureau Announces the Grant of Application for the Secure and Trusted Communications Networks Reimbursement Program*, WC Docket No. 18-89, Public Notice (released Jul. 18, 2022), <https://docs.fcc.gov/public/attachments/DA-22-774A1.pdf>.

¹³ *Id.*

For the foregoing reasons, PTA-FLA requests that the Bureau reverse its findings in the Denial Email and grant the Application to allow PTA-FLA to seek reimbursement from the SCRP. In the alternative, PTA-FLA requests that the Bureau open a second reimbursement filing window.

Respectfully submitted,

PTA-FLA, INC.

By: /s/ Caressa D. Bennet
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Michael R. Bennet
Stephen Sharbaugh
Womble Bond Dickinson (US) LLP
2001 K Street, NW, Suite 400 South
Washington, DC 20006
(202) 467-6900

Its Attorneys

Date: August 15, 2022

Exhibit 1

----- Original Message -----

Subject: Denial of Application Request for Funding Allocation for Participation in Secure and Trusted Communications Networks Reimbursement Program (SCRP)

Date: 2022-07-15 3:20 pm

From: IT Service Desk <fccprod@servicenowservices.com>

To: Kiah.Warden.CTR@fcc.gov, leslie.williams@siwirelessllc.com, ellendiemer@gmail.com

Dear Secure and Trusted Communications Networks Reimbursement Program (SCRP) Applicant,

The FCC SCRП Team has reviewed the Application Request for Funding Allocation filed by the SCRП Applicant identified below and, after providing the statutorily required 15-day Opportunity to Cure, has DENIED the application for the reasons provided below.

SCRП Participant Name: PTA-FLA, Inc.

SCRП Participant ID: SCRП0001018

FCC Form 5640 Application Request for Funding Allocation

File No.: SCRП0001018-AM001

Reason(s) for Denial: Based on the information contained in your application, we have determined that you are ineligible to participate in the SCRП because you do not qualify as a provider of advanced communications services with 10 million or fewer customers as defined under the Commission's rules. 47 CFR §§ 1.50001(a), 1.50004(a). Specifically, Applicant ceased network operations in 2014 and is thus no longer considered a provider for purposes of the SCRП.

You are receiving this email because you are listed as the contact for the SCRП Participant. If you have any questions, please contact the Fund Administrator Help Desk at SCRПFundAdmin@fcc.gov or at (202) 418-7540.

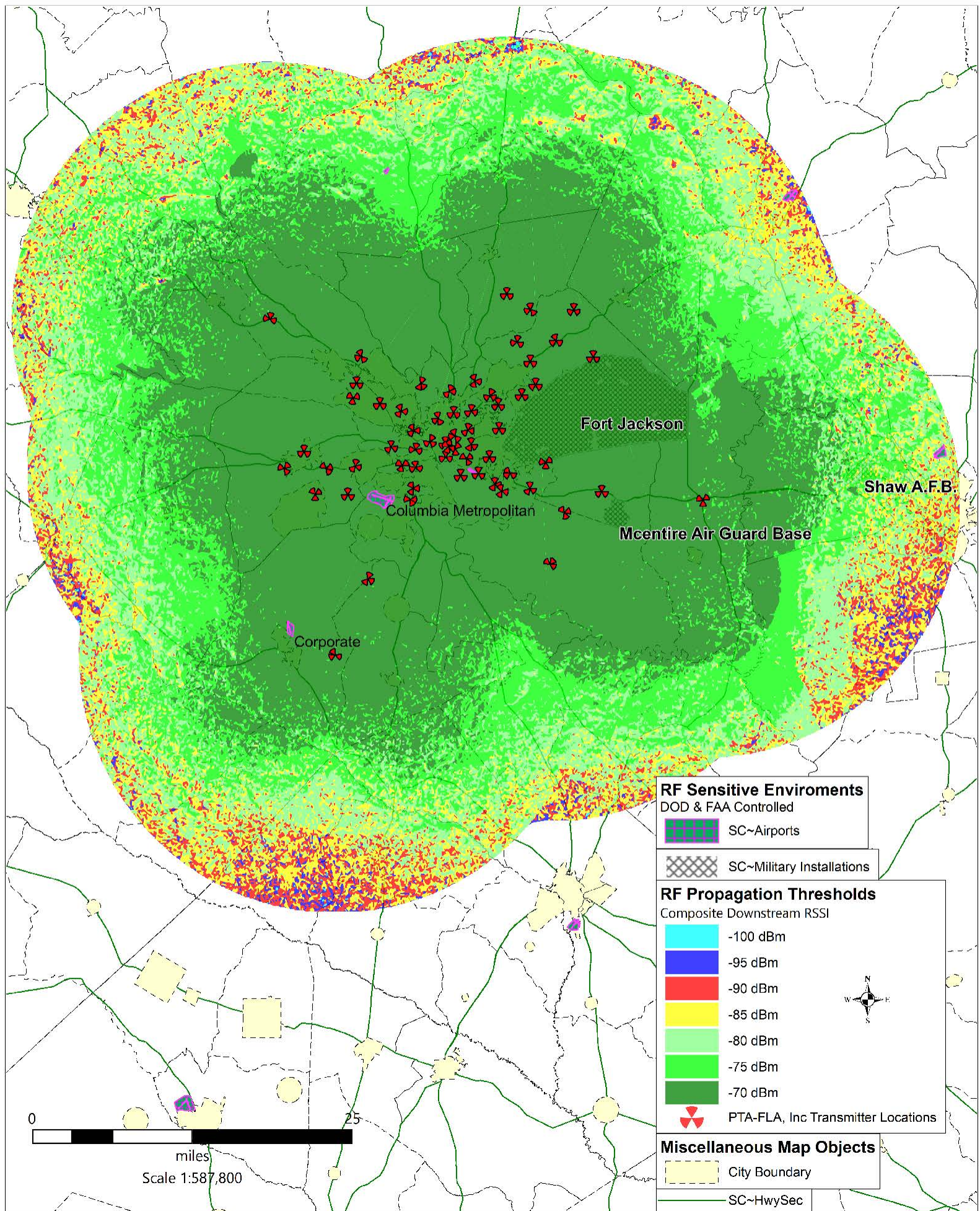
Sincerely,

FCC SCRП Team
Wireline Competition Bureau
Federal Communications Commission

Ref:MSG9507827

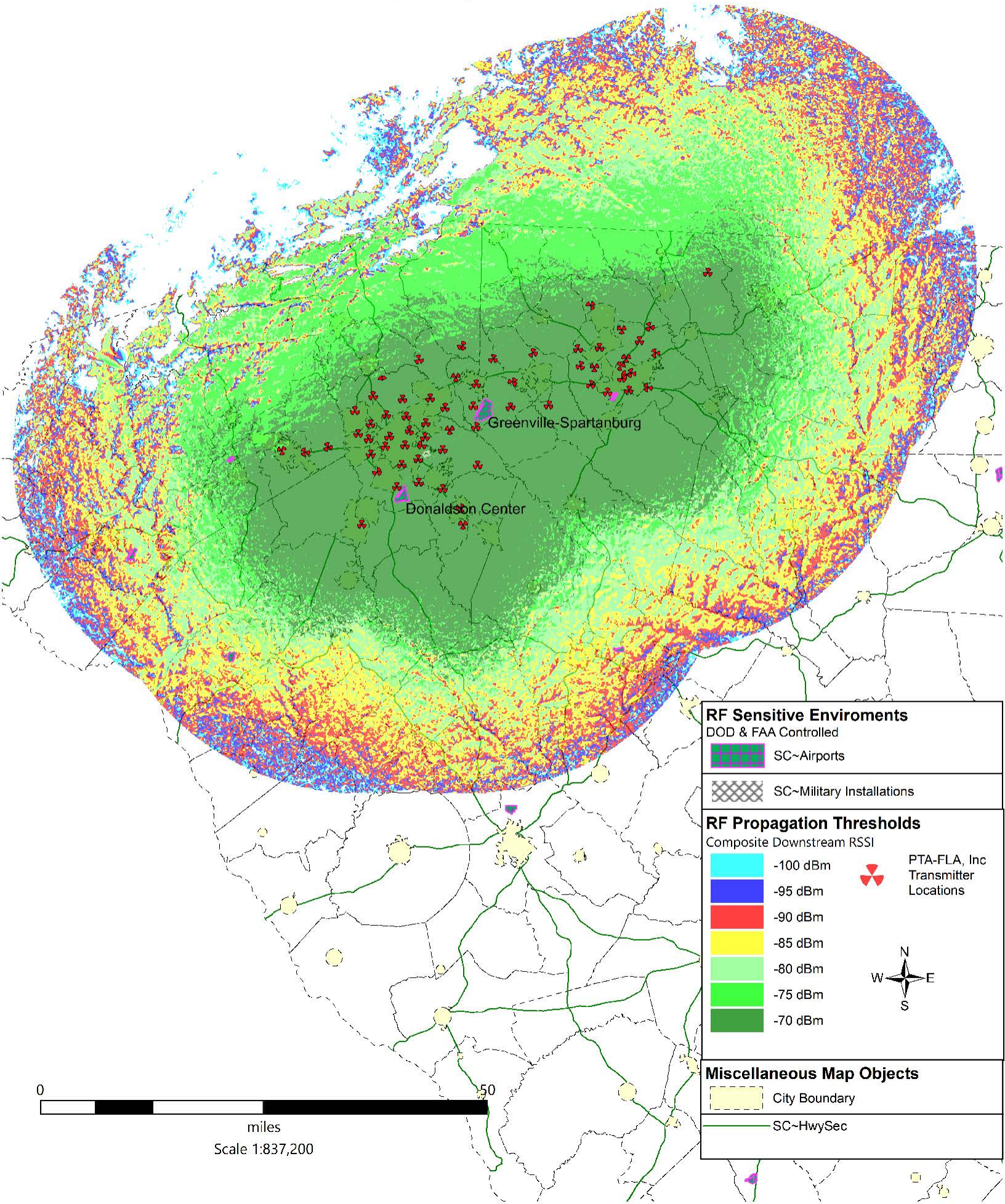
PTA-FLA, Inc. BEA 24

Columbia, South Carolina



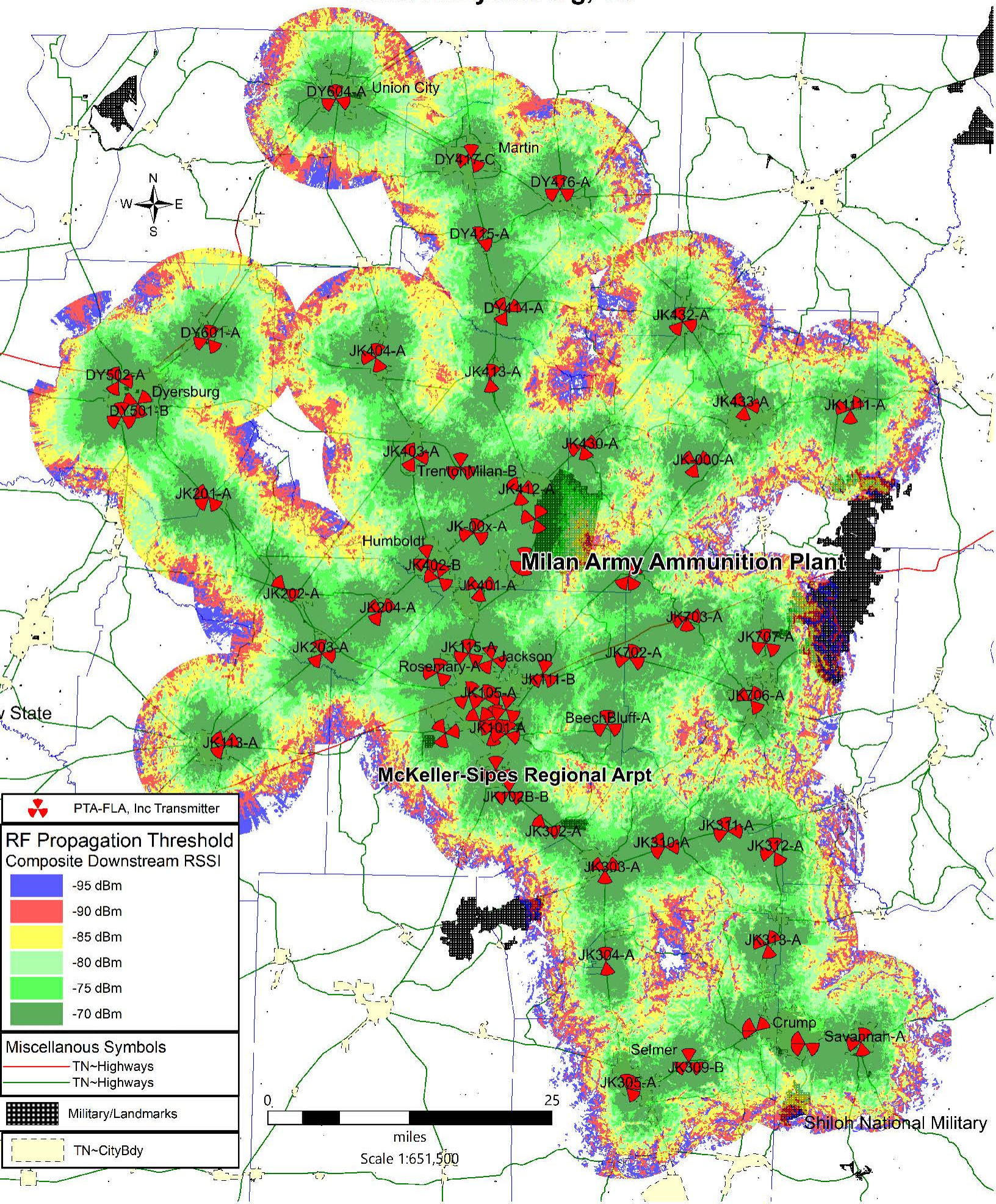
PTA-FLA, Inc. BEA 41

Greenville, South Carolina

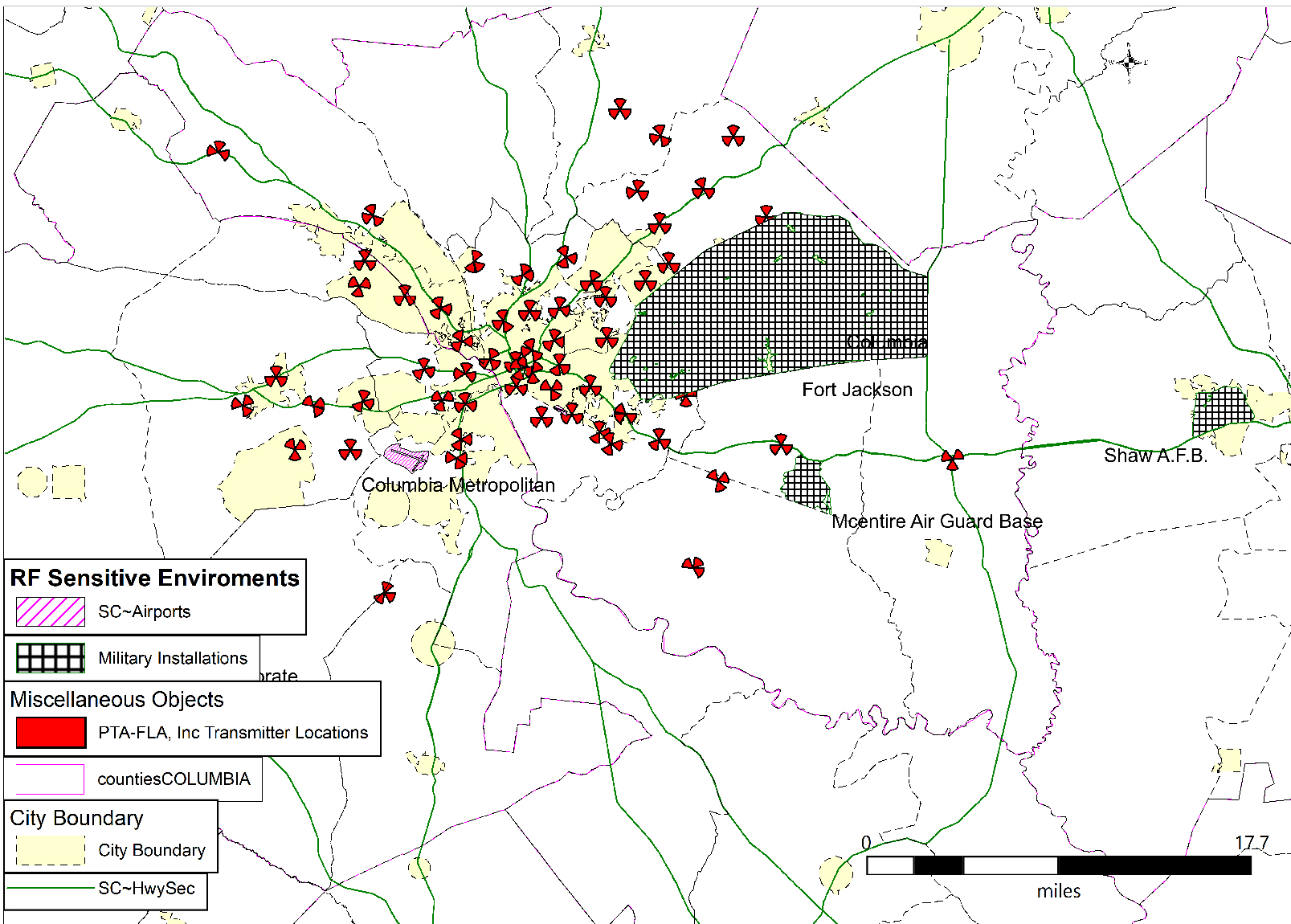


PTA-FLA, Inc BTA 120 & 211

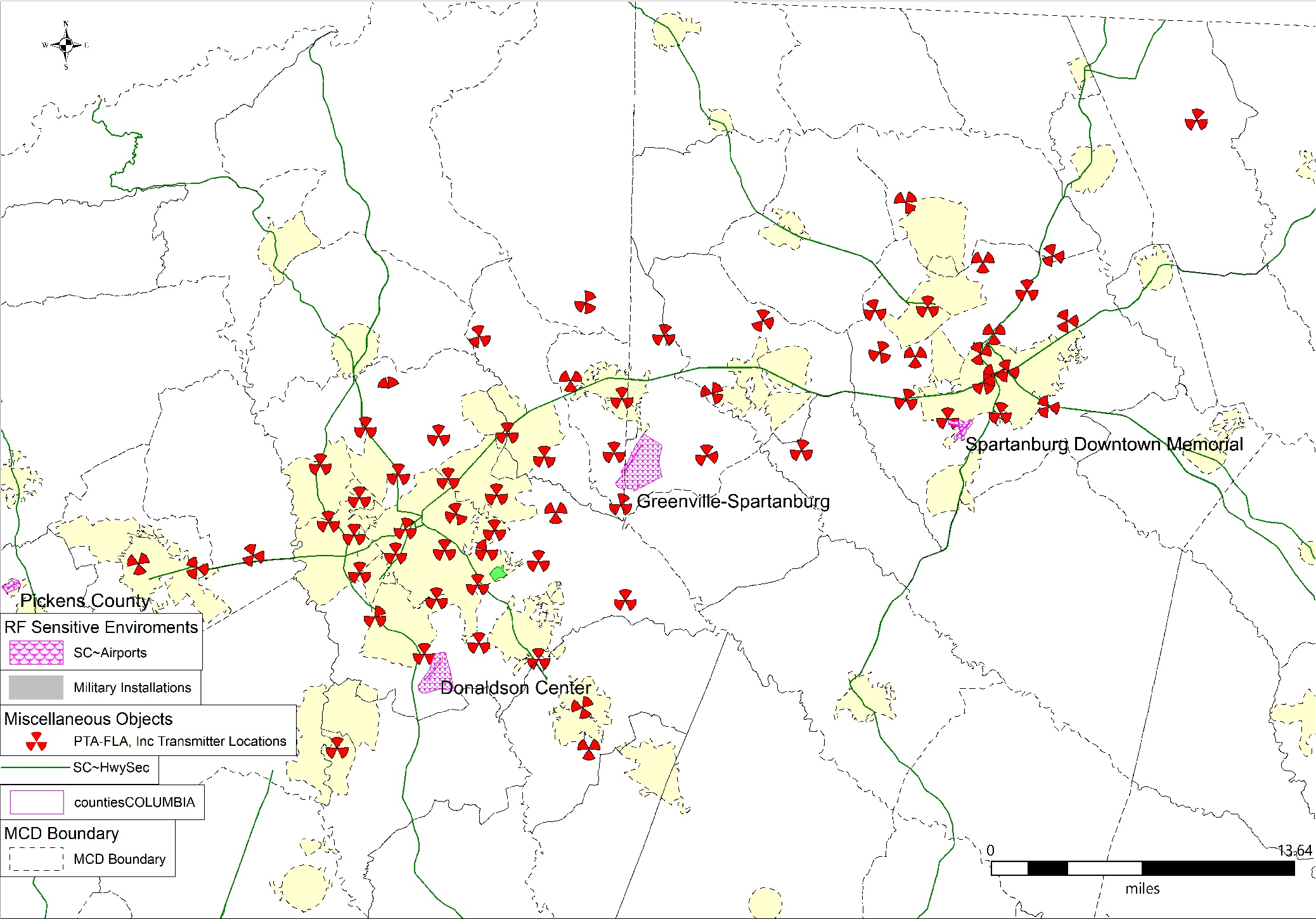
Jackson/Dyersburg, TN



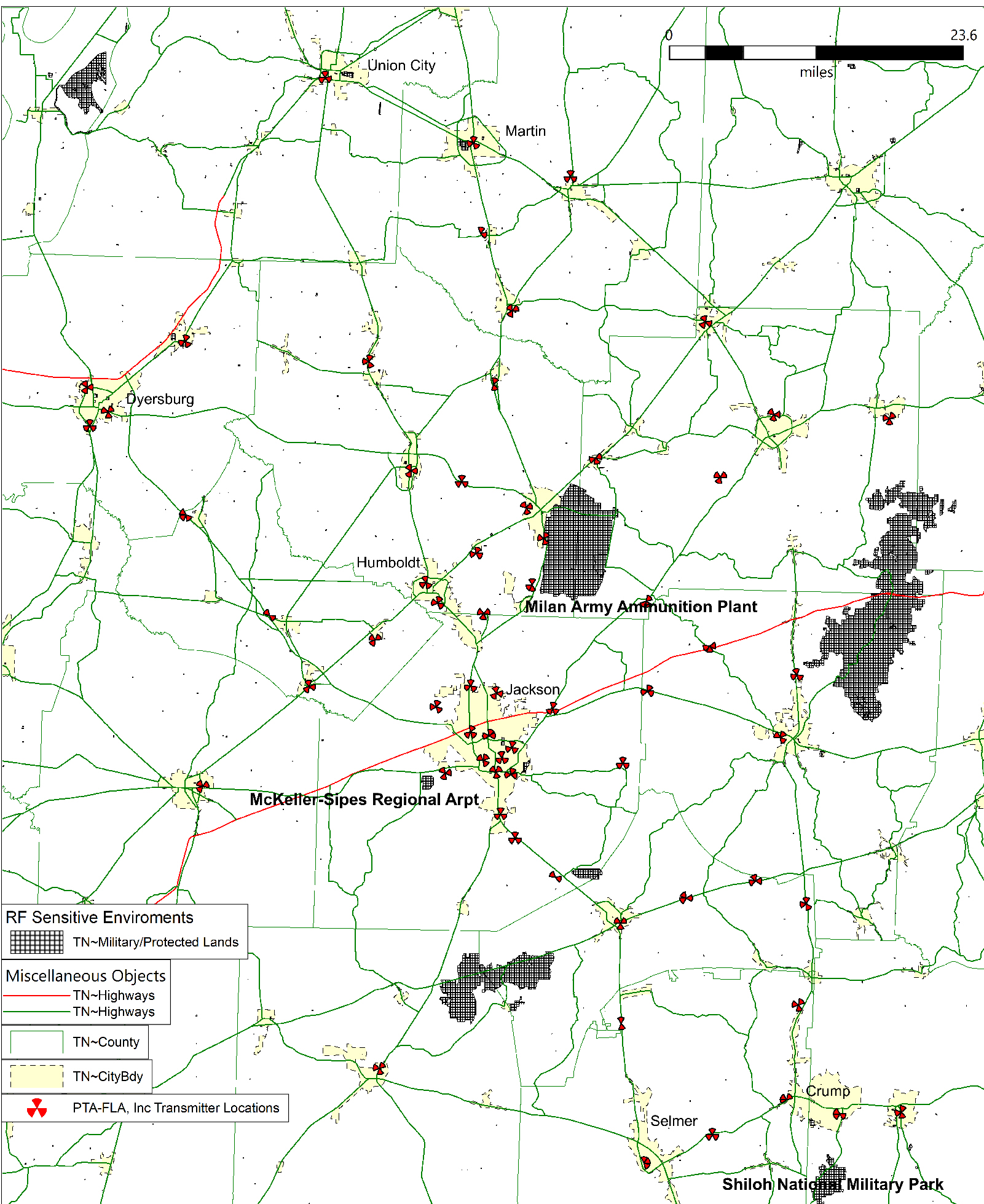
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Columbia, SC BEA24



PTA-FLA, Inc BEA 41
Greenville, SC



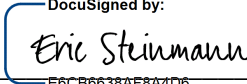
PTA_FLA, Inc
Jackson/Dyersburg, TN BTA 120 & 211



Declaration of Eric Steinmann

I, Eric Steinmann, do hereby declare under penalty of perjury of the laws of the United States the following:

1. I am the Secretary of PTA-FLA, Inc.
2. The foregoing PETITION FOR RECONSIDERATION was prepared under my direction and supervision and the contents of the filing and certifications therein are true and correct to the best of my knowledge.
3. I have personal knowledge of the facts set forth therein, and believe them to be true and correct to the best of my knowledge, information and belief.

DocuSigned by:

E6CB6638AF6A4D6...
Eric Steinmann

8/14/2022

Date