

## SCRPS Status Update

FCC Form 5640

OMB Control No. 3060-1270

File No. SC-SU0003080

### Applicant Information

Applicant FRN	0019623834	Applicant Address	PO Box 8826
Applicant Name	SI Wireless, LLC	Applicant City	Columbia
Applicant Email	leslie.williams@siwirelessllc.c	Applicant State	SC
Applicant Phone	8064441375	Applicant ZIP Code	29202

### Contact Information

Is the contact the same as the contact listed on the Application Request for Funding Allocation? If not, please list below.

Contact Name	Leslie Williams	Contact Address	PO Box 8826
Contact Email	leslie.williams@siwirelessllc.c	Contact City	Columbia
Contact Phone	8064441375	Contact State	SC
		Contact ZIP Code	29202

\*Indicate which deadline you are meeting with this filing.

2025-01-03

## Explanation of Effort and Availability of Commercial Equipment

\*Provide an explanation of efforts undertaken, and challenges encountered, in permanently removing, replacing, and disposing of covered communications equipment or service.

SI Wireless still seeks reimbursement for funds spent ripping and replacing the Huawei equipment that had supported its network since 2010. Our oldest unpaid invoice was submitted on October 19, 2022. To date we have been reimbursed \$24,475,356.45, have invoices waiting to be reimbursed in the amount of almost \$15,000,000 plus another \$37,000,000+ that we can't submit as invoices must wait for related modifications to be processed one at a time and have taken beyond 5 months. The most recent modification has been pending since April 25, 2024.

In the past when months went by without getting reimbursed, we reported about our experience as a participant in this program and your agency seemingly has taken exception to that. However, we are not a USF-supported company and are in fact ripping then replacing our network. This has left us without consistent cash flow throughout this program whereas other program participants who are replacing then ripping and are USF--supported are able to cover their expenses and earn profits the whole time. We have been placed in grave financial danger as a participant in this program and that is unrelated to government-issued funding but rather to payment and processing the amount allocated to us from what has already been approved by Congress.

After the Washington Post discussed SI Wireless' experience in May 2024, almost 2 and a half years into this "one" year program, the firm was no longer just being starved of reimbursements, it appears to have become a target. In July 2024, SI Wireless received a Notice of Hold on our funding in this program. The Notice of Hold referenced the Washington Post article and mentioned there are questions pertaining to whether "SI Wireless is in fact a provider of advanced communications service to customers and therefore eligible to participate in the SCRP"; two years after it was told it was eligible. Now on top of potentially being put out of business due to lack of reimbursements that have been frozen for over 9 months and it has amassed over a hundred thousand dollars in legal defense fees answering over 2400 questions and counting. Questions that supposedly pertain to why we did not have paying customers at the time we applied for the program on a network that we were clearly asked to rip before that time and did so. Now this has morphed into questions on why we are paying cost catalog amounts when we were instructed to use the cost catalog to determine pricing.

Throughout this there are undeniable facts:

1. Prior to the Secure and Trusted Communications Act of 2019 SI Wireless had an operational Huawei network serving members of our communities in Rural Tennessee since 2011
2. SI Wireless' customer base peaked at about 30,000 subscribers, and never approached the 2,000,000 cutoff mentioned within the Secure and Trusted Communications Act of 2019.
3. SI Wireless is by definition a small provider, acting in good faith to comply with FCC directives.
4. In December 2020 the Second Report and Order stated: "Some providers have already started the process to remove and replace problematic equipment from Huawei and ZTE from their networks. We applaud these providers for proactively taking steps to increase the security of their networks notwithstanding the uncertainty of federal government assistance. As such, we will allow providers to obtain reimbursement for costs reasonably incurred prior to the creation and funding of the Reimbursement Program for the removal, replacement, and disposal of covered equipment and services."

Continued In Additional Information

\*Explain whether you are finding commercially available equipment in the marketplace. If not, then explain efforts taken to obtain replacement equipment.

4G Equipment is legacy and becoming harder to acquire.

\* If there is additional information relevant to the preceding questions or that you believe the Commission should be aware of, please include the information below.

5. Trent Harkrader, Chief of the Wireline Competition Bureau stated in a September 28, 2021 SCRP Webinar (3:40) that we attended: "This will not be simple. Removing insecure equipment from existing networks after installation is challenging because historically they have been closed and deeply integrated with little opportunity to mix and match equipment from different vendors. In some cases, it means starting over from scratch.... make no mistake the time is now to remove this equipment from our network." This was prior to the time we applied for the program.

6. SI Wireless has ripped out the banned equipment on over 200 sites and has new equipment on more than 90 towers incurring the debt that has yet to be reimbursed. Because we are currently putting up a FWA network while awaiting full funding for this program, these sites represent about 25-30% of the coverage SI Wireless had prior to becoming a participant in this program.

7. Though SI Wireless has new equipment installed on more than 90 towers, less than 15% of those towers are currently online because each site requires technical backhaul setup, optimization, and extensive testing before it can serve customers. However, due to nonpayment from this program and the need to allocate remaining funds and borrowings to cover legal costs associated with the actions outlined herein, SI Wireless cannot afford the manpower needed to complete these sites. This is causing significant delays in restoring service to the rural communities we serve.

8. SI Wireless could have completed the Rip and Replace initiative within a year and was fully staffed to do so. However, this would have required a program administration vastly different from the one currently in place.

In its January 2024 Status Update SI Wireless shared:

"The reimbursement structure for Ernst & Young's services as the fund administrator remains unclear, but it appears that the current practices may inadvertently generate additional work, leading to unnecessary delays and potentially inflated billables for the benefit of Ernst & Young, the Fund Administrator. The frequency with which these issues are occurring suggests that this is not an isolated incident but rather a recurring pattern."

At no point was Ernst & Young's Fund administration looked at. Yet Ernst & Young admitted to cheating on CPA ethics exams and misleading a subsequent SEC investigation. They were even fined \$100,000,000 while serving as the Fund Administrator for this program. At no point were they put in a position to be put out of business. Yet somehow, following the rules given to us by the FCC for this program, SI is unable to pay its vendors, complete its work and carry on with its purpose, which involves providing low-cost quality internet and mobile phone service to deeply rural areas. The lack of this service, which was formerly the only option for customers in these areas, currently leaves some customers without service and others with no competing service to the electric companies essentially being granted a second monopoly over internet by government grants in Rural Tennessee.

SI Wireless for years has been sharing how the mismanagement of this program is driving up costs and creating waste. This program was created to help providers like us rip out and replace equipment that has been deemed a national security threat. We willingly complied and in return it ironically turns out that the biggest threat to SI Wireless is this program.

## Program Compliance

\*Indicate whether recipient has fully complied with (or is in the process of complying with) all requirements of the Reimbursement Program.

Yes  No

\*Indicate whether recipient has permanently removed from its communications network all covered communications equipment or services that were in the recipient's network as of the date of the submission of the recipient's application request for funding.

Yes  No

If recipient has not yet completed the removal process, what estimated percentage of the removal process have you completed?

90

\*Indicate whether recipient has replaced all covered communications equipment or services that were in the recipient's network as of the date of the submission of the recipient's application request for funding.

Yes  No

If recipient has not yet completed the replacement process, what estimated percentage of the replacement process have you completed?

25

\*Indicate whether recipient has disposed of all covered communications equipment or services that were in the recipient's network as of the date of the submission of the recipient's application request for funding.

Yes  No

If recipient has not yet completed the disposal process, what estimated percentage of the disposal process have you completed?

90

\*Indicate whether recipient has fully complied with (or is in the process of complying with) the timeline submitted by the recipient. If not, provide explanation for deviation.

Yes  No

\*The filer has indicated no to a question in this section, please provide additional information.

Until we complete this project, nothing is 100% complete

## Certifications

\*By checking the box and providing the electronic signature where indicated below, the Certifying Official on behalf of the filer certifies under penalty of perjury that:

(1) The Certifying Official is authorized to submit this status report on behalf of the above-named filer and, based on information known to me or provided to me by employees responsible for the information being submitted, the information set forth in this status report has been examined and is true, accurate, and complete, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. The Certifying Official acknowledges that any false, fictitious, or fraudulent information or statement, or the omission of any material fact on this status report or on any other document submitted by the filer may subject the filer and the undersigned to punishment by fine or forfeiture under the Communications Act (47 U.S.C. §§ 502, 503(b), 1606), or fine or imprisonment under Title 18 of the United States Code (18 U.S.C. § 1001, §§ 286-287, and § 1343), or can lead to liability under the False Claims Act (31 U.S.C. §§ 3729-3733, and §§ 3801-3812). (2) The filer is in compliance with the statute, rules, and orders governing the Reimbursement Program, including but not limited to allocations, draw downs, payments, obligations and expenditures of money, and the Certifying Official acknowledges that failure to be in compliance and remain in compliance with those statutes, rules, and orders may result in the denial of funding, cancellation of funding commitments, and/or recoupment of past disbursements. The Certifying Official acknowledges that the filer will maintain detailed records, including receipts, of all costs eligible for reimbursement actually incurred for a period of 10 years; and will file all required documentation for its expenses. The Certifying Official acknowledges that failure to comply with the statute, rules, and orders governing the Reimbursement Program could result in civil or criminal prosecution by law enforcement authorities.

## Certifier Information

Certifier  
Signature      Leslie Williams

Certifier Phone      8064441375

Certifier Name      Leslie Williams

Certifier Email      leslie.williams@siwirelessllc.cc

Certifier Title      President

Date Signed      2025-01-03