

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

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

REPLY COMMENTS OF UNITED TELCOM

United Telephone Association, Inc., United Wireless Communications, Inc. (“United Wireless”), and United Communications Association, Inc. (together, “United TelCom”) submit these reply comments to support the comments of Huawei Technologies Co., Ltd. and Huawei Technologies USA, Inc. (together, “Huawei”) filed in response to the Federal Communications Commission’s (“FCC” or “Commission”) April 18, 2018 Notice of Proposed Rulemaking (“NPRM”) released in the above-captioned proceeding.

Since 1951, United TelCom has provided telecommunications service to southwest Kansas exclusively in rural areas where both wireline and wireless services are frequently unavailable from other carriers due to the remote, rural nature and low population densities of those locations. United TelCom customers include municipalities, county governments, first responders, schools, hospitals, libraries, clinics, businesses, farms and ranches, and homes throughout the 17 county southwest Kansas region. United TelCom, through its subsidiary, United Wireless, provides wireless telecommunications service in southwest Kansas, and it has constructed a large number of wireless towers over the years in order to provide reliable 4G/LTE coverage in its primarily rural service area. United TelCom’s wireless customers have access to the top two nationwide CDMA networks when traveling outside of United TelCom’s service areas. United TelCom also has roaming agreements with 30 regional carriers.

Currently, United TelCom receives USF support for its incumbent local exchange carrier (“ILEC”) operations, which provides wireline service to 10 rural communities in Kansas (SAC #411841). United TelCom also receives support from the competitive eligible telecommunications carrier (“CETC”) legacy mobility fund for its wireless operations (SAC #419011). The NPRM proposes to deny Universal Service Fund (“USF”) money to carriers who use equipment from certain vendors, and implies that Huawei will be one such blacklisted vendor. Such action could be devastating to certain rural communities in southwest Kansas as wireless services made available through the use of Huawei equipment by United Wireless is the only means of quality communications for many residents living in those areas. Furthermore, there are certain remote, rural areas in southwest Kansas where only United TelCom’s wireless network provides coverage to serve those locations. The loss of coverage provided by United TelCom would leave wireless callers without the ability to make any calls, which has obvious negative public safety implications.

Since the fall of 2012, United TelCom has relied on Huawei equipment to support the provision of its wireless telecommunications services. Huawei equipment accounts for nearly all of the equipment used in United TelCom’s wireless network. Prohibiting the use of Huawei equipment, or the use of USF and CETC legacy support to purchase or maintain that equipment, would have a severe and detrimental impact on residents living in remote, underserved locations in United TelCom’s wireless service area.

United TelCom estimates that the cost of replacing all of the Huawei equipment in its network would be approximately \$20 to 25 million dollars. This is an extremely large expenditure for a company serving predominately rural customers, and United TelCom would

not be able to undertake such a massive project, which is tantamount to replacing its entire wireless network, in order to continue to receive USF and legacy support if the FCC adopts rules to deny such support as proposed in the NPRM. Moreover, even if United TelCom could replace its current Huawei-based infrastructure, United TelCom would have to rely on higher-priced vendors for ongoing product support and network maintenance, at what could well be twice United TelCom's current annual cost based on current estimates, in order to continue provide high quality service to its customers.

The high costs of using vendors other than Huawei would require United TelCom to divert capital resources away from other projects that would better serve the public, such as expanding United TelCom's coverage area, or filling in "dead spots." One such coverage expansion project is currently on hold due to the uncertainty caused by the FCC's NPRM. United TelCom recently participated in - and won spectrum - in the 600 MHz auction. The proposed rules would potentially deny United TelCom much needed support funds to implement a very cost effective rural broadband build-out that would utilize that 600 MHz spectrum. Huawei 600 MHz radio access network equipment would tie into existing Huawei-based core technologies, and could provide up to 25-50 Mbps service to United TelCom's most rural customers by early next year.

If the FCC's proposed rules are adopted, in light of the fact that United TelCom could not replace its Huawei infrastructure to continue to receive USF and CETC legacy support, United TelCom would be forced to shut down significant portions of its network simply to remain operational because support funds would no longer be available to defray the costs of operating a larger, more ubiquitous network in low-population areas. The loss of support as a result of the adoption of the proposed rules would adversely impact the availability of wireless service to

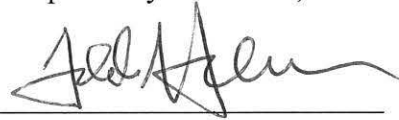
residents living in some of the most remote and insular rural areas served by United TelCom, and threaten the safety of life, health, and property in those locations.

The number of subscribers of traditional landline service has steadily declined over the last decade, while the adoption of wireless service has increased. Indeed, some subscribers served by United TelCom may only have a wireless phone as their sole means of voice communications service. If United TelCom is forced to shut down parts of its network due to the loss of USF support, rural customers may not be able to contact emergency first responders, such as fire, police, and medical personnel as a result of the reduction of its wireless service footprint.

Although Huawei provides both logic-enabled products such as base station(s) as well as passive products such as antennas and batteries, United TelCom would face the same economic challenge if faced with a ban limited only to logic-enabled products because logic-enabled products are the key in a telecommunications network, are the most expensive to replace, and the supply of which is in the most drastic need of competition from Huawei. In fact, a ban on Huawei equipment, and the attendant replacement costs, would cause greater harm to United TelCom's subscribers than the loss of USF funding due to the adverse impact on rural subscribers resulting from the total loss of wireless service.

There is no evidence that Huawei equipment is a threat to national security, and southwestern Kansas residents rely on such equipment used by United TelCom to provide them with reliable wireless services not only for public safety purposes, but also for daily business and personal communications. Accordingly, United TelCom supports Huawei's comments, and urges the FCC not to adopt rules that would disconnect many rural Kansans not only from the public switched telephone network, but also from accessing high-speed data and Internet services provided by United TelCom's 4G/LTE Huawei-based network.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Todd Houseman", written over a horizontal line.

Todd Houseman
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