

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 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 PINE BELT CELLULAR, INC.

Pine Belt Cellular, Inc. (“Pine Belt”), by counsel, hereby submits these reply comments as a follow up to comments submitted by it on June 1, 2018,¹ and in further response to the record initiated in the Federal Communications Commission’s (“FCC” or “Commission”) *Notice of Proposed Rulemaking* (“NPRM”) in the above-captioned proceeding (“Proceeding”).²

Simply stated, the record in the Proceeding supports Pine Belt’s positions that the rule proposed by the Commission in the NPRM will negatively impact small businesses, and in particular small rural telecommunications companies³, and that a rule tying the use of Universal Service Fund funds to a prohibition against the purchase of equipment or services from

¹ Comments of Pine Belt Cellular, Inc., WC Docket No. 18-89 (filed June 1, 2018) (“Comments”).

² *In re* Protecting Against National Security Threats to the Communications Supply Chain Through FCC Programs, *Notice of Proposed Rulemaking*, WC Docket No. 18-89 (rel. April 17, 2018).

³ *See, e.g.*, Comments of Sagebrush Cellular, Inc., WC Docket No. 18-89, at 7 (filed June 1, 2018) (“The costs to Sagebrush and other small rural carriers, their subscribers, and the public far outweighs any perceived and unproven benefits of restricting access to wireless network equipment manufactured by Chinese telecommunications companies.”); Comments of Mark Twain Comms. Co., WC Docket No. 18-89, at 4–5 (filed June 1, 2018) (“...the proposed rule would cause substantial irreparable harm to small rural telecommunications companies and, in some cases, may force some such companies out of business.”).

communications equipment or service providers, as described in the NPRM, is not appropriate. Furthermore, there is an overwhelming consensus among the other commenters in this Proceeding that any action related to cybersecurity or the protection of the United States' communications supply chain should involve cooperation and coordination with other governmental agencies and entities and should be part of a comprehensive federal policy on information and communications technology.⁴ Pine Belt agrees with and fully supports this position.

In its Comments, Pine Belt described how the proposed rule was already jeopardizing future deployment plans and equipment purchases, specifically, with respect to its recently-acquired 600 MHz licenses and the inability of Pine Belt to constructively coordinate with its primary wireless infrastructure vendor, ZTE, for the deployment of radios and creation of strategic plans for the commercial launch of 4G VoLTE and 5G services. Since Pine Belt's Comments were filed on June 1, that situation has continued to deteriorate. Pine Belt is now experiencing capacity constraints at some of its sites and therefore desperately needs to add

⁴ See, e.g., Comments of the Comp. & Comms. Indus. Ass'n, WC Docket No. 18-89, at 6 (filed June 1, 2018) ("Ultimately, CCIA believes that the Commission should coordinate its efforts across all Federal Government initiatives to create a more comprehensive policy, allowing other agencies with expertise to weigh in and help ensure that there are not competing or conflicting 'blacklists.'"); Comments of Puerto Rico Tel. Co., Inc., WC Docket No. 18-89, at 6 (filed June 1, 2018) ("Given the complexity and sensitivity of the issues being addressed by the Administration and Congress, and that the Commission's expertise and resources on these matters are limited, development of a whole of government strategy would be more prudent than piecemeal measures."); Comments of USTelecom – the Broadband Ass'n, WC Docket No. 18-89, at 8 (filed June 1, 2018) ("[T]he Commission must be involved in a coordinated fashion across the federal government in order to make an informed decision on how to best identify meaningful supply chain risks and the appropriate actions to mitigate them."); Comments of NCTA – The Internet & Television Ass'n, WC Docket No. 18-89, at 2 (filed June 1, 2018) ("This objective would be best served by a coordinated, 'whole of government' approach in which the Commission's targeted efforts in the USF context are one part of a broader holistic, cross-sector interagency effort that includes initiatives pursued by the Department of Homeland Security (DHS) and the Department of Commerce addressing cybersecurity issues.").


capacity to its network. However, because of recent developments related to the proposed rule, which have been compounded by the sanctions placed on ZTE by the US Department of Commerce, ZTE remains significantly constrained in its ability to provide support for the equipment Pine Belt has previously installed. Further, ZTE has stopped processing all orders for new equipment which Pine Belt desperately needs to continue its part in the Universal Service mission. Pine Belt's rural customers, who are most in need of reliable, affordable telecommunications service, are being unnecessarily negatively impacted and are suffering the consequences. As with the 600 MHz license deployment issues, this problem will only get worse if the proposed rule is adopted.

As noted previously, Pine Belt understands the importance of safeguarding and security of the United States' telecommunications networks and fully supports well-reasoned efforts to protect the country in these matters. However, the proposed rule, as described in the NPRM, is not an effective or appropriate way to accomplish such goals.

At a minimum, the Commission should conduct further study, discussion, and coordination with other Federal agencies and the administration and issue a more detailed proposed rule for further comment. In the alternative, if the Commission moves forward with the proposed rule, it should take meaningful measures to mitigate the harm which will inevitably occur to small rural telecommunications companies.

Respectfully submitted,

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