

SCRPS Status Update

FCC Form 5640

OMB Control No. 3060-1270

File No. SC-SU0001758

Applicant Information

Applicant FRN	0001768159	Applicant Address	111 High St
Applicant Name	Advantage Cellular Systems,	Applicant City	Alexandria
Applicant Email	ctownson@staff-dtc.com	Applicant State	TN
Applicant Phone	6154642303	Applicant ZIP Code	37012

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	Chris Townson	Contact Address	111 High St
Contact Email	ctownson@staff-dtc.com	Contact City	Alexandria
Contact Phone	615-464-2303	Contact State	TN
		Contact ZIP Code	37012

*Indicate which deadline you are meeting with this filing.

2023-07-10

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.

Advantage Cellular Systems, Inc. (ACS or The Company) continues substantial efforts to permanently remove, replace, and dispose of covered communications equipment and service. ACS has undertaken the following steps to move the project forward and meet the program's requirements.

- 1) ACS continues to develop, adjust, and execute plans for the completion of the project. We are still experiencing real challenges regarding the unknown timing and lack of guidance for the potential full funding of the program, lack of workforce availability, and supply chain delays, ACS continues expending significant time in adjusting operational and engineering plans with potential vendors, financiers, and workforce crews, evaluating, and capitalizing every potential option on how to move the project forward.
- 2) ACS has worked with and continues to work with consulting engineers and crews to evaluate and undertake site visits, procure warehousing space, coordinate equipment removal plans with tower company representatives, and coordinate the ordering and delivering new equipment pending further program funding approval.
- 3) ACS has removed covered equipment from 16 sites and is working to remove additional covered equipment from other sites. The ZTE Core equipment and supporting software have been removed. Our network is operational utilizing temporary core functionality, which will be permanently replaced, pending additional funding.

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

ACS has requested and received updated quotes from various vendors for replacement equipment. All engaged vendors are experiencing supply chain delays. ACS is still seeing a lead time of 35-52+ weeks when previously similar lead times were 8-16 weeks. ACS has also seen a 32%+ (and growing) increase in pricing for certain equipment since demand and inflation have increased. ACS continues attempts to address the lack of available equipment in the market by engaging multiple vendors for quotes for replacement equipment.

* 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.

ACS is in the process of complying with all the Reimbursement Program's requirements, but delays are real. The unknown timing and lack of guidance on fully funding the Reimbursement Program, lack of workforce availability, and supply chain delays have all significantly hampered ACS's efforts. As indicated on ACS's proposed timeline, each challenge has significantly slowed expected progress.

ACS is in the process of removing all its covered communications equipment and services stated in its application. As stated earlier, ACS has removed covered equipment from 16 sites, has now removed the ZTE core and related software, and is working to remove additional covered equipment from other sites. However, ACS will continue to be significantly delayed until it is fully funded, supply chain issues are resolved, and workforce availability meets demand.

ACS continues working to comply with the timeline submitted. However, lack of certain equipment and available workforce from vendors continues to slow the project. We are doing all we can do to meet the deadline, but without further relief it will be unlikely that ACS can fully meet the deadline set forth by the FCC.

ACS has completed approximately 37% of the total project. As stated, delays have been caused by various issues that are completely out of ACS's control. While no portion of the project is complete, ACS would estimate that, as stated in the timeline, RFPs and planning activities are 90% complete, the Core activity is 45% complete, the RAN activity is less than 29% complete, and destruction activity is 40% complete. Still, to be clear, until full funding for the program is obtained, the company will likely be unable to fully complete any portion of the program.

We continue to state that without full funding for the program, it will be impossible for ACS to permanently remove all covered equipment and services and replace it with trusted and secure equipment during the program's required timeline without operational and financial harm. To further illustrate the importance of the timeliness of the full funding of the program, ACS is not in a position to expend significant funds or even procure loan funds for the completion of the program, not knowing that the funding will ultimately be made available for the completion of the project.

Additionally, inflationary impacts on the program's requirements are significant. In addition to the challenges caused by unknown timing of potential full funding, workforce availability, and supply chain, increasing costs for each program element causes ACS to scrutinize further every decision to ensure the company can operate without operational or financial harm and its customers are served without interrupted or degraded service. The number one factor hampering the completion of this process is the lack of confirmed funding for the entire project.

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, replaced, and disposed of (or is in the process of permanently removing, replacing, and disposing of) all covered communications equipment or services that were in the recipient's network as of the date of submission of the recipient's application requesting funding.

Yes No

If you have not yet completed the removal, replacement, and/or disposal process, what estimated percentage of the removal, replacement, and/or disposal process have you completed?

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*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.

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	Chris Townson	Certifier Phone	615-464-2303
Certifier Name	Chris Townson	Certifier Email	ctownson@staff-dtc.com
Certifier Title	CEO		
Date Signed	2023-06-30		