

SCRPS Status Update

FCC Form 5640

OMB Control No. 3060-1270

File No. SC-SU0003171

Applicant Information

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Applicant Name	Union Telephone Company	Applicant City	Mountain View
Applicant Email	FCCLicenseNotifications@un	Applicant State	WY
Applicant Phone	3077826131	Applicant ZIP Code	82939

Contact Information



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

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Contact Phone	703-239-3299	Contact State	VA
		Contact ZIP Code	22030

*Indicate which deadline you are meeting with this filing.

2025-04-03

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.

Union has not conducted removal of covered equipment since the last submittal of this form. Now that full funding is available, Union will begin removing covered equipment in areas where the replacement equipment is on air and operating effectively for customers. Union has performed removal of various Huawei point-to-point microwave radios used for backhauling traffic from its network. Union has disposed of removed point-to-point microwave radios and other associated equipment determined no longer necessary for use as spares. Union continues to install replacement equipment and optimize the network while removing and disposing covered equipment. Union retains decommissioned equipment in a warehouse as spares. In the event of an equipment failure, or disaster events interrupting service, spare equipment is required to temporarily be installed to maintain existing services. Union must operate two networks simultaneously – the new network being constructed, and the Huawei network being decommissioned – to maintain service to rural customers. Union safely maintains service to its rural customers with replacement equipment in some areas and has begun disposing covered equipment as network needs permit. Yes, Union has conducted replacement work of covered equipment and services since the previous submittal of this form. Union has conducted replacement work for the following categories: Mobile Core, Radio Access Network (RAN), Transport Network (Switching/Routing), Backhaul Network (Microwave), Civil Aspects including towers, shelters, cabinets, power, and related equipment. Due to the weather conditions in the Rocky Mountain Region, workloads have been minimized as we wait for the weather to clear and site accessibility to open up.

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

Overall, Union is finding limited materials and resources available with substantial price increases since the time it applied for allocation. While it cannot be said that replacement equipment is readily available at a reasonable price point, Union is doing its best to keep equipment vendors on time at a reasonable price. Despite Union's best efforts, equipment lead times have been extended to the point that certain products are likely impossible to procure within the timeline of this program. Continual supply chain impacts occur, which, in conjunction with increased demand and recent tariff changes, results in substantial delays in material acquisition and deployment timelines. Union has paid, and continues to pay, well above market value to obtain and expedite procuring replacement equipment. Union has procured necessary equipment with third parties other than Union's current vendor when needed. In almost all instances, Union must pay higher prices in order to procure the necessary material to keep the project moving forward. Union has also undertaken the burden of performing some of the services internally to attempt more timely work completion.

* 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.

The greatest concerns so far are: 1) the challenges associated with permitting and building on federally managed lands pushes work beyond the timelines of the program; 2) weather in the Rocky Mountain Region can cause significant delays in project completion; and 3) the amount of time the reviews for any modifications made are taking. The sheer volume of modifications due to price and service adjustments of actual costs versus the estimates initially provided in the request for allocation has created a large administrative burden to all parties. Although the amount of time to review these adjustments has greatly improved, it is still insufficient to comply with the timeline to complete the program. Union continues to be in the unenviable position of being unable to pay its vendors in a timely manner. If the pace of reimbursements and modification request approvals does not continue increasing, Union's vendors could stop working until made whole on financial commitments. In that event, Union's project completion timelines will be pushed out even further. The only feasible alternative requires Union burdening itself with unforeseen additional leverage never anticipated in Union's original filing. Taking on additional debt/interest/leverage will push financial commitments past, not only the considerable market cost changes since the program's promulgation, but also the original filing values requested. These alternatives may be avoided, in part, should the nature of the reimbursement approvals continue to change for the better. Currently, time projections based on the Modification review period, at best, reveals that it will take potentially three times the statutory timeline of the entire program.

As a result of the recent tariffs and the announcement of potential future tariffs, Union is seeing cost increases for some materials as well as delays in receipt of these materials. Union has seen steel lead times increase by 6-months due to recent tariff announcements. Microwave dishes from one vendor will see a 25% increase on 8', 10', and 12' antennas due to the Mexico Tariff. Union will also see a 9% increase on microwave dishes ranging in size from 1" to 6' due to the aluminum tariff. All materials are not able to be ordered ahead of time in many instances. Union faces multiple situations where permits are required to be secured prior to ordering the more challenging materials, which may be due to changes from the NEPA process, the zoning process or the relevant landlord or property owner.

Additional extensions will be required due to delays with applications on federally managed lands and weather conditions in the Rocky Mountain Region. These known issues will continue to push the work beyond the timelines of the 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?

1

*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?

39

*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?

1

*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.

Timeline Deviation

Union has deviated from all sections of the previously mentioned timeline due to delays in funding allocation as well as the unpredictability of obtaining permits. Union does not have a finalized timeline at this time, but Union anticipates they will be unable to meet an RRD term any earlier than [Q3 2026].

Union has done everything feasible, including searching out required materials and contracting out some of the necessary services, to comply as closely as possible with the timeline submitted in the original 5640, yet compliance with this timeline will not be possible. There are several circumstances that have prevented Union from fully complying with the timeline that was provided in the original 5640 application. The delay in full funding impacted Union's ability to comply with the original timeline, as well as significant delays when working on federal and state managed lands. Union has been met with incredibly long lead times when filing for permits on federal and state managed lands. An average timeline for an application on Federally managed lands is 15 months from submittal to approval. Union received BLM approval for our Boulder site in January of this year, putting this process at a little over 13 months. The State Land Process takes approximately 6-9 months from start to finish. Permits on federally managed lands are issued sporadically and inconsistently from office to office making it extremely difficult to forecast and perform in a consistent and timely manner. Union is anticipating that these delays will not accurately reflect the current program trajectory.

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 Eric Woody

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Certifier Title CEO

Date Signed 2025-03-27