

## SCRPS Status Update

FCC Form 5640

OMB Control No. 3060-1270

File No. SC-SU0002756

### Applicant Information

Applicant FRN 0023968233

Applicant Address 1423 Otter

Applicant Name Velocity Communications, Inc Applicant City Helena

Applicant Email jrenne@rennelaw.com Applicant State MT

Applicant Phone 4062191170 Applicant ZIP Code 59602

### 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 James Renne

Contact Address 1423 Otter

Contact Email jimr@airwavelte.com

Contact City Helena

Contact Phone 7038690418

Contact State MT

Contact ZIP Code 59602

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

2024-07-08

## 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.

Velocity Communications, Inc. (Velocity) has remained steadfast in its commitment to advancing our network infrastructure project, despite the uncertainty surrounding full program funding. Since the inception of the SCRP, we have diligently sought potential vendors, negotiated terms, and reviewed our business liquidity position to determine the most effective approach for various segments of the program. These ongoing efforts underscore our dedication and determination to make progress and ensure preparedness to meet the RRD requirements.

Our primary concern is the feasibility of achieving the full buildout requirement with the current allocation of only 40% of the necessary funds. Although we have made significant strides in identifying and negotiating with vendors, the risk of proceeding without assured additional support could result in an incomplete network upgrade. This would not only fail to meet program requirements but also jeopardize our service reliability and competitiveness. The urgency of this situation is evident, and we are committed to finding a solution and a partner to help alleviate these concerns as we work towards resolving the program funding issues.

Additionally, our ongoing review of our business liquidity position has been crucial in determining the scope of work that can be initiated under current funding constraints. We have recently completed specific portions of the project, such as decommissioning, and we have yet to submit invoices for reimbursement for the final decommissioning work and destruction receipts for Huawei equipment. This demonstrates that our efforts and progress over the past year extend beyond what our current reimbursement submissions reflect. However, the overall progress is still hindered by limited funds. Our careful planning and phased approach highlight our dedication to advancing the project while mitigating financial risks. Nevertheless, the partial funding status weakens our bargaining position with vendors, potentially leading to less favorable contract terms and higher costs, further complicating our efforts.

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

Lead times on equipment still present an issue given the tight timelines of the program, especially considering that larger providers are seeking the same equipment as well.

\* 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.

## 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?

\*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?

0

\*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?

0

\*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.

Velocity submitted an extension request that was recently approved for another 6 months of time to continue to work towards program completion.

## 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 James Renne

Certifier Phone 7034690418

Certifier Name James Renne

Certifier Email jimr@airwavelte.com

Certifier Title CEO

Date Signed 2024-07-08