

May 27, 2022

**VIA ELECTRONIC FILING**

Re: Docket 21-455 **Promoting Fair and Open Competitive Bidding in the E-Rate Program**

ApplianSys agrees that E-rate takes sufficient measures to protect the scheme from fraud but disagrees with comments that FCC already has sufficient safeguards in place to "ensure that the applicant and the program receive the best value for funding" across the entire E-rate scheme. As such, it supports the proposal to introduce a centralized Competitive Bidding Portal.

ApplianSys provides caching servers in Category Two and routinely finds that a lack of transparency around the performance of proposed caching solutions and lack of consistency in the data provided by service providers leads to questionable competitive bidding decisions that result in applicants selecting poor value solutions.

The current approach likely works well for technologies that are already well understood by applicants - such as C1 bandwidth or WiFi routers - and where there is limited difference in the outcomes an applicant can expect from selecting one service provider's solution over another; i.e. a 1Gbps broadband connection from one service provider will differ little from a 1Gbps broadband connection from another. It may be that, in these cases, introducing a competitive bidding portal is an unnecessary disruption.

However, Firewalls, Caches and other C2 services differ more dramatically in regards to the nature or degree of the benefits that can be achieved. ApplianSys is of the opinion that a more systematic, more directed approach to the competitive bidding process would actually simplify applications for districts, ensure that the best value solutions are selected and provide them with confidence that they have carried out their process in an approved manner. This will be particularly true for smaller districts. It is currently possible for applicants to justify purchasing poor value C2 solutions on the basis of a highly weighted 'familiarity with the vendor' or other factors which are, in reality, of limited consequence for the service in question. A competitive bidding portal can be designed to guide and automate the process in different ways for different services, guaranteeing better value.

A sophisticated portal could reduce the burden on applicants by factoring in state regulations, enabling compliance to all relevant regulations from one portal. It could also be used to drive further value on E-rate by, for example, enabling comparison of alternative solutions such as proposals for C1 bandwidth with C2 caching where (particularly smaller) applicants may otherwise be unable to effectively determine which offers the best value.

Whilst it will be extremely important to get the implementation right, ApplianSys supports the proposal to introduce a competitive bidding portal.

Respectfully submitted,

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