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BOARD OF PUBLIC UTILITIES
TRENTON, NJ

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December 3, 2018

Via FedEx and Email

Hon. Aida Camacho-Welch
Board Secretary
Deputy Attorney General
Board of Public Utilities
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PO Box 350
Trenton, NJ 08625-0350

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BOARD OF PUBLIC UTILITIES
TRENTON, NJ

Case mgmt

Re: Notice of Indirect Transfer of Control of Sprint Communications Company L.P. to
T-Mobile USA, Inc.
BPU Docket No. TM18070730

Dear Secretary Camacho-Welch:

Please accept this letter on behalf of Sprint Communications Company L.P. ("Sprint Communications") and T-Mobile USA, Inc. ("T-Mobile USA") (collectively, the "Notifiers"), in response to the November 8, 2018 letter ("RC Letter") on behalf of the New Jersey Division of Rate Counsel ("Rate Counsel"). The Notifiers rely on the information submitted in the Verified Notice of Indirect Transfer of Control of Sprint Communications Company L.P. dated July 13, 2018 ("Verified Notice") and their responses to Staff discovery requests (S-Sprint-1 to 6) provided on August 30, 2018 and updated on September 5, 2018 and November 19, 2018.

The RC Letter summarizes the Verified Notice, including the Indirect Certificated Entity Acquisition ("Acquisition") (as defined in the Verified Notice) and public benefits described therein. Rate Counsel states that it "does not object to the Board approval of the Parties' requests herein...." (RC Letter at 1). The Notifiers appreciate Rate Counsel's non-objection.

Rate Counsel also submitted three conditions "for the Board's consideration" in its review of the Verified Notice. (RC Letter at 1). However, each of the suggested conditions have already been addressed in the Verified Notice and discovery responses. To the extent the Board exerts jurisdiction over the Acquisition, there is no need or basis for the Board to address such conditions in its determination.

Rate Counsel seeks a commitment that "the contemplated post acquisition/merger employment reductions will not jeopardize the provision of safe and adequate service for Sprint Communications' New Jersey customers." (RC Letter at 2). There is no need or basis for this condition, for several reasons. First,

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the Verified Notice (at page 4) does not state that there will be post acquisition/merger employment reductions in New Jersey of Sprint Communications (*see* Responses to S-Sprint-3 and S-Sprint-4), and the Board has confirmed that it does not have jurisdiction over or regulate wireless services.¹ Second, the Notifiers have already confirmed that the Acquisition will be seamless to existing New Jersey customers of Sprint Communications (Verified Notice at page 4):

Upon consummation of the Indirect Certificated Entity Acquisition, Sprint Communications will continue to provide the same services that it currently provides to customers in this State, subject to Sprint Communications' existing plans to discontinue its TDM services and transition customers to Internet Protocol ("IP") services. All existing Sprint Communications contracts will be honored, including transitioning customers to IP services. Sprint Communications will continue to provide safe and adequate services at just and reasonable rates to its customers. [Verified Notice, fn. 3]

Sprint Communications will certainly continue to abide by New Jersey statutory requirements to the extent applicable to its services. Third, the provision of safe and adequate service should not be a concern since Sprint Communications does not have any remaining voice TDM customers in New Jersey. (See Response to S-Sprint-2).² Sprint no longer provides regulated intrastate TDM service to customers in New Jersey. Also, Sprint Communications has no residential customers in New Jersey. (*Id.*)

Rate Counsel also recommends that the Board require New Jersey specific commitments on the continuation of Lifeline services in New Jersey. Again, there is no basis or any need for such a condition. As Rate Counsel has noted (RC Letter at 2-4), Sprint Communications has already confirmed that the acquisition will not affect Sprint Communications' provision of Lifeline wireless service in New Jersey. (See Response to S-Sprint-6).

Finally, Rate Counsel asks the Board to obtain a commitment regarding New Jersey specific wireless benefits aimed at resolving service and digital divide gaps experienced by New Jersey customers; specifically, the RC Letter references "a New Jersey specific 5G deployment plan for rural and other underserved areas." Again, there is no legal basis or need for such a condition. First, the Board has recognized that "terms for the provisioning of wireless service and for the funding, infrastructure and building of wireless facilities in the State of New Jersey ...[do] not fall within the purview of the Board" and "the lack of its jurisdiction over wireless base facilities." (*Mobilitie* at 2). In view of this jurisdictional limitation, the Notifiers noted that the public interest benefits from the build out of a nationwide wireless 5G network were provided only for informational purposes. (Verified Notice, fn. 11). Second, the information provided in the Verified Notice demonstrates that the Acquisition will leverage a unique combination of complementary spectrum assets to unlock synergies in order to build a world-leading nationwide 5G network; that network, in turn, will bring improved high speed broadband services to rural consumers nationwide, including in New Jersey. Thus, there is ample basis to render a determination that

¹ See *I/M/O the Petition of Mobilitie, LLC For Approval of a Municipal Consent Pursuant to N.J.S.A. 48:2-14*, BPU Docket No. TE17080927, Order (Jan. 31, 2018) ("*Mobilitie*").

² The Response to S-Sprint-2 confirmed the completion of the migration for wholesale TDM IXC or enterprise customers. Sprint Communications also now confirms that it has no TDM retail voice customers left in New Jersey.

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the Acquisition will afford benefits to the State and New Jersey consumers, without the need for a condition outside the Board's jurisdiction.

For all the reasons set forth in the Verified Notice, and herein, the Notifiers respectfully request that the Board advise that the Indirect Certificated Entity Acquisition (defined in the Verified Notice) may proceed without further approval of the Board, or alternatively, approve the Acquisition as described herein.

The undersigned is counsel for Sprint Communications, but notes that T-Mobile joins in this submission and has authorized its submission.

Respectfully submitted,



James C. Meyer
Attorney for Sprint Communications Company L.P.

cc: **Via Email (with U.S. Mail Only to Designees)**
Attached Service List

SERVICE LIST

Notice of Indirect Transfer of Control of Sprint Communications Company L.P. Inc. BPU Docket No. TM18070730

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