

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)
)
Applications of T-Mobile US, Inc.)
) WT Docket No. 18-197
and)
)
Sprint Corporation)
)
Consolidated Applications for Consent To)
Transfer Control of Licenses and Authorizations)

**Supplemental Comments of Liberty Cablevision of Puerto Rico LLC
in Support of Petition to Deny**

Liberty Cablevision of Puerto Rico LLC (“LCPR”) submits these supplemental comments in response to the Commission’s March 7, 2019 Public Notice¹ seeking comment regarding the February 21, 2019 and March 6, 2019 filings of T-Mobile US, Inc. (“T-Mobile”) and Sprint Corporation (“Sprint” and, collectively, “Applicants”) in this proceeding. The Applicants continue to ignore their obligation to demonstrate that the transaction’s public interest benefits outweigh the resulting harms in Puerto Rico. Based upon the adverse effects of the transaction upon competition in Puerto Rico, the Commission should adopt the conditions previously proposed by LCPR in this proceeding.

¹ See *Commission Announces Receipt of Additional Analysis and Information from T-Mobile and Sprint; Establishes Comment Deadline*, DA 19-161, WT Docket No. 18-197 (rel. Mar. 7, 2019).

LCPR petitioned to deny² the applications for consent to the transfer of control of various licenses in connection with the proposed T-Mobile-Sprint merger. The LCPR Petition demonstrated that the Applicants' generalized claims of public interest benefits resulting from the transaction do not extend to Puerto Rico. Specifically, LCPR presented information and data showing that: (1) the claimed benefits of competition between New T-Mobile and Verizon will not materialize in Puerto Rico because Puerto Rico is the only U.S. market in which Verizon does not operate; (2) Applicants' combined spectrum holdings will exceed every applicable spectrum screen in Puerto Rico, including the screen for spectrum below 1 GHz; and (3) Applicants have not attempted to demonstrate, in compliance with Commission requirements,³ how the public interest benefits of the proposed merger outweigh the potential public interest harms associated with such additional concentration of below-1-GHz spectrum in Puerto Rico. LCPR Petition at 5-12. To address the anti-competitive impact of the transaction on telecommunications services in Puerto Rico, LCPR requested that the Commission adopt conditions requiring New T-Mobile to: (1) enter into MVNO agreements with telecommunications providers in Puerto Rico on reasonable terms and conditions at its most favorable rates, with the presumption of long-term renewal; and (2) divest spectrum and facilities sufficient to maintain an effective and efficient competitive wireless provider in Puerto Rico. *See* LCPR Reply at 5-7.

² *See Petition to Deny of Liberty Cablevision of Puerto Rico LLC*, WT Docket No. 18-197 (filed Aug. 27, 2018) ("LCPR Petition"); *see also Reply of Liberty Cablevision of Puerto Rico LLC to Opposition of T-Mobile US, Inc. and Sprint Corporation Petition to Deny*, WT Docket No. 18-197 (filed Oct. 31, 2018) ("LCPR Reply").

³ An applicant seeking to acquire one-third or more of the available mobile broadband spectrum below 1 GHz in a particular market must provide a "detailed demonstration regarding why the public interest benefits outweigh harms" in the particular market. *See Policies Regarding Mobile Spectrum Holdings*, 29 FCC Rcd. 6133 (2014), at ¶¶13, 286-288.

The Applicants' February 21, 2019 and March 6, 2019 filings comprise over 140 pages of narrative, expert opinion, declarations and diagrams addressing matters such as post-merger integration, new technology offerings, and service quality issues, among others. However, the Applicants simply do not address the impact of the proposed merger on Puerto Rico, much less demonstrate through empirical data that the public interest benefits of the proposed merger will outweigh the public interest harms in Puerto Rico.

In fact, the Applicants' only response to date to the Puerto Rico-specific competitive concerns raised by LCPR is their irrelevant attack on LCPR and their claim that the incumbent local exchange carrier, Puerto Rico Telephone Company, Inc. ("PRTC"), is a "strong wireless competitor."⁴ PRTC, however, repeatedly has confirmed to the Commission that, as a result of Hurricanes Irma and Maria in 2017, it sustained: (1) "catastrophic damage to its telecommunications infrastructure;"⁵ (2) "extensive damage to its...wireless networks;"⁶ and (3) near complete destruction of certain facilities used to provide broadband services to unserved areas.⁷ Although PRTC has reported that it largely has rebuilt its wireless infrastructure, such catastrophic damage to PRTC's wireless and telecommunications services infrastructure undoubtedly will continue to hinder its ability to provide "strong" competition to New T-Mobile in Puerto Rico.

⁴ See *Joint Opposition of T-Mobile US, Inc. and Sprint Corporation, Applications of T-Mobile US, Inc. and Sprint Corporation, For Consent to Transfer Control of Licenses and Authorizations*, WT Docket No. 18-197 (filed Sept. 17, 2018), at 28, 31.

⁵ See *Comments of Puerto Rico Telephone Company, Inc., in the Matter of Hurricane Response*, PS Docket No. 17-344 (filed Jan, 22, 2018), at 5.

⁶ See *Comments of Puerto Rico Telephone Company, Inc., Uniendo a Puerto Rico Fund and Connect USVI Fund*, WC Docket No. 18-143 (filed July 26, 2018), at 7.

⁷ *Id.*; see also *Notice of Ex Parte Presentation (WC Docket Nos. 18-143, 10-90 and 14-58)—Puerto Rico Telephone Company, Inc.*, (filed Mar. 6, 2019), at 9 ("[d]evastation [caused] by the hurricanes was catastrophic").

The Negociado de Telecomunicaciones de Puerto Rico (“Puerto Rico Telecommunications Bureau”), Puerto Rico’s telecommunications regulatory agency, recently expressed its “concerns” to the Commission regarding the “possible undue concentration of economic power in...Puerto Rico” and “how a merger of such magnitude...would affect competition and the availability of future spectrum awards to other competitors.”⁸ Noting that availability of spectrum “can affect whether, when, and where existing service providers and potential entrants will be able to expand capacity or deploy networks,” the Puerto Rico Telecommunications Bureau urged the Commission “to pay particular attention to [its] spectrum policies applicable to Puerto Rico to ensure such policies promote competition, innovation and serve the public interest, convenience and necessity.” Puerto Rico Telecommunications Bureau Letter at 2.

The Puerto Rico Telecommunications Bureau also requested that the Commission “pay particular attention to the multifaceted Puerto Rico market (not just the major population areas),” and recommended that the Commission undertake a “granular review” of the transaction’s effects in Puerto Rico to determine if the transaction warrants the adoption of “particular conditions...to promote the public interest.” *Id.* at 2. LCPR supports the Puerto Rico Telecommunications Bureau’s request that the Commission evaluate the potential effects of the transaction on the Puerto Rico market.

The Applicants have not shown any public interest benefits in Puerto Rico resulting from the proposed transaction and have not made the “detailed demonstration regarding why the public interest benefits outweigh harms” in Puerto Rico required to justify their acquisition of more

⁸ See *Letter of Sandra Torres López, President, Negociado de Telecomunicaciones de Puerto Rico*, WC Docket No. 18-197 (filed Mar. 1, 2019) (“Puerto Rico Telecommunications Bureau Letter”), at 1.

than one-third of the available mobile broadband spectrum below 1 GHz. Consequently, the Commission should deny the proposed applications or adopt the MVNO agreement and spectrum divestment conditions proposed by LCPR for Puerto Rico in its Reply Comments.

March 28, 2019

Respectfully submitted,

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CERTIFICATE OF SERVICE

I, Carla Framil Ferran, hereby certify that on this 28th day of March, 2019, I have caused a copy of the foregoing Supplemental Comments of Liberty Cablevision of Puerto Rico LLC in Support of Petition to Deny to be served by email on the parties below:

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