DLA Piper LLP (US)
500 Eighth Street, NW
Washington, DC 20004
www.dlapiper.com

Nancy Victory
nancy.victory@dlapiper.com
T 202.799.4216
F 202.799.5616

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VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

Re: Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of Licenses and Authorizations; WT Docket No. 18-197

Dear Ms. Dortch:

Pursuant to a recent decision by the California Public Utilities Commission ("CPUC"), T-Mobile US, Inc. ("T-Mobile") hereby seeks clarification regarding one of the conditions imposed by the Commission's order approving the merger of T-Mobile and Sprint Corporation ("Sprint").[1] In the FCC Merger Order, the Commission conditioned its approval on the merged entity divesting Sprint's Boost Mobile ("Boost") branded business, including its customer base, to a "serious and credible buyer."[2] A very small portion of the existing Boost customer base is participating in a California LifeLine pilot program that T-Mobile is required to maintain (approximately 11,000 participants out of millions of Boost customers). The CPUC has directed T-Mobile to attempt to secure approval from the Commission to retain those customers currently receiving service under the California LifeLine Pilot Program and not transfer them to DISH. T-Mobile is willing to retain these customers and DISH has stated that it does not object. Accordingly, T-Mobile hereby seeks clarification that retention of the approximately 11,000 Pilot Program customers does not violate the FCC's merger condition. We ask that this clarification be provided as soon as possible as the parties are anticipating closing soon and will need to know prior to closing whether these subscribers can be properly retained by T-Mobile.

By way of background, in order to develop innovative strategies for the California LifeLine Program, the CPUC in 2018 sought to partner with Sprint Spectrum L.P. ("Sprint Spectrum") through its prepaid brand, Boost Mobile, to develop a pilot proposal to increase participation in the LifeLine Program.[3] After extensive collaboration with the CPUC, Sprint Spectrum submitted a proposed pilot. In April 2019, while the merger was pending before the

[1] *Applications of T-Mobile US, Inc., and Sprint Corporation for Consent to Transfer Control of Licenses and Authorization*, Memorandum Opinion and Order, Declaratory Ruling, and Order of Proposed Modification, WT Docket No. 18-197, FCC 19-103 (2019) ("FCC Merger Order").

[2] *Id.* at App. G, Att. 2.

[3] CPUC Decision 18-12-019 (rel. Dec. 18, 2018), *available at* *http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M251/K987/251987271.PDF*.

FCC, the CPUC approved this pilot ("Pilot Program"), which offers eligible consumers in California a single-use promotion code that provides a $15.00 per month discount toward the purchase of any prepaid wireless service plan offered by Sprint's Boost brand. The promotion code allows qualified consumers to receive the monthly discount for up to two years on a single line of service. To date, two Pilot Program partnerships have launched: the iFoster Pilot Program partnership to serve California's foster youth; and the CPUC's California Alternate Rates for Energy ("CARE") Pilot Program Partnership to serve low-income California residents who are enrolled in CARE.

On April 16, 2020, the CPUC adopted an order approving the T-Mobile/Sprint merger, subject to conditions.[4] Among those conditions is a requirement that T-Mobile "make a good faith effort to secure any necessary approvals from the Federal Communications Commission and Department of Justice to maintain the Boost customer base currently receiving service under the California LifeLine Pilot Program and avoid their transfer to DISH under the terms of the divestiture."[5] As made clear in its order approving the merger, the CPUC intends for T-Mobile to continue the Pilot Program under a T-Mobile brand.[6] Given that T-Mobile will be continuing the program, it is in the public interest for T-Mobile to also continue to serve the Pilot Program's existing customers rather than orphan them to DISH.

Indeed, T-Mobile's understanding is that DISH, the intended buyer of the Boost business, has no plans – or authority from the CPUC – to continue the Pilot Program. Accordingly, after the sale of the Boost business, the consumers participating in the Pilot Program – who are among our country's most vulnerable citizens – will find themselves disenfranchised from the program and would lose the discounted rates designed to make wireless service more accessible to them. Such a result would plainly harm those customers and be contrary to the public interest.

Further, permitting T-Mobile to retain these LifeLine Pilot Program customers would not diminish wireless competition or in any way limit or hamper DISH's ability to compete in the marketplace. The current number of Boost customers participating in the Pilot Program is small, approximately 11,000 in total, which is a fraction of Boost's millions of customers. Indeed, in

[4] CPUC Decision 20-04-008 (rel. Apr. 27, 2020), *available at* http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M335/K378/335378035.PDF.

[5] *Id.* at 54.

[6] *Id.* at 54-57 (The order requires T-Mobile to either assume operations of the current pilot or initiate a new pilot and identifies clear steps that T-Mobile would need to take in doing so).

testimony before the CPUC, DISH indicated it is supportive of allowing T-Mobile to retain these customers.[7]

For the foregoing reasons, T-Mobile's retention of the Pilot Program's customer base is clearly in the public interest and consistent with the terms of the FCC Merger Order. Please direct any questions regarding this request for clarification to the undersigned counsel for T-Mobile.

Respectfully submitted,

DLA Piper LLP (US)

/s/ Nancy J. Victory

Nancy J. Victory
Partner

cc: Charles Mathias
Catherine Matraves
Kathy Harris
Linda Ray
Jim Bird
David Krech

[7] CPUC Hearing Tr. at 1675 (Blum Cross) ("Q: If [DISH] decide[s] not to participate in the Boost pilot, you said you would be willing to transfer those customers to T-Mobile?" A: "It will either be we decide to continue or they go to T-Mobile to make sure that the pilot subscribers continue.").