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May 2, 2019

Via ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

**Re: Notice of *Ex Parte* Presentation
Applications of T-Mobile US, Inc. and Sprint Corporation for
Consent to Transfer Control of Licenses and Authorizations
WT Docket No. 18-197;
Transforming the 2.5 GHz Band
WT Docket No. 18-120**

Dear Ms. Dortch:

Pursuant to Section 1.1206(b) of the Commission's rules, 47 C.F.R. Section 1.1206(b), notice is hereby provided of an oral *ex parte* presentation in the above-referenced proceedings. On April 30, 2019, Katherine Messier, Director of Development, North American Catholic Educational Programming Foundation, Inc. ("NACEPF") and Executive Director of Mobile Beacon, a wholly-owned NACEPF subsidiary; John Schwartz, Chief Executive of Voqal (participating by phone); Alan Hill, President of the J.A. Hill Group; and undersigned counsel (together the "Participants"), met with Will Adams, Legal Advisor to Commissioner Brendan Carr.

The Participants discussed and answered questions regarding the attached document related to the Sprint/T-Mobile merger and Voqal's proposed divestiture condition as set forth in its March 4 confidential written *ex parte* presentation.¹ As part of their discussion, the Participants noted the interconnection of the Commission's pending EBS rulemaking proceeding in WT Docket 18-120, *Transforming the 2.5 GHz Band*, and that the Commission's decision regarding the pending Sprint and T-Mobile applications would have a significant adverse impact on EBS licensees and the low-income and rural populations they serve if certain proposed changes to the EBS rules are adopted. The participants also pointed to matters discussed in the

¹ Voqal, Written *Ex Parte* Presentation, WT Docket 18-197 (March 4, 2019). Voqal filed a redacted copy of the presentation via ECFS on March 5, 2019.

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written ex parte presentations that NACEPF and Mobile Beacon recently filed concerning the proposed merger (April 2, 2019)² and the rule making (April 25, 2019).³

Please contact undersigned counsel should any question arise concerning this matter or if additional information is required.

Sincerely,

/s/ Mark Van Bergh

Mark Van Bergh

cc: Will Adams

² North American Catholic Educational Programming Foundation, Inc. and Mobile Beacon, Written *Ex Parte* Presentation, WT Docket 18-197 (April 2, 2019).

³ North American Catholic Educational Programming Foundation, Inc. and Mobile Beacon, Written *Ex Parte* Presentation, WT Docket 18-120 (April 25, 2019).

Sprint/T-Mobile Merger

2.5 GHz Spectrum Issues and Voqal's Proposed Divestiture Condition

Proposed Merger Harm - will give New T-Mobile a dominant position in indispensable 2.5 GHz mid-band spectrum causing harm to EBS licensees and broadband consumers

- **Harms to EBS licensees:**
 - New T-Mobile would have less incentive to share the spectrum
 - New T-Mobile would have monopsony power in lease negotiations, and, unlike Sprint, would have both enhanced ability and incentive to exploit this monopsony power to achieve anticompetitive lease terms.
 - Other carriers less likely to seek EBS spectrum as it becomes available
 - New T-Mobile would have greater resources to acquire white space spectrum
- **Harms to Broadband Consumers:**
 - New T-Mobile would materially exceed spectrum screen in 65% of US counties
 - New T-Mobile would hold almost all 2.5 GHz spectrum for developing 5G
 - Limits ability of large and small carriers to deploy a competitive 5G service
 - End result is higher cost, lower quality 5G than would occur in a competitive market

2.5 GHz is "Sweet Spot" for 5G

- Better propagation than high-band; fewer engineering problems than low-band
- Wide, contiguous blocks of spectrum essential for deploying 5G
- Sprint dominates local 2.5 GHz markets (EBS and BRS)

2.5 GHz is Central to New T-Mobile's 5G Plans and Alleged Consumer Benefits

- Necessary to provide superior 5G network
- Both T-Mobile and Sprint and industry observers say there are no viable mid-band alternatives for 5G

Proposed Divestiture Condition – Would divide 2.5 GHz band into "top" and "bottom" halves and require divestiture of "Top Half" (Voqal March 4, 2019 *Ex Parte*)

- **Top Half Divestiture** – 2596-2690 MHz:
 - 94 MHz total
 - 70.5 MHz of BRS spectrum (mostly licensed to Sprint)
 - 23.5 MHz of EBS G-Group and K block channels (mostly leased to Sprint)
- **Licensed Spectrum (BRS)** – New T-Mobile would divest within one year of closing
- **Leased Spectrum (EBS G-Group)** – For 3 years from closing, New T-Mobile would offer the right to terminate existing leases with Sprint at any time, upon 6 months' notice, without consideration or penalty

- **Alternative Recommendation – Bottom Half Divestiture - 2496-2596 MHz:**
 - 100 MHz total
 - EBS spectrum, A-Group through D-Group (mostly leased to Sprint)
 - BRS channel 1
 - Licensed EBS spectrum would use similar method as EBS G-Group under “Top Half” proposal
 - BRS channel 1 divestiture follows EBS divestiture, 3-4 years after closing

- **Advantages of Top Half Divestiture**
 - Most effective way to stimulate 5G competition, placing significant 2.5 GHz spectrum in the hands of a national competitor
 - Easier to implement with sale of licensed BRS spectrum; fewer EBS leases involved
 - New T-Mobile retains significant 2.5 GHz spectrum under Sprint’s existing leases
 - Voluntary participation of affected EBS licensees
 - Allows EBS licensees to retain existing levels of access to a nationwide network in providing their educational programs, protecting existing service to educational institutions and low-income families
 - BRS licensed on BTA-wide basis providing wider geographic coverage and less reliant on outcome of EBS rulemaking involving EBS white space allocation