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October 27, 2014

Via Electronic Submission

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-A325
Washington, D.C. 20554

Re: ***Notice of Oral Ex Parte Communication***
Reexamination of Roaming Obligations of Commercial Mobile Radio Service
providers and Other Providers of Mobile Data Services, WT Docket 05-265

Dear Ms. Dortch,

This letter is to inform you that on October 23, 2014, Sprint Corporation (“Sprint”), through its representatives Charles W. McKee and Maria Cattafesta, participated in a meeting with Jim Schlichting, Joel Taubenblatt, Catherine Matraves, Aleks Yankelevich, Garnet Hanly, and Brenda Boykin of the Wireless Telecommunications Bureau to discuss the Petition for Expedited Declaratory Ruling filed by T-Mobile USA, Inc. (“T-Mobile”) on May 27, 2014,¹ in the above-referenced proceeding.

Consistent with the comments and reply comments it filed in this matter, Sprint reiterated its strong support of T-Mobile’s Data Roaming Petition seeking further guidance for determining whether the terms of a given data roaming agreement or proposal meet the Commission’s “commercially reasonable” standard. Sprint maintained that Commission clarification will help remove roadblocks to commercially reasonable data roaming arrangements across the industry, particularly with AT&T and Verizon.

Sprint explained that AT&T and Verizon, each the dominant GSM/UMTS (HSPA) and CDMA network operators, respectively, are the only available roaming partners for competitive carriers in many areas of the country. Sprint pointed out that in such locations, particularly in sparsely populated areas, it is not economically feasible or rational for multiple carriers to build multiple networks of a given air interface. Nor is it likely to be in the future, particularly given the changes to high cost universal service funding available to mobile networks from both the

¹ See Petition for Expedited Declaratory Ruling of T-Mobile USA, Inc., WT Docket No. 05-265 (filed May 27, 2014) (“Data Roaming Petition”).

2008 CETC support caps and the 2011 *USF/Intercarrier Compensation Transformation Order*.² Sprint highlighted that despite their high level of investment and unique, innovative arrangements to attempt to close those network coverage gaps, competitive carriers still need access to the wider footprint that only AT&T and Verizon can provide to satisfy consumers' expectation for ubiquitous service. Sprint noted that these carriers obtained their current coverage through acquisition and subsidy, and not, as they have suggested, through unsubsidized facilities investment and new construction.

Sprint explained that carriers, such as AT&T and Verizon, operating the only compatible network in many areas, hold a superior bargaining position, which gives them the incentive and ability to demand anti-competitive rates and terms. In its experience, Sprint noted that it is charged the highest data roaming rates in locations where no alternative roaming partner is available. Moreover, Sprint stated that the data roaming rates of its two most expensive roaming providers (averaged together) are more than 2000 percent (20 times) higher than the rates negotiated with Sprint's carrier partners participating in the Rural Roaming Preferred Program ("R2P2"). Sprint emphasized that where there are no alternative roaming providers, competitive carriers have no choice but to agree to commercially unreasonable roaming arrangements.

Furthermore, Sprint stated that competitive carriers forced to agree to excessive data roaming rates must then confront the difficult choice of either: (1) raising consumer rates, resulting in less attractive service offers; or (2) restricting access to data roaming in some way, directly counter to the Commission's ultimate goal of providing consumers seamless service. In addition, Sprint stressed that excessive wholesale data roaming rates divert otherwise available resources away from network investment and innovation, which are key drivers of competition.

Given the current dysfunction in the data roaming market, Sprint stated that T-Mobile's proposed benchmarks will provide additional important points of reference for evaluating whether roaming terms meet the commercially reasonable standard. Sprint added that clarifying the ambiguity around the existing agreement presumption and the build-out factor will remove these issues as potential obstacles to negotiating and reaching commercially reasonable data roaming arrangements.

Pursuant to Section 1.1206 of the Commission's rules, this letter is being filed electronically with your office. Please let me know if you have any questions regarding this filing.

² See *Connect America Fund, et al.*, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, 26 FCC Rcd. 17,663, (2011) ("*USF/Intercarrier Compensation Transformation Order*"), petition for review denied sub nom. *In re FCC 11-161*, 753 F.3d 1015 (10th Cir. 2014); *High-Cost Universal Service Support; Federal-State Joint Board on Universal Service; Alltel Communications, Inc., et al., Petitions for Designation as Eligible Telecommunications Carriers, et al.*, 23 FCC Rcd. 8834 (2008).

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'C. McKee', written over a horizontal line.

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cc: (via email)

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Joel Taubenblatt
Catherine Matraves
Aleks Yankelevich
Garnet Hanly
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