BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of Applications for	**)**	
Consent to the Transfer of Control	**)**	
of Licenses, Leasing Arrangements	**)**	
and Authorizations from	**)**	
	)	
Centennial Communications	**)**	WT Docket No. 08-246
Corporation	**)**	
Transferor	**)**	
	)	
To	**)**	
	)	
AT&T Inc.	**)**	
Transferee	**)**	

JOINT OPPOSITION OF
AT&T INC. AND CENTENNIAL COMMUNICATIONS CORP. TO PETITIONS TO DENY OR TO CONDITION CONSENT, AND REPLY TO COMMENTS AND PETITION FOR RECONSIDERATION

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EXECUTIVE SUMMARY

The few opponents to this merger provided no meaningful challenge to the fact, as AT&T and Centennial demonstrated in the Public Interest Statement, that this merger is in the public interest. This merger will result in myriad public interest benefits without harming competition in any relevant market. Centennial's customers, who are primarily located in rural areas and small cities, will enjoy the full range of capabilities available on AT&T's network, including a greater variety of rate plans, an expanded selection of handsets with advanced service capabilities, enhanced international roaming opportunities, and improved reception and signal quality. The transaction will enable AT&T to provide Centennial's customers 3G services that Centennial may be unable to provide, particularly in today's economic climate. Moreover, the merger will enable AT&T to provide 4G services in areas where neither company may have provided services absent the merger. Substantial operational cost savings will flow from the merger, and Centennial's customers also will benefit from AT&T's unique disaster recovery capabilities and assets.

The Petitioners and Commenters have ignored the clear public benefits of the merger and instead have raised issues – such as roaming, handset exclusivity, and spectrum caps – that are unrelated to this merger and concern the wireless industry generally. This transaction, which involves less than one half of one percent of the country's wireless subscribers, is not the appropriate forum in which to consider imposing on AT&T a range of conditions that should apply, if at all, to all wireless carriers and would clearly amount to fundamental regulatory changes. In addition, a few Petitioners inappropriately seek to inject into this merger proceeding private commercial disputes with AT&T. Finally, one Commenter makes meritless and self-serving claims related to network technology in Puerto Rico and the U.S. Virgin Islands. The

Commission can and should quickly deny the requests in these pleadings for conditions and other actions.

In view of the abundant public interest benefits and the absence of any credible evidence of competitive harm, the Commission should approve the transfer applications quickly and without conditions.

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JOINT OPPOSITION OF
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I. Introduction

AT&T Inc. ("AT&T") and Centennial Communications Corp. ("Centennial") demonstrated in their Public Interest Statement that their merger will provide myriad public interest benefits without harming competition in any relevant market. No party to this proceeding has meaningfully challenged this demonstration. Instead, most of the Petitioners and Commenters raise issues – such as roaming, handset exclusivity, and spectrum caps – that are unrelated to this merger and concern the wireless industry generally. This transaction, which involves less than one half of one percent of the country's wireless subscribers, is not the appropriate forum in which to consider imposing on AT&T a range of conditions that should apply, if at all, to all wireless carriers and would clearly amount to fundamental regulatory

changes. These industry-wide issues have no place in any merger proceeding and improperly burden the merger review process. Other parties have sought to inject their private commercial disputes with AT&T into this proceeding, which is equally inappropriate. Finally, one party has made meritless and self-serving claims related to network technology in Puerto Rico and the U.S. Virgin Islands. The Commission can and should quickly deny the requests in these pleadings and grant the transfer applications promptly and without conditions.[1]

II. The Merger Will Produce Numerous Public Interest Benefits

It is beyond dispute that the AT&T/Centennial merger will generate numerous significant public interest benefits.[2] Centennial's customers, who are primarily located in rural areas and small cities, will enjoy the full range of capabilities available on AT&T's network, including a greater variety of rate plans, an expanded selection of handsets with advanced service

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[1] The Commission also should dismiss the petition for reconsideration filed by Cellular South, Inc. *See Public Notice re Centennial Commc'ns Corp. and AT&T Inc. Announcing the Modification of the Ex Parte Procedures Applicable to a Restricted Proceeding to Permit-But-Disclose Proceedings Applicable to Non-Restricted Proceedings*, Petition for Reconsideration of Cellular South, Inc., WT Dkt No.08-246 (filed Jan. 15, 2009); Supplement to Petition for Reconsideration of Cellular South, Inc., WT Dkt No. 08-246 (filed Jan. 23, 2009). The Commission recently rejected similar claims raised by Cellular South in the Verizon/ALLTEL merger proceeding and made clear that the Wireless Telecommunications Bureau has the authority pursuant to Section 1.1200(a) of the Commission's rules to assign the permit-but-disclose procedures to a merger proceeding. *In re Applications of Cellco P'ship d/b/a Verizon Wireless and Atlantis Holdings LLC for Consent to Transfer Control of Licenses, Authorizations, and Spectrum Manager and De Facto Transfer Leasing Arrangements and Petition for Declaratory Ruling that the Transaction is Consistent with Section 310(b)(4) of the Commc'ns Act*, WT Dkt No. 08-95, Memorandum Opinion and Order and Declaratory Ruling, FCC 08-258, ¶¶ 219-20 (rel. Nov. 10, 2008) ("*Verizon/ALLTEL Order*"). For the reasons set forth in the *Verizon/ALLTEL Order*, the Commission should deny Cellular South's petition for reconsideration here.

[2] *See In re Applications for Consent to the Transfer of Control of Licenses, Leasing Arrangements and Authorizations from Centennial Commc'ns Corp. to AT&T Inc.*, WT Dkt No. 08-246, Description of the Transaction, Public Interest Showing and Related Demonstrations at 4-23 (filed Nov. 21, 2008) ("AT&T/Centennial PIS").

capabilities, enhanced international roaming opportunities, and improved reception and signal quality.[3] The merger will enable AT&T to provide 3G and 4G services to more of Centennial's customers than Centennial could do on its own. The transaction will enable AT&T to provide Centennial's customers 3G services that Centennial may be unable to provide, particularly in today's economic climate. Moreover, the merger will enable AT&T to provide 4G services in areas where neither company may have provided services absent the merger.[4] Substantial operational cost savings will flow from the merger, and Centennial's customers also will benefit from AT&T's unique disaster recovery capabilities and assets.[5] These benefits are real and substantial and have consistently been found by the Commission to satisfy the relevant public interest standard.[6] No one has put forth any legitimate reason for denying consumers these improvements and enhancements.

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[3] *Id* at 5-14.

[4] *Id*. at 16-18.

[5] *Id*. at 14-15, 20-23.

[6] *See, e.g.*, *Verizon/ALLTEL Order* ¶ 156; *In re Applications of Cellco P'ship d/b/a Verizon Wireless and Rural Cellular Corp. for Consent to Transfer Control of Licenses, Authorizations, and Spectrum Manager Leases and Petitions for Declaratory Ruling that the Transaction Is Consistent with Section 310(b)(4) of the Commc'ns Act*, Memorandum Opinion and Order and Declaratory Ruling, 23 FCC Rcd. 12,463, 12,504, ¶ 92 (2008) ("*Verizon/RCC Order*"); *In re Applications of AT&T Inc. and Dobson Commc'ns Corp. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 22 FCC Rcd. 20,295, 20,330, ¶ 74 (2007) ("*AT&T/Dobson Order*"); *In re Midwest Wireless Holdings, L.L.C. and ALLTEL Commc'ns, Inc. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 21 FCC Rcd. 11,526, 11,564, ¶ 106 (2006); *In re Applications of Nextel Commc'ns, Inc. and Sprint Corp. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 20 FCC Rcd. 13,967, 14,013-15, ¶¶ 129-31 (2005) ("*Sprint/Nextel Order*"); *In re Applications of W. Wireless Corp. and ALLTEL Corp. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 20 FCC Rcd. 13,053, 13,101, ¶ 134 (2005); *In re Applications of AT&T Wireless Servs., Inc. and Cingular Wireless Corp. for Consent to Transfer Control of Licenses and Authorizations*,

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III. The Public Policy Claims and Private Disputes Are Not Merger Specific

The handful of parties opposing the transaction or seeking conditions have ignored the Commission's longstanding policy of "not consider[ing] arguments in [merger] proceeding[s] that are better addressed in other Commission proceedings"[7] and of not "impos[ing] conditions to remedy pre-existing harms or harms that are unrelated to the transaction."[8] Instead, these

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Memorandum Opinion and Order, 19 FCC Rcd. 21,522, 21,599, ¶ 203 (2004) ("*Cingular/AT&T Wireless Order*").

[7] *In re Applications of Craig O. McCaw and Am. Tel. & Tel. Co. for Consent to the Transfer of Control of McCaw Cellular Commc'ns, Inc. and its Subsidiaries*, Memorandum Opinion and Order, 9 FCC Rcd. 5836, 5904, ¶ 123 (1994) ("*McCaw/AT&T Order*").

[8] *See, e.g., Verizon/ALLTEL Order* ¶ 29; *In re Sprint-Nextel Corp. and Clearwire Corp. Applications for Consent to Transfer Control of Licenses, Leases, and Authorizations*, WT Dkt No. 08-94, Memorandum Opinion and Order, FCC 08-259, ¶ 22 (rel. Nov. 7, 2008) ("*Sprint/Clearwire Order*"); *In re AT&T Inc. and BellSouth Corp. Application for Transfer of Control*, Memorandum Opinion and Order, 22 FCC Rcd. 5662, 5674-75, ¶ 22 (2007) ("*AT&T/BellSouth Order*"); *In re SBC Commc'ns and AT&T Corp. Applications for Approval of Transfer of Control*, Memorandum Opinion and Order, 20 FCC Rcd. 18,290, 18,303, ¶ 19 (2005) ("*SBC/AT&T Order*"); *Sprint/Nextel Order* at 13,979, ¶ 23; *Cingular/AT&T Wireless Order* at 21,545-46, ¶ 43. Cincinnati Bell's claim that agencies must resolve issues before them in an adjudication rather than saving them for a rulemaking proceeding is inapt. *In re Applications for Consent to the Transfer of Control of Licenses, Leasing Arrangements and Authorizations from Centennial Commc'ns Corp. to AT&T Inc.*, WT Dkt No. 08-246, Petition of Cincinnati Bell Wireless LLC to Condition Consent or Deny Application at 23 (filed Jan. 15, 2009) ("Cincinnati Bell Petition"). The case Cincinnati Bell cited, *Am. Tel. & Tel. Co.* v. *FCC*, 978 F.2d 727, 732 (D.C. Cir. 1992), dealt with a rate complaint in which "the agency [was] called upon as an adjudicator to apply existing law to a complaint." *Id.* Thus, the court held the Commission must consider in the complaint proceeding whether the applicable FCC rule complied with the statute because deferring that decision to "a rulemaking, which operates only prospectively" would not have offered relief to the complainant. *Id.* Here, though, while transfer of control proceedings – as licensing proceedings – are classified as adjudications under the Administrative Procedure Act, 5 U.S.C. §§ 551(6)-(7), 558(c), they are prospective proceedings, not backward-looking proceedings like a rate complaint proceeding. Indeed, the D.C. Circuit has held that in the context of a merger proceeding, it is reasonable for the Commission not to review issues affecting competition in the industry overall, but to defer them until another proceeding. *See SBC Commc'ns Inc. v. FCC*, 56 F.3d 1484, 1491 (D.C. Cir. 1995). Moreover, as noted, the issues Cincinnati Bell raises do not involve merger-specific harms but pertain to preexisting industry practices. Finally, unlike in *Am. Tel. & Tel. Co.* v. *FCC*, where the court required the

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merger opponents have raised issues that "apply broadly across the industry" and are not "issue[s] specific to this transaction,"[9] such as the rules and policy decisions related to automatic roaming[10] and interoperability,[11] handset exclusivity,[12] and spectrum caps.[13] And they have

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application of "existing law to a complaint," here Cincinnati Bell would have the Commission establish new requirements and impose them on AT&T when rulemaking proceedings are pending to determine what rules, if any, should apply to the industry overall.

[9] *Verizon/ALLTEL Order* ¶ 207.

[10] The complaints regarding automatic roaming are particularly inappropriate in this context, since an overwhelming percentage of Centennial's GSM roaming traffic in its domestic markets comes from subscribers of AT&T and T-Mobile, so that few other carriers will be materially impacted by the change in control over Centennial's GSM markets. Moreover, as demonstrated in the Public Interest Statement and discussed above, the transaction will deliver public interest benefits with regard to roaming. AT&T/Centennial PIS at 5, 9-10, 19-20.

[11] *In re Applications for Consent to the Transfer of Control of Licenses, Leasing Arrangements and Authorizations from Centennial Commc'ns Corp. to AT&T Inc.*, WT Dkt No. 08-246, Comments of Rural Cellular Ass'n at 5-9 (filed Jan. 15, 2009) ("RCA Comments"); *In re Applications for Consent to the Transfer of Control of Licenses, Leasing Arrangements and Authorizations from Centennial Commc'ns Corp. to AT&T Inc.*, WT Dkt No. 08-246, Petition to Deny of Cellular South, Inc. at 8-10 (filed Jan. 15, 2009) ("Cellular South Petition"); Cincinnati Bell Petition at 5-19.

[12] RCA Comments at 9-12; Cellular South Petition at 7-8; Cincinnati Bell Petition at 19-24. Indeed, the Commission recently launched a rulemaking proceeding regarding exclusive handset arrangements at the request of RCA. *Wireless Telecomms. Bureau Seeks Comment on Petition for Rulemaking Regarding Exclusivity Arrangements Between Commercial Wireless Carriers and Handset Mfrs.*, RM No. 11497, Public Notice, DA 08-2278 (rel. Oct. 10, 2008). The Commission should summarily deny Cellular South's request to delay action on this transaction until after completion of the handset exclusivity proceeding. None of the parties has shown that exclusive handset arrangements are even remotely connected to the public interest analysis of the particular transaction before the Commission. Moreover, any rules adopted to govern handset exclusivity arrangements will apply equally to the combined company. *See Verizon/ALLTEL Order* ¶ 180 (denying request to postpone merger until after roaming rulemaking because "[a]ny decisions reached or rules adopted in [the] roaming proceedings will apply with equal force to Verizon Wireless.").

[13] RCA Comments at 3-5 (proposing divestiture of spectrum holdings that would result post acquisition in AT&T exceeding the Commission's spectrum screen and/or holding both cellular licenses in any market). It is particularly unnecessary to address RCA's spectrum cap claims in this proceeding, given that the parties are not requesting that the Commission modify its existing

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demanded imposing on AT&T alone (but not the industry generally) a range of sweeping regulatory requirements, all in the context of a transaction that involves a small fraction of the country's wireless subscribers and has numerous undisputed public interest benefits. AT&T already has responded (or soon will respond) in the appropriate proceedings to the claims that the opponents are rehashing here.[14] In those proceedings, AT&T has explained why it believes that the regulatory changes sought to be imposed on AT&T through this transaction are both unnecessary and harmful to consumers. In any event, imposing any of these proposed regulatory changes on AT&T alone under the guise of a unilateral merger condition, but not on the industry as a whole, would harm the public interest by constraining AT&T's ability to compete, discouraging it from investing, and disadvantaging consumers. The merger review process should not be burdened in this manner. The Commission should summarily dismiss these claims

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spectrum aggregation screen and that "[a]fter this transaction, the merged firm will remain below the applicable screen virtually everywhere within Centennial's footprint." AT&T/Centennial PIS at 27. Further, the Commission's spectrum screen is simply a trigger for further analysis of competition in the relevant geographic area and is not intended as a spectrum cap. *Verizon/ALLTEL Order* ¶¶ 75, 77; *AT&T/Dobson Order* at 20,307, ¶ 16.

[14] *See, e.g.*, *In re Reexamination of Roaming Obligations of Commercial Mobile Radio Serv. Providers*, WT Dkt No. 05-265, Reply Comments of AT&T Inc. (filed Nov. 28, 2007), Opposition to Petition for Reconsideration of AT&T Inc. (filed Nov. 6, 2007), Comments of AT&T Inc. (filed Oct. 29, 2007); *Wireless Telecomms. Bureau Seeks Comment on Petition for Rulemaking Regarding Exclusivity Arrangements Between Commercial Wireless Carriers and Handset Mfrs.*, RM No. 11497, Public Notice, DA 08-2278 (rel. Oct. 10, 2008); *In re Petition for Rulemaking Regarding Exclusivity Arrangements Between Commercial Wireless Carriers and Handset Mfrs.*, RM No. 11497, Order, DA 08-2576 (rel. Nov. 26, 2008) (extending comment and reply comment deadlines until February 2, 2009 and February 20, 2009, respectively); *In re Rural Telecomms. Group Inc. Petition for Rulemaking to Impose a Spectrum Aggregation Limit on all Commercial Terrestrial Wireless Spectrum Below 2.3 GHz*, RM No. 11498, Reply Comments of AT&T Inc. (filed Dec. 22, 2008), Comments of AT&T Inc. (filed Dec. 2, 2008).

in this proceeding and consider them, if at all, in industry-wide proceedings where it "will be able to develop a comprehensive approach based on a full record."[15]

Certain parties raise claims that are solely private contractual disputes.[16] Based on longstanding Commission policy, it is not within the scope of this proceeding to determine contractual rights or responsibilities,[17] or to protect individual competitors.[18] These assertions

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[15] *SBC/AT&T Merger Order* at 18,320, ¶ 55; *see also Cingular/AT&T Wireless Order* at 21,592, ¶ 183. To the extent the Commission determines, despite clear precedent to the contrary, to consider these issues in this merger proceeding, the Commission should quickly dismiss these issues as meritless. AT&T's comments in the relevant rulemaking proceedings, which AT&T hereby requests to incorporate in this proceeding by reference, clearly demonstrate why the requested changes are contrary to the public interest.

[16] *See* Cellular South Petition at 5-7 (claiming settlement agreement restricts AT&T from holding both cellular licenses in Mississippi 8); *In re Applications for Consent to the Transfer of Control of Licenses, Leasing Arrangements and Authorizations from Centennial Commc'ns Corp. to AT&T Inc.*, WT Dkt No. 08-246, Petition to Deny of NEATT Wireless, LLC at 3 (filed Jan. 15, 2009) ("NEATT Wireless Petition") (raising dispute arising from AT&T's transfer of certain assets in Arkansas); Cincinnati Bell Petition at 6-8 (taking issue with the terms of its roaming arrangements with AT&T). Cincinnati Bell fundamentally mischaracterizes its roaming agreement with AT&T. *See* Cincinnati Bell Petition at 7-8. For example, contrary to Cincinnati Bell's claims, AT&T does not insist that its roaming partners include "primary carrier" provisions in roaming agreements with AT&T. In addition, Cincinnati Bell's allegation that AT&T "threatened to terminate its existing roaming agreement with Cincinnati Bell on the ground that it prohibits Cincinnati Bell from marketing its wireless services to nationwide customers" also is a misinterpretation. *See id.* at 8. Rather, Cincinnati Bell attempted to use its roaming agreement with AT&T to resell AT&T's services to customers outside of Cincinnati Bell's service area. To the extent Cincinnati Bell wishes to become an MVNO reseller of AT&T's services to customers that work or live outside of Cincinnati Bell's service area, it needs to enter into a resale agreement with AT&T.

[17] *See, e.g., In re Applications of AT&T Wireless Servs., Inc. and Cingular Wireless Corp. for Consent to Transfer Control of Licenses and Authorizations*, Order on Reconsideration, 20 FCC Rcd. 8660, 8665, ¶ 13 n.27 (2005); *Cingular/AT&T Wireless Order* at 21,551, ¶ 56 n.222; *In re Application of MCI Telecomms. Corp. and EchoStar 110 Corp.*, Order and Authorization, 16 FCC Rcd. 21,608, 21,624, ¶ 30 (1999); *In re Application of WorldCom, Inc. and MCI Commc'ns Corp. for Transfer of Control of MCI Commc'ns Corp. to WorldCom, Inc.*, Memorandum Opinion and Order, 13 FCC Rcd. 18,025, 18,148, ¶ 214 (1998).

[18] *See, e.g., AT&T/BellSouth Order* at 5759, ¶ 195 ("'[o]ur statutory duty is to protect efficient competition, not competitors."'); *In re Applications of Pac. Telesis Group and SBC Commc'ns,*

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are "not relevant to [the Commission's] public interest analysis and [are] best resolved by the parties, or in courts of competent jurisdiction."[19]

IV. No Conditions Should Be Imposed on AT&T's Choice of Technologies

The Commission can also quickly deny the self-serving concerns raised by Sprint Nextel Corporation ("Sprint") regarding network technology in Puerto Rico and the Virgin Islands.[20] Under the guise of consumer protection, Sprint demands that the Commission dictate AT&T's choice of technology for Sprint's private benefit. In so doing, Sprint ignores the Commission's longstanding hands-off approach to such issues.[21] In addition, as demonstrated fully in the

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Inc. for Consent to Transfer Control of Pac. Telesis Group and its Subsidiaries, Memorandum Opinion and Order, 12 FCC Rcd. 2624, 2647, ¶ 48 (1997); *In re Application of Alascom, Inc. AT&T Corp. and Pac. Telecom, Inc. for Transfer of Control of Alascom, Inc. from Pac. Telecom, Inc. to AT&T Corp.*, Order and Authorization, 11 FCC Rcd. 732, 758, ¶ 56 (1995).

[19] *Sprint/Nextel Order* at 14,034, ¶ 181. In any event, NEATT Wireless's claims are already pending before the FCC's Enforcement Bureau and the U.S. Department of Justice. NEATT Wireless Petition at 4; Letter of 6/1/2007 from Percy L. Berger, Sr., NEATT Wireless, L.L.C.. to FCC Chairman Kevin Martin. AT&T has fully addressed the merits of NEATT Wireless's claims before the FCC Enforcement Bureau. *See* Letter of 9/6/2007 from Anisa A. Latif, AT&T Services Inc. to Alex Starr, Chief, Market Disputes Resolution Division, FCC Enforcement Bureau. As noted above, the Commission has long refused to "consider arguments in [merger] proceeding[s] that are better addressed in other Commission proceedings, or other legal fora." *McCaw/AT&T Order* at 5904, ¶ 123.

[20] *In re Applications for Consent to the Transfer of Control of Licenses, Leasing Arrangements and Authorizations from Centennial Commc'ns Corp. to AT&T Inc.*, WT Dkt No. 08-246, Comments of Sprint Nextel Corp. at 1-9 (filed Jan. 15, 2009) ("Sprint Comments"). Sprint states that its comments "are limited in scope to AT&T's proposal to acquire Centennial's mobile radio licenses and CDMA assets in Puerto Rico and the U.S. Virgin Islands." *Id.* at 1. Sprint does not take any position on AT&T's proposal to acquire Centennial's U.S. mainland or Puerto Rico wireline assets. *See id.*

[21] *See, e.g., In re Amendment of Part 2 of the Comm'n's Rules to Allocate Spectrum Below 3 GHz for Mobile and Fixed Servs. to Support the Introduction of New Advanced Wireless Servs., including Third Generation Wireless Systems*, Notice of Proposed Rulemaking and Order, 16 FCC Rcd. 596, 606, ¶ 21 (2001) ("*Amendment of Part 2 Rules Order*") ("The Commission traditionally has taken a flexible approach to standards and generally does not mandate a

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Public Interest Statement, the merger will both benefit wireless customers and enhance competition in Puerto Rico and the U.S. Virgin Islands,[22] and Sprint's suggestions to the contrary should be rejected.

The Commission repeatedly has refused to "mandate a particular type of technology, leaving such an outcome to the marketplace."[23] Thus, in other transactions, the Commission has rejected proposed conditions to preserve for a particular time or divest a particular technology,[24] or to dictate the nature and terms of services to be offered after the transition to a new technology.[25] There is no basis to depart from that precedent here.

Sprint's implication that any technology conversion will not be smooth also is unfounded. AT&T has significant experience in transitioning customers from one technology to another, including transitioning customers from one network standard to another.[26] In a recent

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particular type of technology, leaving such an outcome to the marketplace. As an example, there are several standards being used for PCS, such as CDMA, TDMA, and GSM."); *Verizon/RCC Order*, at 12,513, ¶ 114 ("[I]t is the Commission's long-standing policy not to dictate licensees' technology choices.").

[22] See AT&T/Centennial PIS at 5, 16, 19, 20-23.

[23] *See, e.g.*, *Amendment of Part 2 Rules Order* at 606, ¶ 21.

[24] *See Verizon/ALLTEL Order* ¶ 161 ("[The Commission] decline[s] to dictate which network(s) (i.e., CDMA and/or GSM network) will be divested by the Applicants."); *Verizon/RCC Order* at 12,513, ¶ 114.; *AT&T/Dobson Order* at 20,327, 20,336, ¶¶ 66, 89 & n.196.

[25] *See Verizon/RCC Order* at 12,518-19, ¶ 130.

[26] *See, e.g.*, *Cingular/AT&T Wireless Order* at 21,601, ¶ 208 & n.494 (describing how the Applicants operate on two similar networks and will combine systems to achieve better service quality); *id.* at 21,606-07, ¶¶ 223-24 (discussing the need to transition customers from the TDMA network to the GSM network to provide enhanced service); AT&T Inc., 2006 Annual Report (Form 10-K), at 31 (Feb. 26, 2007) ("We are transitioning our subscribers to GSM technology, and over 99% of our total usage, based on minutes of use, is on our GSM network."); AT&T Inc., 2005 Annual Report (Form 10-K), at 28, 35 (Mar. 1, 2006) (discussing

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merger, the Commission recognized the importance of such experience in assuaging similar customer transition concerns and should also do so here.[27]

Equally without merit is Sprint's claim that all of Centennial's customers in Puerto Rico will "lose wireless broadband access where they have it today."[28] AT&T currently has extensive 3G coverage throughout Puerto Rico.[29] In addition, unlike other wireless mergers where a technological change threatened to leave consumers without access to a particular technology,[30] multiple CDMA and GSM networks are available in Puerto Rico.[31] Thus, the proposed merger will leave consumers in Puerto Rico with a wide range of options.[32]

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the integration of GSM, the decommissioning of the TDMA network, and the transitioning of technologies in order to "provide a common voice standard").

[27] *See Verizon/RCC Order* at 12,519, ¶ 132 (declining to require Verizon to provide greater detail regarding its plans for converting RCC customers from the existing GSM network to CDMA than that already provided by Verizon based, in part, on the Commission's recognition "that Verizon Wireless, in light of its many acquisitions, has had significant experience in transitioning customers from one system on another, some involving the replacement of one technology with another.").

[28] *See* Sprint Comments at 5.

[29] *See* AT&T Coverage Viewer, http://www.wireless.att.com/coverageviewer/?lon=-66.10611&lat=18.46833&sci=6&3g=t (last visited Jan. 24, 2009) (showing AT&T's 3G coverage in Puerto Rico).

[30] *See Verizon/ALLTEL Order* ¶¶ 127, 176.

[31] In addition to Sprint, Open Mobile and Claro both operate on the CDMA technology in Puerto Rico and Sprint operates on the CDMA technology in the U.S. Virgin Islands. *See* CDMA Development Group, CDMA Worldwide, http://www.cdg.org/worldwide/index.asp (last visited Jan. 24, 2009) (listing CDMA providers in Puerto Rico and the U.S. Virgin Islands). While Claro is in the process of overlaying a GSM and 3G network, it has stated that it has no plans to turn off the existing CDMA/EVDO network that it purchased from Verizon. *See* Letter of 11/28/2006 from Philip L. Verveer, Counsel for América Móvil, S.A. de C.V., to Marlene Dortch, Secretary, Federal Communications Commission, at 3. More recently, a company representative confirmed that it "remains committed to its existing CDMA customer base and [has] invested significantly to handle additional voice and data traffic." *América Móvil Invested $220.4 Million in the Infrastructure*, Comm. Daily, Jan. 3, 2008, at 9.

Sprint also incorrectly suggests that the AT&T/Centennial Application does not discuss at all how AT&T's acquisition of Centennial will affect Centennial's wireless customers in Puerto Rico,[33] and that the Applicants have not shown that the merger will "enhance competition" in Puerto Rico and the U.S. Virgin Islands.[34] To the contrary, in addition to demonstrating that the transaction will have no adverse effect on competition, the Applicants have demonstrated that the transaction will offer Centennial's customers numerous benefits and thereby foster increased competition – in both the Caribbean and the U.S. mainland.[35]

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[32] Sprint also raises concerns about the loss of a potential CDMA roaming partner for CDMA carriers in Puerto Rico. *See* Sprint Comments at 7-8. As explained above, however, unlike the Verizon/ALLTEL merger where the acquisition may have resulted in no GSM provider in certain areas, *see Verizon/ALLTEL Order* ¶¶ 161, 176, other CDMA carriers operate in Puerto Rico and the U.S. Virgin Islands, and CDMA roaming opportunities will continue to exist after the merger. Moreover, Sprint operates a network and holds ample spectrum in both Puerto Rico and U.S. Virgin Islands. There is no reason why Sprint and other carriers could not expend their capital to expand and enhance their CDMA networks for their customers. Put simply, it would be inappropriate for the Commission to order AT&T to refrain from making technology changes it deems to be in its customers' interests solely to allow Sprint and other carriers to avoid having to improve their networks.

[33] *See* Sprint Comments at 4.

[34] *See* Sprint Comments at 6.

[35] AT&T/Centennial PIS at ii-iii, 23; *id*. at 16 (noting that Centennial has no current plans for the introduction of 4G services to its customers in the U.S. mainland markets or in Puerto Rico, and stating that the merger will enable AT&T to provide 4G services in areas where neither company may have provided services absent the merger); *id*. at 19 (discussing expanded network coverage from 4 million POPS in the Caribbean to over 290 million POPS); *id*. at 5 (describing improvements to customers' wireless calling experience); *id*. at 20-23 (detailing the creation of substantial economies of scale and scope that will benefit wireless subscribers); *id*. at 8 ("[T]he proposed merger will allow AT&T to offer Centennial's customers dual-mode phones with integrated Wi-Fi and GPS navigation, as well as other innovative features and services that Centennial currently does not offer . . . ."); *id.* at 10 ("Centennial currently provides its Caribbean customers with roaming services through direct relationships with carriers in the following areas: United States, Canada, Dominican Republic, Mexico, Curaçao, Bonaire, St. Maarten, British Virgin Islands, Cayman Islands, Aruba, Antigua, St. Kitts & Nevis, St. Lucia, Turks & Caicos, Saba, and Statia. In addition, Centennial's international roaming relationships

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V. Conclusion

For the foregoing reasons, the Commission should dismiss or deny the filings made in opposition to the AT&T/Centennial merger. Applicants have demonstrated that the proposed merger serves the public interest, convenience, and necessity. Accordingly, the Commission should expeditiously grant, without conditions, the applications to transfer control of Centennial's FCC authorizations to AT&T.

Respectfully submitted,

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include data capabilities only in a minority of the countries covered. Once the proposed merger enables Centennial's customers to become part of AT&T's network, they will have access to AT&T's more than 630 international roaming agreements, which provide roaming for voice services in 211 countries and for data services in 131 countries."); *id*. at 20-23 (describing substantial cost synergies).

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CERTIFICATE OF SERVICE

I hereby certify that on this twenty-sixth day of January, 2009, I caused true and correct copies of the foregoing Joint Opposition of AT&T Inc. and Centennial Communications Corp. to Petitions to Deny or to Condition Consent, and Reply to Comments and Petition for Reconsideration to be served by electronic mail, first class mail, postage prepaid, or hand delivery upon:

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