

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

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| In the Matter of |) | |
| |) | |
| Applications Filed for the Transfer of |) | WC Docket No. 08-246 |
| Control of Centennial Communications Corp. |) | DA 08-2713 |
| To AT&T, Inc. |) | |

**REPLY COMMENTS OF
SPRINT NEXTEL CORPORATION**

Sprint Nextel Corporation (“Sprint”) hereby replies to the AT&T, Inc. (“AT&T”) and Centennial Communications Corp. (“Centennial”) joint opposition to Sprint’s comments (the “Opposition”).

In its comments, Sprint noted that AT&T’s Application did not contain sufficient facts for interested parties or the Commission to conduct a public interest analysis of AT&T’s proposal to acquire Centennial’s Puerto Rico and the U.S. Virgin Islands (“USVI”) wireless operations given AT&T’s possible intention to convert these CDMA networks into GSM networks.¹

As Sprint explained:

Given this lack of information, Sprint is concerned about the potential implications of this merger for the CDMA customers of Centennial and the customers of other CDMA providers such as Sprint.²

Sprint asked AT&T to address specific questions concerning its possible intent to convert Centennial’s CDMA networks into GSM networks, so the Commission could assess how Centen-

¹ That AT&T’s Application did not even mention this CDMA-to-GSM conversion was surprising given that market analysts noted immediately upon announcement of the proposed transaction that the “most complicated aspect of the deal will involve AT&T Mobility’s integration plans for Centennial’s CDMA-based Puerto Rico operations.” RCR WIRELESS NEWS, *Acquisition Frenzy Continues; Centennial Deal Might Not be Last* (Nov. 17, 2008).

² Sprint Comments at 1.

nial's 430,000 CDMA customers would be impacted by the conversion.³ Sprint also asked AT&T to identify how long it intended to maintain Centennial's CDMA network and whether it intended to honor Centennial's current roaming agreements, because CDMA carriers throughout the nation rely on Centennial's network when their customers travel to Puerto Rico or USVI.⁴

AT&T's Opposition, like its Application, does not address any of these matters, nor does the Opposition contain any facts regarding AT&T's Puerto Rico/USVI integration plans. Attempting to deflect from its decision not to submit any record evidence on this important matter, AT&T instead accuses Sprint of making points that are "meritless and self-serving."⁵

AT&T claims, for example, that Sprint is "demand[ing] that the Commission dictate AT&T's choice of technology for Sprint's private benefit."⁶ Sprint made no such demand, and it certainly did not ask the FCC to "order AT&T to refrain from making technology changes."⁷ To the contrary, Sprint understands AT&T's desire to implement GSM quickly in those Centennial areas that AT&T's GSM network currently does not reach. But the question Sprint posed is how long AT&T intends to maintain the existing CDMA network once it completes the expansion of its GSM network, since AT&T clearly possesses ample spectrum to maintain both networks for a period of time.⁸ This subject obviously is important to Centennial's CDMA customers who, de-

³ See Sprint Comments at 4-5.

⁴ See *id.* at 7-9.

⁵ See Opposition at I, 2 and 8. AT&T summarily dismisses the comments filed by other parties on the ground that the arguments made are "not merger specific." See *id.* at 4-7. AT&T understandably does not make the same claim with regard to the points Sprint raised, because of the conversion of Centennial's CDMA network to a GSM network unquestionably is a merger specific matter.

⁶ Opposition at 8.

⁷ *Id.* at 11 n.32.

⁸ Centennial holds 30 MHz of spectrum in Puerto Rico and the USVI, while AT&T already holds between 37 and 67 MHz in these areas. See AT&T Application, Spectrum Aggregation Chart, at 1, 2 and 5.

pending on AT&T's integration plans, may face the prospect of prematurely discarding their current CDMA handset and having to acquire a new GSM handset.

AT&T further states that Centennial's customers would still have a "wide range of options" even if they choose to retain their CDMA handset, noting that "Open Mobile and Claro both operate on the CDMA technology in Puerto Rico."⁹ But at least to Sprint's knowledge, neither Open Mobile nor Claro operate 3G networks (*e.g.*, EV-DO), so Centennial's 3G customers may not consider these carriers as complete alternatives. Nor is it clear that either of these operators offer the same coverage footprint as Centennial.

AT&T also notes that in the *Verizon/RCC Merger Order* the Commission did not impose conditions pertaining to a network conversion (from GSM to CDMA).¹⁰ In that case, however, Verizon Wireless committed to maintaining RCC's GSM network for 18 months (and longer in certain areas where the RCC operated the only GSM network until AT&T or another GSM carrier built GSM facilities); committed to honoring RCC's GSM roaming agreements; and committed to providing to RCC's GSM customers a "free comparable handset or a discounted higher-end CDMA handset."¹¹

In stark contrast, AT&T here has made none of these commitments in connection with its acquisition of Centennial's CDMA assets and customers. And, although the Commission determined in its *RCC Order* that Verizon had provided "sufficient discussion of its plans consistent

⁹ See Opposition at 10.

¹⁰ See *id.* at 9-10.

¹¹ *Verizon Wireless/RCC Merger Order*, 23 FCC Rcd 12463, 12470 ¶ 11, 12502-03 ¶ 86, 12508 ¶ 100, 12518 ¶ 130 (2008). Apparently, Verizon Wireless later agreed to sell certain GSM assets to AT&T so "AT&T can provide GSM service to both former RCC customers and to other GSM users." *Id.* at 12520-21 ¶ 136.

with the transition information we seek when considering proposed transitions,”¹² here, AT&T has submitted no facts at all regarding its conversion/integration plans for Centennial’s CDMA assets and customers.

In addition, AT&T asserts that CDMA carriers nationwide can always roam on Claro’s and Open Mobile’s CDMA networks.¹³ But as discussed above, these two carriers apparently have not deployed 3G, so CDMA carriers will not have the same opportunities to negotiate potential data roaming agreements with those carriers. And, as noted above, it is not clear that these carriers have the same coverage as Centennial.

AT&T finally contends that Sprint could “expand” its Puerto Rico/USVI networks to cover those areas once served only by Centennial.¹⁴ That is indeed an option. But as AT&T knows full well, it often takes 18 months (or longer) to locate a single potential cell site location and secure the necessary local governmental approvals, much less address coverage for all Centennial areas. As noted above, Verizon Wireless in the RCC proceeding committed to maintaining RCC’s GSM network for 18 months. In the Verizon Wireless and Alltel merger, Verizon committed to retaining existing roaming agreements for a minimum of four years. AT&T here has made no commitment to maintain Centennial’s CDMA network for any period.

AT&T has acknowledged it “bear[s] the burden of providing by a preponderance of the evidence, that the proposed transaction, on balance, serves the public interest.”¹⁵ Sprint respectfully submits that AT&T has not satisfied this burden until it shares its proposed conversion/integration plan for Centennial’s Puerto Rico/USVI customers and assets. Sprint further submits

¹² See *id.* at 12519 ¶ 132.

¹³ See Opposition at 11 n.32.

¹⁴ See *id.*

¹⁵ AT&T Application at 3.

that, until AT&T provides a “sufficient discussion of its plans consistent with the transition information we seek when considering proposed transitions,”¹⁶ the Commission does not have the facts it needs to conduct the public interest analysis that Congress has charged the agency with performing.

Respectfully submitted,

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February 2, 2009

¹⁶ *Verizon Wireless/RCC Merger Order*, 23 FCC Rcd at 12519 ¶ 132.

Certificate of Service

I, Jo-Ann Monroe hereby certify that a copy of the foregoing Sprint Reply Comments was served on February 2, 2009 by first-class United States mail, postage prepaid or, where indicated by *, by electronic mail.

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