

WT 09-121



FEDERAL COMMUNICATIONS COMMISSION  
Washington DC 20554

November 19, 2009

*Via First Class Mail and E-mail*

Michael Samsock  
Verizon Wireless  
1300 I Street, N.W., Suite 400 West  
Washington, D.C. 20005

William R. Drexel  
AT&T Inc.  
1010 N. St. Mary's, Room 14T  
San Antonio, TX 78215

Re: Applications of Cellco Partnership d/b/a Verizon Wireless and AT&T Inc. for Consent To Assign or Transfer Control of Licenses and Authorizations and Request for Declaratory Ruling on Foreign Ownership (WT Docket No. 09-121)

Dear Messrs. Samsock and Drexel:

Cellco Partnership d/b/a Verizon Wireless and certain of its subsidiaries ("Verizon Wireless") and AT&T Inc. and certain of its future subsidiaries ("AT&T," and together with Verizon Wireless, the "Applicants") have filed a series of applications pursuant to Sections 214 and 310(d) of the Communications Act of 1934, as amended.<sup>1</sup> In these applications, the Applicants seek Commission approval of the assignment or transfer of control of licenses and authorizations from AT&T to Verizon Wireless, and request a declaratory ruling on foreign ownership.<sup>2</sup> In order for the Commission to complete its review of the applications and make the necessary public interest findings under Section 310(d) of the Communications Act,<sup>3</sup> we require additional information and clarification of certain matters discussed in the applications and other information provided to the Commission. If necessary, we will follow up with additional requests for information.

Accordingly, pursuant to Section 308(b) of the Act,<sup>4</sup> we request that you provide written responses and supporting documentation for each request set forth in the attachment and, where appropriate, amend the lead application to reflect such responses. Each response or document should clearly indicate the specific question or request to which it responds, and each page should be marked

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<sup>1</sup> 47 U.S.C. §§ 214, 310(d).

<sup>2</sup> See Cellco Partnership d/b/a Verizon Wireless and AT&T Inc. Seek FCC Consent To Assign or Transfer Control of Licenses and Authorizations and Request a Declaratory Ruling on Foreign Ownership, WT Docket No. 09-121, Public Notice, 24 FCC Rcd 11314 (2009) ("Comment Public Notice").

<sup>3</sup> 47 U.S.C. § 310(d).

<sup>4</sup> 47 U.S.C. § 308(b).

with a corporate identification and consecutive document control numbers. We would appreciate receiving your response to each inquiry no later than December 3, 2009.

Your responses should be filed with Marlene H. Dortch, Secretary, Federal Communications Commission, under WT Docket No. 09-121. In addition, the Comment Public Notice and the Protective Order require the submission of multiple copies of all *ex parte* and other filings submitted in this proceeding.<sup>5</sup> The Wireless Telecommunications Bureau also should receive, at a minimum, two copies of all paper filings. If you submit information pursuant to the Protective Order issued in this case, you should deliver to Kathy Harris of the Wireless Telecommunications Bureau two copies of the unredacted documents marked "Confidential Information – Subject to Protective Order in WT Docket No. 09-121 before the Federal Communications Commission" and two copies of the redacted documents marked "Redacted – For Public Inspection."<sup>6</sup> For any electronic filings made using the Commission's Electronic Comment Filing System ("ECFS"), parties also should serve the documents via e-mail to Kathy Harris, [kathy.harris@fcc.gov](mailto:kathy.harris@fcc.gov), and to Stacy Ferraro, [stacy.ferraro@fcc.gov](mailto:stacy.ferraro@fcc.gov).

If you have any questions regarding this matter, please contact Kathy Harris, Wireless Telecommunications Bureau, at (202) 418-0609.

Sincerely,



Ruth Milkman  
Chief, Wireless Telecommunications Bureau

Attachment

cc: Nancy J. Victory, Wiley Rein LLP  
Peter J. Schildkraut, Arnold & Porter LLP

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<sup>5</sup> See Comment Public Notice at 3-5; Applications of Celco Partnership d/b/a Verizon Wireless and AT&T Inc. for Consent To Assign or Transfer Control of Licenses and Authorizations and Request for Declaratory Ruling on Foreign Ownership, WT Docket No. 09-121, *Protective Order*, DA 09-2449 (WTB rel. Nov. 19, 2009) ("Protective Order").

<sup>6</sup> See Protective Order at 2 ¶ 5.

**Verizon/AT&T-Centennial Divestiture Trust**  
**WT Docket No. 09-121**  
**General Information Request**  
**November 19, 2009**

**I. Definitions**

1. The term “Applicants” means Cellco Partnership d/b/a Verizon Wireless and AT&T Inc., collectively.
2. The term “Application” means the lead application, File No. 0003888722, to which Exhibit 1 – Description of Transaction, Public Interest Showing, and Related Demonstrations is attached.
3. The term “AT&T” means AT&T Inc. and its subsidiaries.
4. The term “Centennial” means Centennial Communications Corp.
5. The term “CDMA” means Code Division Multiple Access technology.
6. The term “CMA” means Cellular Market Area.
7. The term “Divestiture Assets” means the assets included in the instant transaction.
8. The term “Divestiture GSM Network Subscribers” means those customers formerly served by Centennial and whose contracts are included in the Divestiture Assets.
9. The term “Divestiture GSM Network” means the GSM network formerly owned by Centennial and included in the Divestiture Assets.
10. The term “Divestiture Markets” means the markets subject to the instant transaction.
11. The term “EvDO” means Evolution-Data Optimized technology.
12. The term “EvDO Rev. A” means EvDO Revision A technology.
13. The term “ETF” means Early Termination Fee.
14. The term “GSM” means Global System for Mobile Communications technology.
15. The term “Verizon Wireless” means Cellco Partnership d/b/a Verizon Wireless and its subsidiaries.

**II. Questions Regarding Divestiture GSM Network To Be Acquired**

On page 8 of the Public Interest Statement in the Application, the Applicants state that Verizon Wireless will be acquiring the Divestiture GSM Network and that Verizon Wireless will integrate that network into its pre-existing CDMA PCS network. The Applicants also state that Verizon Wireless will collocate CDMA equipment (“GSM/CDMA overlay”) on many of the existing towers, while continuing to operate the Divestiture GSM Network “for a period of time to permit a smooth customer migration to the CDMA network.”

1. By CMA, identify the technology of the Divestiture GSM Network, including whether it has been upgraded to 3G.
2. Regarding Verizon Wireless's plan to transition the Divestiture GSM Network to a CDMA network, provide the following information:
  - a. Describe the timeframe for such transition.
  - b. Describe in greater detail Verizon Wireless's network integration and customer migration plans for the Divestiture GSM Network Subscribers.
  - c. Will the Divestiture GSM Network be maintained at the same level pending the transition to CDMA?
  - d. Will the Divestiture GSM Network Subscribers continue to have the same degree of access to services on the Divestiture GSM network, including broadband data, as they do currently prior to and after any transition?
  - e. How many Divestiture GSM Network Subscribers (in POPs) will be affected by the transitioning of the Divestiture GSM Network?
  - f. What are the costs associated with transitioning the Divestiture GSM Network that would have to be borne by the Divestiture GSM Network Subscribers (such as the purchase of new GSM handsets), if any?
  - g. Will Verizon Wireless honor the terms and conditions of the Divestiture GSM Network Subscribers' existing contracts for the life of those contracts?
  - h. Will Verizon Wireless subsidize, either in full or in part, the costs of new CDMA handsets for the Divestiture GSM Network Subscribers?
  - i. Will the Divestiture Customers be provided with a comparable handset and how will "comparable" be determined?
3. Will Verizon Wireless's CDMA network use 3G EvDO Rev. A technology? If not, what technology will the CDMA network use?
4. Does Verizon Wireless have plans to upgrade its CDMA network to 4G in the Divestiture Markets? If so, describe the timeframe, amount of planned investment, and how it will be financed, the scope of deployment, and the technology Verizon Wireless plans to use in the Divestiture Markets.
5. Provide a copy of the Transition Services Agreement between Verizon Wireless and AT&T.

III. Questions for Verizon Wireless Regarding Roaming Opportunities

1. Provide a list of other wireless providers operating a GSM network in the Divestiture Markets (by CMA).
2. Post transaction, will Verizon Wireless continue to provide GSM roaming on the same current terms until the network transition to CDMA is completed?

3. Will Verizon Wireless raise roaming prices or change other terms and conditions for as long as it maintains the Divestiture GSM Network? If yes, explain.
4. Will there be any benefits that consumers will experience by being on Verizon Wireless's network because of avoidance of certain roaming costs? If so, describe and quantify these benefits.

#### IV. Questions for Verizon Wireless Regarding Service, Rate Plans, and Handsets

A. On page 6 of the Public Interest Statement in the Application, the Applicants state that customers in the affected CMAs will receive a greater variety of service offerings, such as enhanced service plans. On page 8, the Applicants further state that by expanding Verizon Wireless's capacity in the acquired CMAs, Verizon Wireless will be better able to accommodate new subscribers and meet consumers' increasing demands for high-speed services and applications.

1. After the completion of the transaction, will the Divestiture Customers be transitioned to Verizon Wireless service plans? Explain how the Divestiture Customers will be transitioned to Verizon Wireless plans.
  - a. Will they be transitioned at the end of their contracts or before?
  - b. If they are transitioned before the end of their contracts and the customers do not want to transition, will they be required to pay ETFs? If so, are the plans comparable to their current plans?
  - c. Will the price of service increase for the Divestiture Customers? If yes, specify services that will experience a price increase and the amount of the price increase.
  - d. Describe why Verizon Wireless's service plans will benefit the Divestiture Customers.
2. To what types of rate plans do the Divestiture Customers currently have access?
  - a. Do they have both nationwide and regional rate plans available to them?
  - b. Do the regional plans vary by location?
  - c. Does the Trustee offer family plans or data-only plans, and are they offered over the entire service area?
  - d. How do Verizon Wireless's service and rate plans compare to the plans that the Divestiture Customer currently have?
3. Post transaction, will all the Divestiture Customers benefit from Verizon Wireless's Open Development Initiative?
4. Describe in detail the high-speed services and applications that Verizon Wireless will be able to offer the Divestiture Customers.
  - a. How do these services and applications compare to those currently being offered to the Divestiture Customers?

- b. Will the price for such high-speed services and applications increase for the Divestiture Customers?

B. On page 8, the Applicants state that after the GSM/CDMA overlay is complete, Verizon Wireless will begin replacing all existing GSM subscriber handsets in the Divestiture Markets with CDMA handsets.

1. To access Verizon Wireless's services, explain how Verizon Wireless will transition Divestiture Customers.
2. What is the expected timeframe for transitioning Divestiture Customers to CDMA-capable handsets?
3. Will the Divestiture Customers incur any costs as a result of this transition? If so, will Verizon Wireless subsidize the cost? If yes, please describe the expected subsidy.