

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



September 15, 2011

Ms. Marlene Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: Notice of Ex Parte Communications, *Applications for AT&T Inc. and Deutsche Telekom AG for Consent to Assign or Transfer Control of Licenses and Authorizations*, WT Docket 11-65

Dear Ms. Dortch,

On September 14, 2011, Commissioner Catherine Sandoval of the California Public Utilities Commission, and her Chief of Staff, Ditas Katague, met with the following persons:

- (1) Commissioner Copps and Chief of Staff, Mark Stone.
- (2) Commissioner Clyburn and staff, Louis Peraertz and Angela Kronenberg.
- (3) Advisor to Chairman, Josh Gottheimer.
- (4) FCC Chief of Policy and Strategic Planning, Paul de Sa.
- (5) Office of General Counsel, Jim Bird, Jim Schlichting, Austin Schlick; Wireless Bureau, Renata Hesse, Pat DeGraba; and Greg Rosston.

On September 15, 2011, Commissioner Sandoval met with Commissioner McDowell and advisor, Angela Giancarlo.

In each meeting, Commissioner Sandoval discussed the following topics:

Provided an update on the status of the California Public Utilities Commission (CPUC) Order Instituting Investigation (OII) into the planned purchase and acquisition by AT&T Inc. of T-Mobile USA, Inc. (I.11-06-009, filed June 9, 2011). The CPUC intends to wait for the announcement of the Department of Justice's litigation schedule before making any adjustments to the CPUC's OII schedule.

Ms. Marlene Dortch, Secretary
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September 15, 2011
Page 2

Informed them of the standards of California Public Utilities Code section 854, which requires the CPUC to determine if the proposed merger of a public utility operating in California is in the public interest. California statutory factors to be considered include the effect of the merger on competition, service, employees, communities, and California's economy. The statute also requires the CPUC to consider whether mitigation measures could ameliorate any concerns about whether the merger is in the public interest, and allocates to the merger proponents the burden of proof.

Informed them that our staff has just begun analysis of the merger simulation model, which purports to show efficiencies that may result from the merger including its effect on the Los Angeles, San Diego, and San Francisco markets.

Informed them of the major topics that were analyzed in California's OII, including an analysis of the effect of the merger on backhaul, special access, roaming, handset access, spectrum, service and competition. The CPUC's OII was initiated in light of T-Mobile's larger market share in California as compared to the rest of the nation.

Asked them to consider analyses of cellular markets areas to focus on market share, market competition, spectrum access, backhaul access, and roaming limitations.

In accordance with Commission rules, this letter is being filed electronically with your office for inclusion in the public records.

Please contact me at (415) 703-2053 if you have any questions. Thank you.

Sincerely,

/s/ JUDITH ALLEN

Judith Allen
Staff Counsel for the
California Public Utilities Commission