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February 14, 2014

Via Electronic Filing

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: *Written Ex Parte Presentation; Applications of Cricket License Company, LLC, et al., Leap Wireless International, Inc., and AT&T Inc. for Consent To Transfer Control of Authorizations, WT Docket 13-193*

REDACTED VERSION – FOR PUBLIC INSPECTION

Dear Ms. Dortch:

Youghiogheny Communications, LLC, by its undersigned attorney, is submitting the enclosed REDACTED *ex parte* response. The full unredacted version of the *ex parte* response is being filed by hand delivery under separate cover. Copies of the unredacted *ex parte* report are also being delivered to Brigid Calamis of the Wireless Telecommunications Bureau.

Should you have any questions, please contact the undersigned.

Sincerely,

/s/ Donald J. Evans

Counsel for Youghiogheny Communications, LLC

Enclosure

cc (via email): Best Copy and Printing, Inc.
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445 12th Street, S.W.
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Re: Ex Parte Response to Supplemental Information; *Applications of Cricket License Company, LLC, et al., Leap Wireless International, Inc., and AT&T Inc. for Consent To Transfer Control of Authorizations, WT Docket 13-193*

REDACTED VERSION – FOR PUBLIC INSPECTION

Dear Ms. Dortch:

In its first "Information and Discovery Request" to AT&T in November, 2013, the Commission asked in Request 15(b) for detailed information about how Leap's existing Lifeline customers would be transitioned. It has been like pulling teeth to get a straight and complete story from AT&T about this issue. Since November, AT&T has submitted a number of supplemental responses addressing this issue incompletely. It has stressed its confidence that Leap's current customers (who have so far deliberately chosen *not* to be AT&T customers) will see the light and convert. It has also pointed to the fact that other carriers offer Lifeline service in some of the markets where Leap currently offers it, so Leap customers can presumably transition over to those carriers. It has also made it clear that it will not be offering Lifeline service over its GSM facilities once Leap's CDMA network is switched out, which may be in as little as 12 months. This response, in our view, glosses over a serious negative impact to the public from the proposed transaction and highlights the need for further formal steps to be taken before the plan can be lawfully implemented.

The USAC website indicates that Leap received \$5,366,374 in Lifeline reimbursement in January, 2014. Dividing that number by the per subscriber monthly Lifeline subsidy of \$9.25 indicates that Leap currently has approximately 580,149 Lifeline subscribers -- more than 10% of its subscriber base. This high proportion of Lifeline users is not surprising since the Lifeline program is especially popular in the market segment that needs or prefers pre-paid or advance

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pay service due to credit issues or simply low income status. Often the Lifeline subsidy is the difference between the subscriber being able to afford a phone and not being able to.

[BEGIN HIGHLY CONFIDENTIAL INFORMATION]

[REDACTED]

[REDACTED]

[REDACTED]

[END

HIGHLY CONFIDENTIAL INFORMATION]

AT&T's apparent solution to this problem -- offered only after the Commission prodded it for more information about its plans for Lifeline transition -- is to offer to effectively subsidize

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Lifeline subscribers itself as long as the customer does not take any of the sort of actions often taken by prepaid subscribers, such as suspending service temporarily. As Youghioghney has previously pointed out, prepaid customers often suspend service for brief periods for financial or other reasons, so this opens a large avenue for AT&T to be able to cut those customers off from continuation on their low cost or subsidized rate plans. [BEGIN HIGHLY CONFIDENTIAL INFORMATION]

[REDACTED]

[END HIGHLY CONFIDENTIAL INFORMATION] Yet AT&T's migration plan confidently and repeatedly assumes and predicts that Leap customers will happily migrate over to AT&T's superior plans. For subsistence-level Lifeline customers, \$9.25/mo. is huge.

[BEGIN HIGHLY CONFIDENTIAL INFORMATION] [REDACTED]

[REDACTED]

[REDACTED]

[END HIGHLY CONFIDENTIAL INFORMATION]

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AT&T has offered lengthy responses on how it is going to try to transition Leap customers to the AT&T network, but those remarkably rosy projections about Leap's customers' embrace of AT&T prices and terms of service fail to address the plight of the hundreds of thousands of Lifeline subscribers for whom, [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [REDACTED] [END HIGHLY CONFIDENTIAL INFORMATION] a transition to AT&T will be fiscally impossible. This half a million customer population is too large to be ignored or brushed away like an afterthought.

The Applicants should therefore be required to provide detailed information on 1) how many Lifeline subscribers Leap has, 2) how many of them are in CMAs where there is no alternative wireless Lifeline provider or no alternative CDMA provider, 3) how the Applicants intend to comply with their obligations under Sections 54.405 and 54.205 of the rules, and 4) how Lifeline customers who do not have a CDMA alternative will be transitioned to an alternate service provider. In addition, the Commission should make the [BEGIN HIGHLY CONFIDENTIAL INFORMATION] [REDACTED] [END HIGHLY CONFIDENTIAL INFORMATION] a part of the public record in this Docket and give members of the public a fair opportunity to comment on the plan and how it will affect them.

Respectfully submitted,

Youghiogeny Communications, LLC

By: _____/s/_____

Donald J. Evans
Its Attorney