

CHAIR Barbara O'Connor, Ph.D. Professor Emeritus California State University, Sacramento Retired, National Board of Directors AARP Mr. Scott Scheele

October 8, 2019

scott.scheele@usdoj.gov

Chief, Telecommunications and Broadband Section Antitrust Division, U.S. Department of Justice 450 Fifth Street NW, Suite 7000 Washington, D.C. 20530

Re: T-Mobile USA, Inc. Acquisition of Sprint Communications Company L.P.

Dear Mr. Scott:

The California Emerging Technology Fund (CETF) <u>strongly supports</u> the acquisition by T-Mobile USA, Inc. of Sprint Communications Company L.P. pursuant to the agreements with the U.S. Department of Justice (DOJ) <u>because it will increase competition and expand consumer choice</u>. The transaction is clearly in the public interest and deserves immediate approval.

CETF is a statewide non-profit organization directed to be established by the California Public Utilities Commission (CPUC) as a public benefit from the SBC-AT&T and Verizon-MCI mergers in 2005. The CPUC-assigned mission to CETF is to close the Digital Divide in California. CETF has studied every aspect of the Digital Divide and pursued successful strategies to accelerate both deployment and adoption of broadband (a generic term used by CETF to refer to high-speed Internet access and home service). CETF has the data and experience to support all our recommendations and actions. CETF is relied upon by policymakers and regulators as a credible voice with integrity for what is needed to address the needs of digitally-disadvantaged residents in rural unconnected communities and urban low-income neighborhoods.

In pursuit of our mission to close the Digital Divide, CETF closely followed the proposed T-Mobile-Sprint transaction because of the implications for impacts on low-income and vulnerable consumers. We concluded that there was an opportunity to significantly benefit consumers and enhance competition <u>if the transaction was properly structured</u>. Thus, CETF became a legal party in the California proceedings and negotiated a Memorandum of Understanding (MOU) that provides unprecedented public benefits for California consumers, especially the digitally-disadvantaged. The CETF-T-Mobile MOU recognizes the convergence of conventional telephony and cable technologies to provide high-speed Internet access as the <u>future reality for consumers and relevant</u> <u>regulatory framework</u>. And, it is access to the Internet at home that is most problematic for low-income consumers and rural communities. <u>New T-Mobile</u> <u>will ensure that these consumers have increased choices</u> instead of being forced to live with the limited offerings from "Big Telecom" and "Big Cable".

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714 West Olympic Boulevard, Suite 924 Los Angeles, California 90015-4133 213-443-9952 Page 2: CETF Letter to the U.S. Department of Justice re T-Mobile October 8, 2019

The plans and obligations by New T-Mobile will accelerate the deployment of advanced networks and 5G technology through <u>tangible and substantive</u> <u>enhanced marketplace dynamics</u>. Further, the <u>subsequent commitments</u> <u>secured by DOJ ensure that there is increased competition and additional</u> <u>choices for all U.S. consumers</u>. In fact, the T-Mobile-Sprint transaction as it now is structured with all the specific regulatory obligations and conditions is historic in adding more true competitors to the evolving industry.

For all of these reasons, the California Emerging Technology Fund, therefore, urges approval of the T-Mobile acquisition of Sprint.

Sincerely,

Sunne Wright McPeak

President and CEO