



**Michelle Painter**  
Counsel

**12502 Sunrise Valley Drive**  
Reston, VA 20196  
O: 571-287-8097  
michelle.painter@sprint.com

May 13, 2019

**Via Electronic Filing**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
400 North Street, 2nd Floor  
Harrisburg, PA 17120


Re: Application of Sprint Communications Company L.P. for Approval of a  
General Rule Indirect Change in Control from Softbank Group Corp. to  
T-Mobile US, Inc., Docket No. A-2018-3003259

Dear Secretary Chiavetta,

Please find enclosed for filing the PUBLIC responses to Staff Inquiries Set 5 in the  
above-referenced matter. The confidential version is being filed via overnight delivery.

Please contact me if the Commission has any questions regarding this matter.

Respectfully submitted,

  
Michelle Painter

**CERTIFICATE OF SERVICE**

I hereby certify that I have served a copy of the public responses of Sprint Communications Company L.P. to Staff Inquiry #5 for Review of Transactions upon the entities listed below in the manner indicated in accordance with the requirements of 52 Pa. Code §1.54.

Dated this 13th day of May, 2019 in Reston, Virginia

**VIA FIRST CLASS MAIL**

Office of Small Business Advocate  
300 North 2<sup>nd</sup> Street, Suite 1102  
Harrisburg, PA 17101

Office of Consumer Advocate  
555 Walnut Street, 5<sup>th</sup> Floor  
Harrisburg, PA 17101

Bureau of Investigation and Enforcement  
Pennsylvania PUC  
PO Box 3265  
Harrisburg, PA 17105-3265



Michelle Painter

Application of Sprint Communications Company L.P., for Approval of a General Rule Transaction of the Indirect Change in Control by Merger of Applicant from Softbank Group Corp. to T-Mobile US, Inc.; PA PUC Docket No. A-2018-3003259

**Sprint Communications Company L.P.'s Response to May 9, 2019 5<sup>th</sup> Set of Staff Inquiries for Review of Transactions under 52 Pa. Code §§ 63.321-63.325**

- 1. Provide all intrastate revenues for the years 2006 through 2012 as requested in the November 2018 Set 3 DRs. Provide all revenues whether Sprint believes they are assessable or not. Identify those revenues Sprint believes are not assessable and include the explanation.**

**OBJECTION:** Sprint incorporates its Objections to the November 21, 2018 Set 3 Staff Inquiries as if stated fully herein, including the General Objections and the Specific Objection in response to Staff Inquiry #14.

**RESPONSE:**

Subject to and without wavier of its objections, Sprint answers that due to Sprint's record retention policy, records older than ten years are destroyed. Because of this policy, years 2006, 2007 and 2008 are no longer available. With respect to years 2009 through 2012, these years are archived and in storage and not readily accessible.

As explained to Commission Staff on May 10, 2019 and as set forth in the response to Staff Inquiry #14, Sprint has never excluded intrastate Voice over Internet Protocol (VoIP) revenues from its PA annual reports. As further explained to Commission Staff on May 10, 2019, based on FCC Form 499 reporting requirements, Sprint does not report intracompany affiliate revenue for its PA annual reports. As further explained to Commission Staff on May 10, 2019, Attachment A to Staff Inquiry #14 demonstrates that Sprint did not recognize revenue for Cable VoIP after 2015 because Sprint stopped providing wholesale termination services for Cable VoIP providers in 2015. As further explained to Commission Staff on May 10, 2019, Sprint considers intrastate voice VoIP services to be assessable for PA annual reports but the PA Commission does not have jurisdiction to regulate pricing or terms and conditions. IP Data transmissions are interstate services only, not assessable for PA annual reports and the PA Commission does not have jurisdiction to regulate pricing or terms and conditions. As further explained to Commission Staff on May 10, 2019, data TDM circuits and services are considered interstate services and are subject to the FCC's 10% interstate contamination rule. Such services are not assessable for PA annual reports and the PA Commission does not have jurisdiction to regulate pricing or terms and conditions.

Respondent: Andy Lancaster, Manager, Regulatory Reporting, Sprint  
6360 Sprint Parkway, Overland Park, KS 66251

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- 2. Identify when Sprint eliminated wholesale revenues from its annual Financial Reports, Section 510 Assessments, and PA USF reporting requirements to the PA PUC and, if prior to 2006, provide the same information requested in 1 above for all years for which Sprint did not report wholesale revenues and the two years prior to that.?**

**OBJECTION:** Sprint incorporates its Objections to the November 21, 2018 Set 3 Staff Inquiries as if stated fully herein, including the General Objections and the Specific Objection in response to Staff Inquiry #14.

**RESPONSE:** Subject to and without waiver of its objections, Sprint responds as follows:

As Sprint explained to Commission staff on May 10, 2019, to the best of Sprint's information and belief, Sprint has never included Pennsylvania wholesale revenues in its annual Financial Reports, Section 510 Assessments and PA USF reporting requirements. There are several reasons for this. First, Pennsylvania is the only state in the country that requires wholesale revenues to be reported. In every other state where Sprint reports revenues, wholesale revenues are not required to be reported for assessment purposes. Similarly, at the federal level, wholesale revenues are not considered a source of assessable revenue. Second, wholesale revenues are not considered "Retail" revenues as requested in the Development of Assessment Request. Third, the Pennsylvania USF excludes wholesale revenues and therefore Sprint assumed that they should be excluded on the annual report. Finally, there is not a specific line item on the annual report for intrastate wholesale, reseller or carrier's carrier revenue and this fact again supported Sprint's belief that such revenue should not be reported and is not assessable. Sprint recognizes now that the Pennsylvania Commission staff believes that wholesale revenues are assessable for Section 510 Assessments and Sprint has modified its Annual Reports and the Section 510 Assessment report to include such revenues at the request of staff; and Sprint commits to report such intrastate wholesale revenues on a going forward basis.

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3. **Reconcile the state percentage of national revenues provided by Sprint in DR 16 response, Column G above, and as calculated above in Column F (by dividing Column D by Column B). Complete the information that is missing above for the years 2012 through 2006 or through the year identified in number 2 above as all years for which Sprint failed to report wholesale revenue (plus the 2 prior years).**

**RESPONSE:**

As Sprint explained to Commission staff on May 10, 2019, the state percentage of national revenues provided by Sprint in response to Staff Inquiry is calculated as follows: All types of wireline revenue for Pennsylvania (Intrastate, Interstate, International, Wholesale and Non-Telecom), divided by all types of wireline revenue for Sprint Communications Company L.P. (Intrastate, Interstate, International, Wholesale and Non-Telecom).

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- 4. Identify all intrastate services from which Sprint derives intrastate revenues; identify which Sprint considers jurisdictional to the PA PUC for reporting purposes; for services not considered jurisdictional, explain why not.**

**RESPONSE:**

The intrastate services from which Sprint derives intrastate revenues are identified and listed in the confidential attachments provided on December 3, 2018 in response to Staff Inquiry Set 3, #14. As Sprint explained to Commission staff on May 10, 2019, Sprint considers all of the services listed on the attachments as jurisdictional for reporting purposes, including intrastate VoIP. As explained to Commission Staff on May 10, 2019 and as set forth in the response to Staff Inquiry #14, Sprint has never excluded intrastate Voice over Internet Protocol (VoIP) revenues from its PA annual reports. As further explained to Commission Staff on May 10, 2019, based on FCC Form 499 reporting requirements, Sprint does not report intracompany Affiliate revenue for its PA annual reports. As further explained to Commission Staff on May 10, 2019, Attachment A to Staff Inquiry #14, demonstrates that Sprint did not recognize revenue for Cable VoIP after 2015 because Sprint stopped providing wholesale termination services for Cable VoIP providers in 2015. As further explained to Commission Staff on May 10, 2019, Sprint considers intrastate voice VoIP services to be assessable for PA annual reports but the PA Commission does not have jurisdiction to regulate pricing or terms and conditions. IP Data transmissions are interstate services only, not assessable for PA annual reports and the PA Commission does not have jurisdiction to regulate pricing or terms and conditions. As further explained to Commission Staff on May 10, 2019, data TDM circuits and services are considered interstate services and are subject to the FCC's 10% interstate contamination rule. Such services are not assessable for PA annual reports and the PA Commission does not have jurisdiction to regulate pricing or terms and conditions.

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- 5. Is it Sprint's position that only revenues from voice services provided over TDM are jurisdictional to Pennsylvania? If yes, it that Sprint's position for Section 510 Report, Annual Financial Reports, and PA USF Reports? If no, identify which reports Sprint will continue to file and what revenues will be reported.**

**RESPONSE:**

Yes. As explained to Commission Staff on May 10, 2019, Sprint considers intrastate voice VoIP services to be assessable for PA annual reports but the PA Commission does not have jurisdiction to regulate pricing or terms and conditions. However, with respect to reporting revenues and intrastate VoIP services, Sprint has always reported Pennsylvania end-user intrastate voice VoIP revenue on its Section 510 Report, Annual Financial Reports and PA USF Reports and will continue to do so in Pennsylvania on all filings.

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**OBJECTION TO QUESTIONS 6-17:** Applicant incorporates by reference its prior objections originally raised in its December 3, 2018 Responses (“December 3rd Response”) to the November 21, 2018 Staff Inquiries as if stated fully herein, including the General Objections and the Specific Objections.

- 6. Referencing figures 1, 2, and 4 from Sprint Responses to Set 3-5 through 3-10: Provide a lay explanation better addressing why T-Mobile’s existing unique 5G site locations, when added to Sprint’s existing unique 5G site locations, are not a number higher than the two standalone numbers added together, including but not limited to a more lay explanation of the effective differences between “additive” and “multiplicative,” and the consequences on both coverage and capacity for those areas in Figures 2 and 4 that are displayed in white.**

**RESPONSE:**

Subject to and without waiving its objections, as explained more fully in the Public Interest Statement (PIS), New T-Mobile’s network plan involves: (1) anchoring on the T-Mobile cell site network, (2) augmenting the density of deployed cell sites by retaining a number of Sprint cell sites (approximately 11,000 retained sites nationwide), and (3) deploying both parties’ spectrum across New T-Mobile’s network, ultimately leading to far more 5G sites being deployed than either standalone company had planned or could practicably deploy.<sup>1</sup> See PIS at 29.

As also explained in the Public Interest Statement and in response to Set 3-10, the network synergies gained by eliminating the duplication of T-Mobile’s and Sprint’s existing networks constitute the largest share of overall synergies created by the merger. This de-duplication involves the elimination of certain Sprint sites, particularly sites close to, or co-located with, T-Mobile sites, that are not needed to provide the planned network coverage or site density. Accordingly, New T-Mobile will: have more unique 5G sites in Pennsylvania than either standalone T-Mobile or Sprint; eliminate duplicative sites that are unnecessary for providing coverage or site density, creating the valuable synergies that enable New T-Mobile’s growth and investment; and retain those Sprint sites that enable it to provide greater 5G coverage and far greater capacity than either standalone company.

In response to Set 3-5, it was noted that “combining spectrum on sites results in a *multiplicative* rather than *additive* impact on the capacity of the network.” With respect to the difference

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<sup>1</sup> Anchoring means that the existing T-Mobile network of cell sites and network core would be retained and supplemented with resources (cell sites, spectrum) from Sprint.



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between “additive” and “multiplicative”, the PIS provides the following basic formula for overall network capacity:

$$\text{Number of cell sites} \times \text{Spectrum (MHz) Deployed Per Site} \times \text{Spectral Efficiency} = \text{Capacity}$$

As shown in the formula, increasing any of the key variables for network capacity will multiply rather than merely add to the amount of capacity available on the network. As a simple illustrative example of this principle, using this formula and some hypothetical numbers:

- As shown below, if the spectral efficiency of two networks is the same, and the two networks have the same number of sites and same amount of spectrum per site, then the two networks would have the same amount of capacity.

	Sites	Spectrum	Spectral Efficiency	Capacity
Network 1	2	2	1	4
Network 2	2	2	1	4

- If, however, one of those networks increased its number of sites by one, then the capacity of that network would not merely increase by one unit, it would increase by 2.

	Sites	Spectrum	Spectral Efficiency	Capacity
Network 1	2	2	1	4
Network 2	3	2	1	6

- Therefore, combining spectrum and sites results on a *multiplicative* rather than *additive* impact on network capacity.

Finally, the areas that are displayed in white have no 5G coverage under the standalone Sprint or standalone T-Mobile scenarios. Therefore, the de-duplication of Sprint sites does not result in a net decrease in coverage for New T-Mobile. The impact of this network plan is that, high-capacity, mid-band coverage is far more expansive across the Commonwealth of Pennsylvania under New T-Mobile and there are significantly more 5G covered POPs receiving far higher speeds than would be possible under either standalone scenario.

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**Finally, for avoidance of all doubt with respect to New T-Mobile's 5G plans, T-Mobile voluntarily offers the following verifiable 5G coverage representation:**

1. New T-Mobile will strive to deliver, using industry best practices and barring factors beyond its control, 5G wireless coverage to eighty-five percent (85%) of its FCC licensed covered POPs<sup>2</sup> throughout the Commonwealth of Pennsylvania, including rural areas, within three to five years from the merger's closing.
2. When the New T-Mobile network referenced in paragraph 1 is deployed, it will be capable of providing wireless broadband download speeds of 10-300 Mbps and upload speeds of 1-3 Mbps where service is available and subject to physical or geographical limitations. The network is expected to cover a significant portion of eligible locations that so far have not received FCC Connect America Fund Phase II (CAF II) funding support including the FCC's CAF II 903 Auction. The wireless network and wireless broadband service deployment will include rural areas within all 67 counties in the Commonwealth of Pennsylvania.
3. Beginning one year after the Merger's closing and for every year thereafter through 2024, pursuant to the verifiable 5G coverage representation set forth above, New T-Mobile will meet with the Commission Staff, on an annual basis, to review, for informational purposes, New T-Mobile's FCC Mobile Deployment Form 477 data.

***T-Mobile reserves the right to have Applicant withdraw the above verifiable representation should the application not be approved by a vote of the PA Commission on or before May 23, 2019.***

Respondent: William Haas, Principal Corporate Counsel, T-Mobile  
PO Box 10076 Cedar Rapids, IA 52410

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<sup>2</sup> For wireless, POPs generally refers to the number of people in a specific area where wireless services are available (the population). See, CTIA, The Wireless Association, Wireless Glossary of Terms. [http://files.ctia.org/pdf/Telecom\\_Glossary\\_of\\_Terms.pdf](http://files.ctia.org/pdf/Telecom_Glossary_of_Terms.pdf)

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- 7. Compare Figures 2 and 4 from Sprint Responses to Set 3-5 through 3-10: Confirm that areas depicted in white are unserved today and will remain unserved as projected through 2024.**

**RESPONSE:**

Subject to and without waiving its objections, with respect to future New T-Mobile 5G coverage, refer to the verifiable representation provided in response to No. 6, above. Furthermore, like all areas across the country today, the New T-Mobile areas depicted in white are unserved with 5G today and will remain unserved as projected through 2024, for each scenario.

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PO Box 10076 Cedar Rapids, IA 52410

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8. Compare Figures 2 and 4 from Sprint Responses to Set 3-5 through 3-10: If detail is available that demonstrates new coverage areas under New T-Mobile, please provide those details, either by a larger map with greater details or a recitation of new coverage areas by best estimated municipal boundary(ies) or both.

**RESPONSE:**

Subject to and without waiving its objections, with respect to future New T-Mobile 5G coverage, refer to the verifiable representation provided in response to No. 6, above. Furthermore, as shown in the Figure 2 and Figure 4 maps, while standalone T-Mobile's 5G 600 MHz coverage (represented by the light magenta in Figures 2 and 4) is nearly as extensive as New T-Mobile's 600 MHz coverage, New T-Mobile will provide Pennsylvania with greater depth of 5G coverage through a far more expansive deployment of 5G mid-band spectrum (represented by dark magenta in Figures 2 and 4). As illustrated in Figure 2, standalone T-Mobile's mid-band coverage will be [BEGIN HIGHLY CONFIDENTIAL]

[END HIGHLY CONFIDENTIAL] However, as illustrated in Figure 4, New T-Mobile's mid-band coverage [BEGIN HIGHLY CONFIDENTIAL]

[END HIGHLY CONFIDENTIAL]

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9. Referencing figures 2, 4, and 8 from Sprint Responses to Set 3-5 through 3-10: Identify all areas in blue (MF II Initial Eligible Areas) and green (MF II Initial Ineligible Areas with One Provider) that are not coincident with areas in white (unserved) in Figures 2 and 4.

**RESPONSE:**

Subject to and without waiving its objections, with respect to future New T-Mobile 5G coverage of eligible locations that so far have not received FCC Connect America Fund Phase II (CAF II) funding support, refer to the verifiable representation provided in response to No. 6, above. Furthermore, with respect to coverage of eligible locations under the FCC Mobility Fund Phase II (MF II) funding support, such matters are beyond the scope of this proceeding. However, the previous responses to Set 3-5 through 3-10 provided a clear illustration of the standalone and New T-Mobile 5G network coverages as compared to MF II eligible locations. There are numerous areas in blue and green across the Commonwealth that are not coincident with areas in white in Figures 2 and 4. For example, a comparison of the maps in Figures 2 and 4 shows that significant blue and green areas in both Warren and Tioga counties are not coincident with areas in white. If the Commission wishes to see a higher resolution map of MF II initial eligible areas, the FCC has provided such a map on its web site at <https://www.fcc.gov/reports-research/maps/mobility-fund-ii-initial-eligible-areas-map/>.

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**10. Referencing figures 2, 4, and 8 from Sprint Responses to Set 3-5 through 3-10: Identify all areas in blue and green that will receive new coverage, greater capacity, or both under Figure 4.**

**RESPONSE:**

Subject to and without waiving its objections, with respect to future New T-Mobile 5G coverage of eligible locations that so far have not received FCC Connect America Fund Phase II (CAF II) funding support, refer to the verifiable representation provided in response to No. 6, above. Furthermore, with respect to coverage of eligible locations under the FCC Mobility Fund Phase II (MF II) funding support, such matters are beyond the scope of this proceeding. However, the previous responses to Set 3-5 through 3-10 provided a clear illustration of the standalone and New T-Mobile 5G network coverages as compared to MF II eligible locations. There are numerous areas in blue and green across the Commonwealth that will receive new coverage, greater capacity, or both under Figure 4. For example, a comparison of the maps in Figures 2 and 4 shows that significant blue and green areas in both Wayne and Pike counties will receive New T-Mobile 5G coverage and mid-band coverage that will provide greater capacity. If the Commission wishes to see a higher resolution map of MF II initial eligible areas, the FCC has provided such a map on its web site at <https://www.fcc.gov/reports-research/maps/mobility-fund-ii-initial-eligible-areas-map/>.

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- 11. Referencing figures 2, 4, and 8 from Sprint Responses to Set 3-5 through 3-10: Provide data, including but not limited to maps with greater detail, recitation of new coverage areas by best estimated municipal boundary(ies), or both, that empirically supports the statement that “[t]he Commission should find that many of these [blue and green] areas are within the projected coverage of the New T-Mobile 5G network.**

**RESPONSE:**

Subject to and without waiving its objections, refer to the responses to Nos. 9 and 10 above, describing the blue and green areas within the projected coverage of the New T-Mobile network.

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- 12. Referencing Sprint Response to Set 3-5 through 3-10: If T-Mobile cannot provide an analysis of state-level capital expenditure and synergy figures, provide the analysis conducted for those market areas that include all or parts of Pennsylvania.**

**RESPONSE:**

Subject to and without waiving its objections, refer to the December 3rd Response No. 10, informing the Commission that not only does T-Mobile not conduct analyses of capital expenditures and synergies at a state-level, it also does not ordinarily forecast market-level capital expenditure on a per-year basis. Therefore, the Commission's request is both geographically and temporally improper. The requested market-level capital expenditure data is not available.

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**13. Referencing Sprint Response to Set 3-11: If New T-Mobile anticipates the opening of at least 600 new stores, and PA is the 5<sup>th</sup> most populous state in the country and an important market for New T-Mobile's overall growth strategy, why are estimates that New T-Mobile will open [BEGIN HIGHLY CONFIDENTIAL] [REDACTED] [END HIGHLY CONFIDENTIAL] new stores in Pennsylvania, reflecting [BEGIN HIGHLY CONFIDENTIAL] [REDACTED] [END HIGHLY CONFIDENTIAL] respectively of the new stores to be opened, not disproportionately "low" for the 5<sup>th</sup> most populous state that is also an important market for New T-Mobile?**

**RESPONSE:**

Subject to and without waiving its objections, as noted in the response to 3-11, the 600 new stores referenced are all new stores located to serve "small towns and rural areas." Therefore, the estimate that [BEGIN HIGHLY CONFIDENTIAL] [REDACTED] [END HIGHLY CONFIDENTIAL] of such stores may be located in Pennsylvania is not "disproportionately low" because placement of these stores is not a function of the size of Pennsylvania's overall population but rather a function of the size and distribution of Pennsylvania's *rural* population, including but not limited to how far residents in Pennsylvania's small towns and rural areas must travel to reach a New T-Mobile store. Accordingly, less populous states with larger rural populations, or populations that need to travel farther to reach a New T-Mobile store, may have more new rural stores than their population sizes might suggest.

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**14. Referencing Sprint Response to Set 3-11: Identify the existing number of Sprint Wireless and T-Mobile standalone stores currently in existence in Pennsylvania.**

**RESPONSE:**

Subject to and without waiving its objections, all existing Sprint Wireless and T-Mobile standalone stores can be easily found using Sprint and T-Mobile's online store finding tools. Those tools are accessible at:

- Sprint: <https://storelocator.sprint.com/locator/>  
T-Mobile: <https://www.t-mobile.com/store-locator>

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**15. Referencing Sprint Response to Set 3-11: Identify the number of Sprint Wireless and T-Mobile standalone stores currently in existence in Pennsylvania, their locations, and their combined employee level; indicate those that are anticipated will or may close under New T-Mobile and the number of associated employees and/or authorized dealers who may lose employment.**

**RESPONSE:**

Subject to and without waiving its objections, with respect to the number and locations of the Sprint Wireless and T-Mobile standalone stores in Pennsylvania, reference the response to No. 14 above.

With respect to employee levels, anticipated store closings, and employee and/or dealer job losses, subject to and without waiving its objections, as provided in the response to August 10 DR Response No. 6, and December 3rd Response No. 11, the Applicant does not have any direct employees in Pennsylvania and there should be no loss or potential loss of facilities, jobs, or related income tax revenues as a result of the Indirect Certificated Entity Acquisition.

With respect to the larger transaction, as also stated in the December 3rd Response No. 11, significant job increases are expected nationally and in Pennsylvania. Decisions regarding whether and which stores might be closed or employee and/or dealer reductions have not been made, however, the overall number is expected to increase. Furthermore, employment decisions in Pennsylvania will be made independent of any commitments or determinations in other states, including New York.

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**16. Referencing Sprint Response to Set 3-11: Of the up to five new technologically advanced Customer Experience Centers (CEC) that New T-Mobile anticipates will create approximately 5,600 new jobs in small towns and rural communities, outside of Overland Park, KS, and Rochester, NY, identify any other regions of the country that are considered frontrunners or in any other way more in line than other areas of the country for a new CEC.**

**RESPONSE:**

Subject to and without waiving its objections, the Kingsburg area in Fresno County has also been selected for a new CEC (*see*, Press Release Announcing New Kingsburg Area CEC, <https://www.t-mobile.com/news/customer-experience-center-kingsburg-california>).

Respondent: William Haas, Principal Corporate Counsel, T-Mobile  
PO Box 10076 Cedar Rapids, IA 52410

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- 17. Referencing Sprint Response to Set 3-11: Comment on, explain, and respond to the claim made in the mid-March 2019 submission before the FCC from 33 Pennsylvania state legislators, the Pennsylvania AFL-CIO, and 11 other organizations that T-Mobile and Sprint and their authorized dealers operate more than 770 retail stores in Pennsylvania and that if the merger is approved, New T-Mobile would shutter more than 168 duplicative stores eliminating 635 retail jobs and dozens of small business authorized dealers in Pennsylvania.**

**RESPONSE:**

Subject to and without waiving its objections, the mid-March 2019 submission before the FCC (the "mid-March FCC Comments") referenced in this request is not part of the record before the Commission and, therefore, not an appropriate subject of inquiry for this proceeding. However, the mid-March FCC Comments rely upon and cite unfounded and incorrect figures generated by CWA, which has aggressively opposed the transaction before the FCC. CWA's outlandish claims were refuted and debunked in a March 11, 2019 reply filing before the FCC available at <https://ecfsapi.fcc.gov/file/10312781730001/AS%20FILED%20-%20Mar.%207%20Ex%20Parte%20re%20CWA%203.11.2019.pdf>

New T-Mobile has no plans to shutter more than 168 stores or eliminate 635 retail jobs in Pennsylvania. Contrary to CWA's claims, the merger contemplates growth in the employee base, and the efficiencies the applicants intend to realize are driven by savings in network deployment and network operations.

Respondent: William Haas, Principal Corporate Counsel, T-Mobile  
PO Box 10076 Cedar Rapids, IA 52410

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- 18. Referencing Sprint response to Set 3 No. 13: Explain how Sprint provides wholesale services over private circuits without providing special access or special access backhaul services in Pennsylvania.**

**RESPONSE:**

As an initial matter, as Sprint told Commission staff verbally on May 10, 2019, Sprint's last remaining TDM private line circuits have all been disconnected as of May 10, 2019 and therefore, at this time, Sprint is not providing TDM wholesale voice services.

Regardless, when Sprint did have private line circuits, those wholesale private line services were neither backhaul to wireless cell sites nor wireline last-mile connections. Unlike local network providers, Sprint does not own wireline facilities to cell sites or to individual user locations. When Sprint does provide the private line, it is from Sprint's POP to another Sprint POP and not to the end user's location.

It is important to note here that because neither Sprint nor T-Mobile provide special access, the proposed transaction will have absolutely no negative impact on the provision of special access or special access backhaul services in Pennsylvania. As indicated in response to Staff Inquiry Set 3, #13, Sprint does not provide those services to third parties. Sprint purchases special access and backhaul services from local wireline providers. If anything, the proposed transaction will have a positive impact on those services by making the New T-Mobile a stronger competitor with scale and financial resources to attract alternative fiber providers to a special access market currently dominated by incumbent telephone and cable companies.

Respondent: Pete Sywenki, Director - Policy, Government Affairs, Sprint  
6450 Sprint Parkway Overland Park, KS 66251

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19. Referencing Sprint Response to Set 3 No. 16(c). Is it Sprint's position that the line identified as "Competitive Access Services" (see, e.g., 2006, 2007, 2008, 2009, 2014, 2015, 2016, and 2017 annual reports) and the line identified as "Competitive Access Provider Revenue" (see, e.g., 2010, 2011, 2012, and 2013 annual reports) reference different services? If yes, explain fully what distinction in services Sprint understood to exist between "Competitive Access Services" revenues and "Competitive Access Provider" revenues.

**RESPONSE:**

No. As Sprint explained to Commission staff verbally on May 10, 2019, the line item location of the revenue was a simple error that did not change in any way the substance or total amount of the revenue reported. In reviewing the annual reports, the line item descriptions of the operating revenue section was different in calendar years 2010, 2011, 2012 and 2013 from the other years. The formula link used by Sprint was not updated in the excel file during preparation of the annual report. In the management review, the review focus was on total revenue rather than the line item values and the corresponding data links. In retrospect, revenues should have been placed on the line item "Long-Distance Facilities Based Toll Revenue" for calendar years 2014, 2015, 2016 and 2017.

Respondent: Andy Lancaster, Manager, Regulatory Reporting, Sprint  
6360 Sprint Parkway, Overland Park, KS 66251


**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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Softbank Group Corp. to T-Mobile US, Inc.

Docket No. A-2018-3003259

**VERIFICATION**

I, Kenneth Schifman, Director and Senior Counsel at Sprint, hereby state that the facts set forth in the responses to the Staff Inquiries as filed on May 13, 2019 are true and correct to the best of my knowledge, information, and belief, and I expect to be able to prove the same if a hearing were held in this matter. I understand that the statements made herein are made subject to the penalties of Pa. C.S. §4904 (relating to unsworn falsification to authorities).



Kenneth Schifman, Director and Senior Counsel  
May 13, 2019



**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Application of Sprint Communications  
Company L.P., for Approval of a General  
Rule Transaction of the Indirect Change  
in Control by Merger of Applicant from  
Softbank Group Corp. to T-Mobile US, Inc.

Docket No. A-2018-3003259

**VERIFICATION**

I, William A. Haas, Principal Corporate Counsel for T-Mobile US, hereby state that the facts set forth in Responses to Staff Inquiries Set 5 related to questions 6-17 are true and correct to the best of my knowledge, information, and belief, and I expect to be able to prove the same if a hearing were held in this matter. I understand that the statements made herein are made subject to the penalties of Pa. C.S. §4904 (relating to unsworn falsification to authorities).

  
\_\_\_\_\_  
William A. Haas  
Principal Corporate Counsel

5-13-19