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T-MOBILE AND USCELLULAR SEEK FCC CONSENT TO THE PROPOSED TRANSFER OF CONTROL AND ASSIGNMENT OF CERTAIN SPECTRUM LICENSES, AUTHORIZATIONS, AND SPECTRUM LEASES HELD BY USCELLULAR TO T-MOBILE

GN Docket No. 24-286

PLEADING CYCLE ESTABLISHED

Petitions to Deny Due: December 9, 2024 Oppositions Due: January 8, 2025 Replies Due: January 28, 2025

I. INTRODUCTION

T-Mobile US, Inc. (T-Mobile) and United States Cellular Corporation (UScellular) (T-Mobile and UScellular together, the Applicants) have filed applications pursuant to sections 214 and 310(d) of the Communications Act of 1934, as amended (the Act), seeking Federal Communications Commission (Commission or FCC) consent to the transfer of control and assignment of certain spectrum licenses, an international section 214 authorization, and spectrum leases held by UScellular and its subsidiaries to T-Mobile. In addition, as part of the proposed transaction, to assist with transitioning UScellular's customers to T-Mobile's network, the parties have filed a series of short-term spectrum manager leases for a period not to exceed one year after the closing of this transaction.

According to the Applicants, under the proposed transaction, T-Mobile would acquire UScellular's wireless operations, customers, and approximately 30% of UScellular's licensed spectrum.⁴

¹ 47 U.S.C. §§ 214, 310(d).

² Applications of T-Mobile US, Inc. and United States Cellular Corporation for Transfer of Control and Assignment of Certain Licenses, Authorizations, and Leases, GN Docket No. 24-286, ULS File No. 0011180491 (Lead Section 310(d) Application) (filed Sept. 13, 2024); Application of T-Mobile US, Inc. and United States Cellular Corporation for Assignment of International Section 214 Authorization, ICFS File No. ITC-ASG-20240913-00139 (filed Sept. 13, 2024) (Section 214 Application) (T-Mobile/UScellular Applications).

 $^{^3}$ ULS File Nos. 0011238584, 0011238592, 0011238601, 0011238603, 0011238613, 0011238632, 0011238666, 0011238691, 0011238698, 0011238702, 0011238705, 0011238719, 0011238724, 0011238738, 0011238760, 0011238774, 0011238798, 0011238815, 0011238817, 0011238822, 0011238828, 0011238837, 0011238842, 0011238848, 0011238851, 0011238855, 0011238857, 0011238867, 0011238872, 0011238876, 0011238882, 0011238887, 0011238905, 0011238908, 0011238911, 0011238914, 0011238918, 0011238922, and 0011238928 (filed Sept. 12, 2024).

⁴ UScellular has separately announced plans to assign a portion of its remaining spectrum and has filed an application for the assignment of some of this spectrum. *See, e.g.*, Application for Assignment from United States Cellular Operating Company LLC to Nsight Spectrum, LLC, ULS File No. 0011246540 (filed Oct. 18, 2024); Press (continued....)

The proposed transaction would involve two major steps: (1) the restructuring of UScellular such that the assets being sold to T-Mobile would be moved into USCC Wireless Holdings, LLC (Holdings), a Delaware Limited Liability Company;⁵ and (2) the transfer of Holdings from UScellular to T-Mobile USA, Inc., which is a wholly owned direct subsidiary of T-Mobile.⁶ As a result of the transaction, Holdings and its subsidiaries would be indirect, wholly owned subsidiaries of T-Mobile, and their Commission licenses and authorizations would be indirectly controlled by T-Mobile.

T-Mobile is controlled by Deutsche Telekom AG (DT), a German corporation.⁷ Deutsche Telekom Holding B.V., a Netherlands entity and an indirect wholly owned subsidiary of DT, holds a direct 50.42% equity and voting interest in T-Mobile.⁸ In addition, DT holds proxy to vote additional shares of T-Mobile. As a result, DT has an indirect 50.42% equity interest and 100% voting interest in T-Mobile.⁹ The Applicants state that they have an existing foreign ownership ruling under section 310(b)(4) of the Act¹⁰ that covers the licenses and spectrum leases being acquired in the transaction.¹¹

The Applicants have submitted a spectrum aggregation chart (Appendix G: Aggregation Chart) that indicates that T-Mobile would be acquiring 10 to 131.5 megahertz of spectrum in 808 counties across the United States. According to the Applicants' spectrum aggregation chart, in counties where T-Mobile

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Release, UScellular, UScellular Announces Sale of Select Spectrum Assets for \$1.0 Billion (Oct. 18, 2024), https://investors.uscellular.com/news/news-details/2024/UScellular-announces-sale-of-select-spectrum-assets-for-1.0-billion/default.aspx. In addition, T-Mobile has filed applications to acquire three authorized dealers for UScellular—Iowa RSA No. 12 Limited Partnership, Iowa RSA No. 9 Limited Partnership, and Farmers Cellular Telephone Company, Inc. On October 3, 2024, Iowa RSA No. 12 Limited Partnership filed an application to assign 33 common carrier microwave licenses (ULS File No. 0011260184), and on October 4, 2024, filed an application to assign its International section 214 authorization to T-Mobile USA, Inc. (File No. ITC-ASG-20241004-00147). On October 3, 2024, Iowa RSA No. 9 Limited Partnership filed an application to assign three common carrier microwave licenses (ULS File No. 0011260245), and on October 4, 2024, filed an application to assign its International section 214 authorization to T-Mobile USA, Inc. (File No. ITC-ASG-20241004-00146). Also on October 3, 2024, Farmers Cellular Telephone Company, Inc. filed an application to assign 16 common carrier microwave licenses (ULS File No. 0011260245), and on October 4, 2024, filed an application to assign its International section 214 authorization to T-Mobile USA, Inc. (File No. ITC-ASG-20241004-00145).

⁵ The spectrum licenses and authorizations being sold to T-Mobile will be moved into Holdings, with the exception of two UScellular subsidiaries, USCC Services, LLC and United States Cellular Operating Company of Chicago, LLC, which will become subsidiaries of Holdings.

⁶ Holdings and its subsidiaries, and their FCC licenses, will transfer to T-Mobile during this step. These steps would be effectuated immediately before, and in connection with, the closing of this transaction.

⁷ Public Interest Statement at 2.

⁸ Section 214 Application (response to 63.18(h)).

⁹ Section 214 Application (response to 63.18(h)). Kreditanstalt fur Wiederaufbau (KfW), a bank controlled by the German government, has a 13.97% direct ownership interest in DT. The Federal Republic of Germany has an 80% ownership interest in KfW and a direct 14.21% ownership interest in DT. *Id*.

¹⁰ 47 U.S.C § 310(b)(4). Section 310(b)(4) establishes a 25% benchmark for investment by foreign individuals, governments, and corporations in U.S.-organized entities that directly or indirectly control a U.S. broadcast, common carrier, or aeronautical radio licensee. A foreign individual, government, or entity may own, directly or indirectly, more than 25% (and up to 100%) of the stock of a U.S.-organized entity that holds a controlling interest in a broadcast, common carrier, or aeronautical radio licensee, unless the Commission finds that the public interest will be served by refusing to permit such foreign ownership.

¹¹ Public Interest Statement at 44-45 (citing *Applications of T-Mobile US, Inc. and Sprint Corporation for Transfer of Control of Licenses and Authorizations, et al.*, Memorandum Opinion and Order, Declaratory Ruling, and Order of Proposed Modification, 34 FCC Rcd 10578, 10738-39, paras. 361-63 (2019) (*T-Mobile-Sprint Order*)).

is gaining spectrum and there is geographical overlap, T-Mobile would hold a maximum of 381 megahertz of spectrum post-transaction. 12

In the Executive Branch Review Process Order, the Commission set out categories of applications with reportable foreign ownership that may be excluded from referral to the Executive Branch for review for national security, law enforcement, foreign policy and trade policy issues.¹³ The Applicants state that the Applications should be exempt from referral for Executive Branch review under section 1.40001(a)(2)(iii) of the Commission's rules¹⁴ because: (1) T-Mobile is subject to an agreement with an Executive Branch agency concerning national security and/or law enforcement; 15 (2) there are no new reportable foreign owners of T-Mobile since the effective date of that agreement; and (3) T-Mobile agrees to continue to comply with the terms of that agreement. ¹⁶ The Applicants also state that the Applications should be exempt from referral for Executive Branch review under section 1.40001(a)(2)(iv) because T-Mobile was reviewed by the Executive Branch within the past 18 months without the Executive Branch requesting that the Commission condition T-Mobile's international section 214 authorization on compliance with an agreement with an Executive Branch agency concerning national security and/or law enforcement:¹⁷ and there are no new reportable foreign owners of T-Mobile since that review.¹⁸ We find that the Applications come within an exclusion from referral and thus we are exercising our discretion and are not referring the Applications to the Executive Branch.¹⁹ While we are not formally referring the Applications, we will provide a courtesy copy of this *Public Notice* to the Executive Branch agencies.²⁰

II. SECTION 310(d) APPLICATIONS

Parts 24, 27, 30, and 101—Wireless Radio Services

The following applications for consent to the transfer of control and assignment of licenses held by subsidiaries of UScellular from UScellular to T-Mobile have been assigned the file numbers listed below:

File No. Licensee Lead Call Sign

001118049121 UNITED STATES CELLULAR OPERATING COMPANY LLC WHT381

¹² T-Mobile has submitted applications to sell its 3.45 GHz spectrum holdings to SoniqWave Network, LLC and N77 License Co LLC and does not include these spectrum holdings in its spectrum totals. *See* T-Mobile/UScellular Applications, Public Interest Statement at 37; *see also* ULS Lead File Nos. 0011016799 and 0011241041. Further, T-Mobile does not include its 800 MHz spectrum holdings in its spectrum totals. *See* T-Mobile/UScellular Applications, Public Interest Statement at 37.

¹³ Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership, IB Docket No. 16-155, Report and Order, 35 FCC Rcd 10927, 10938-42, paras. 29-39 (2020) (Executive Branch Review Process Order).

¹⁴ 47 CFR § 1.40001(a)(2)(iii).

¹⁵ Section 214 Application (response to section 63.18(p)) (citing *T-Mobile-Sprint Order*, 34 FCC Rcd at 10734-35, paras. 353-54).

¹⁶ Section 214 Application (response to section 63.18(p)).

¹⁷ See Letter from Sean Conway, Deputy Chief Counsel, NTIA, to Ethan Lucarelli, Chief, Office of International Affairs, FCC, FCC File Nos. ITC-T/C-20230406-00043, ITC-T/C-20230406-00044, GN Docket No. 23-171 (filed Dec. 26, 2023).

¹⁸ Section 214 Application (response to section 63.18(p)).

¹⁹ Executive Branch Review Process Order, 35 FCC Rcd at 10941, 10957-58, para, 36 & n.99, para, 81 & n.205.

²⁰ *Id.* at 10939, para. 30 & n.81.

²¹ This application is the lead application for the wireless radio services.

File No.	<u>Licensee</u>	Lead Call Sign
0011227092	Advantage Spectrum, L.P.	WQXW424
0011227092	Advantage Spectrum, L.P.	WQXW424
0011227171	Advantage Spectrum, L.P.	WQXW427
0011227216	Advantage Spectrum, L.P.	WQXW509
0011181428	BANGOR CELLULAR TELEPHONE, L.P.	WLT437
0011181434	CALIFORNIA RURAL SERVICE AREA #1, INC.	WLR339
0011181438	CEDAR RAPIDS CELLULAR TELEPHONE, L.P.	WLT332
0011181441	DUBUQUE CELLULAR TELEPHONE, L.P.	WLT769
0011181447	HARDY CELLULAR TELEPHONE COMPANY	WMG753
0011181450	JACKSONVILLE CELLULAR TELEPHONE COMPANY	WLL515
0011181454	KANSAS #15 LIMITED PARTNERSHIP	WMK428
0011181460	KENOSHA CELLULAR TELEPHONE, L.P.	WLS605
0011227307	King Street Wireless, LP	WQLE654
0011227342	King Street Wireless, LP	WQLE660
0011227390	King Street Wireless, LP	WQLE657
0011181463	MADISON CELLULAR TELEPHONE COMPANY	WPOV373
0011181470	MAINE RSA #1, INC.	WMQ586
0011181472	MAINE RSA #1, INC.	KNLF933
0011181481	MAINE RSA #4, INC.	WPJD830
0011181484	MCDANIEL CELLULAR TELEPHONE COMPANY	WLU826
0011181494	NH #1 RURAL CELLULAR, INC.	WLK946
0011181500	OREGON RSA #2, INC.	WLS661
0011181505	OREGON RSA #2, INC.	WQYB217
0011181509	PCS WISCONSIN, LLC	KNLG200
0011181514	RACINE CELLULAR TELEPHONE COMPANY	WML773
0011181520	UNITED STATES CELLULAR OPERATING COMPANY LLC	WQUI699
0011164921	UNITED STATES CELLULAR OPERATING COMPANY OF	WQNT941
	CHICAGO, LLC	
0011181533	UNITED STATES CELLULAR OPERATING COMPANY OF	WLB807
	KNOXVILLE	
0011181544	UNITED STATES CELLULAR OPERATING COMPANY OF MEDFORD	WLR434
0011237194	UNITED STATES CELLULAR OPERATING COMPANY OF	WQZM894
	MEDFORD	`
0011164929	USCC SERVICES, LLC	WRJI984
0011181548	USCOC NEBRASKA/KANSAS, LLC	WLS717
0011181557	USCOC NEBRASKA/KANSAS, LLC	WQGD659
0011181560	USCOC OF CENTRAL ILLINOIS, LLC	WHA717
0011181565	USCOC OF CUMBERLAND, LLC	WLV260
0011181572	USCOC OF GREATER IOWA, LLC	WHB481
0011181577	USCOC OF GREATER IOWA, LLC	KNLF881
0011181583	USCOC OF GREATER MISSOURI, LLC	WLR440
0011181586	USCOC OF GREATER NORTH CAROLINA, LLC	WLL518
0011181592	USCOC OF GREATER OKLAHOMA, LLC	WLA261
0011181599	USCOC OF GREATER OKLAHOMA, LLC	KNLF590
0011181602	USCOC OF LACROSSE, LLC	WLU542
0011181615	USCOC OF OREGON RSA #5, INC.	WMQ867
0011237204	USCOC OF OREGON RSA #5, INC.	WQZM878
0011181631	USCOC OF PENNSYLVANIA RSA NO. 10-B2, LLC	WQVL740
0011181634	USCOC OF RICHLAND, INC.	WLS669
0011181641	USCOC OF VIRGINIA RSA #3, INC.	WMJ224

<u>File No.</u>	<u>Licensee</u>	Lead Call Sign
0011181643	USCOC OF WASHINGTON-4, INC.	WLS666
0011181650	VERMONT RSA NO. 2-B2, INC.	WPOR638
0011181659	WESTERN SUB-RSA LIMITED PARTNERSHIP	WMS469
0011181669	YAKIMA MSA LIMITED PARTNERSHIP	WMR566

Part 27 – Wireless Radio Services Spectrum Leasing Arrangements

The following applications for consent to the transfer of control of spectrum leasing arrangements, pursuant to which subsidiaries of UScellular are the spectrum lessee, from UScellular to T-Mobile have been assigned the file numbers listed below:

File No.	<u>Lessee/Sublessee</u>	<u>Lead Call Sign or</u> Lease ID
7007ATNL24	- USCC Services, LLC	WQXW422 ²²
	4 USCC Services, LLC	WQLE654 ²³
0011239681	USCC Services, LLC	L000043874

III. INTERNATIONAL SECTION 214 AUTHORIZATION

The following application for consent to the assignment of international Section 214 authorization held by USCC Wireless Holdings, LLC, a subsidiary of UScellular, to T-Mobile has been assigned the file number listed below:

File No.	Authorization Holder	<u>Authorization Number</u>
ITC-ASG-20240913-00139	USCC Wireless Holdings, LLC	ITC-214-19981009-00698

IV. EX PARTE STATUS OF THIS PROCEEDING

Pursuant to section 1.1200(a) of the Commission's rules,²⁴ the Commission may adopt modified or more stringent *ex parte* procedures in particular proceedings if the public interest so requires. We have previously announced that this proceeding will be governed by permit-but-disclose *ex parte* procedures that are applicable to non-restricted proceedings under section 1.1206 of the Commission's rules.²⁵

Ex Parte Rules. This proceeding shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's ex parte rules. Entities or persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Entities or persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must: (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made; and (2) summarize all data presented and arguments made

²⁵ 47 CFR § 1.1206. Federal Communications Commission Opens Docket for Proposed Transfer of Wireless Operations, Customers, and Certain Spectrum Licenses and Spectrum Leases of UScellular to T-Mobile, GN Docket No. 24-286, Public Notice, DA 24-925 (WTB/OEA Sept. 11, 2024).

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²² See also Sublease File Number 6053ATSL24 (filed Sept. 13, 2024) for related sublease application.

²³ See also Sublease File Number 6054WYSL24 (filed Sept. 13, 2024) for related sublease application.

²⁴ 47 CFR § 1.1200(a).

²⁶ 47 CFR §§ 1.1200 et seq.

during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b). In proceedings governed by rule 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (e.g., .doc, .xml, .ppt, searchable .pdf).²⁷ Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

V. REQUESTS FOR EXPARTEMEETINGS

All requests for meetings with Commission staff regarding this docket should be made to Morasha Younger, Competition and Infrastructure Policy Division, Wireless Telecommunications Bureau, morasha.younger@fcc.gov.

VI. GENERAL INFORMATION

The assignment and transfer of control applications listed above have been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules or policies.

Interested parties must file petitions to deny no later than **December 9, 2024**. Entities and persons that file petitions to deny become parties to the proceeding. Such entities or persons may participate fully in the proceeding, which includes: (1) seeking access to any confidential information that may be filed under a protective order; (2) seeking reconsideration of decision(s); and (3) filing appeals of a final decision by courts. Commenters may also become parties to the proceeding for the purpose of seeking access to confidential information filed under a protective order. Oppositions to such pleadings must be filed no later than **January 8, 2025**. Replies to such pleadings must be filed no later than **January 28. 2025**. All filings concerning matters referenced in this *Public Notice* should refer to GN Docket No. 24-286.

To allow the Commission to consider fully all substantive issues regarding the applications and the proposed transaction in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in its initial filings. New issues may not be raised in responses or replies.²⁸ A party or interested person seeking to raise a new issue after the pleading cycle has closed, must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed, which seek to raise new issues based on new facts or newly discovered facts, should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

Filing Requirements. All filings must include a reference to GN Docket No. 24-286, and may be filed using the Commission's Electronic Comment Filing System (ECFS).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: https://www.fcc.gov/ecfs/.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing.

²⁷ 47 CFR § 1.1206(b).

²⁸ 47 CFR § 1.45(c).

- Filings can be sent by hand or messenger delivery, by commercial courier, or by the U.S. Postal Service. All filings must be addressed to the Secretary, Federal Communications Commission.
- Hand-delivered or messenger-delivered paper filings for the Commission's Secretary are accepted between 8:00 a.m. and 4:00 p.m. by the FCC's mailing contractor at 9050 Junction Drive, Annapolis Junction, MD 20701. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of before entering the building.
- o Commercial courier deliveries (any deliveries not by the U.S. Postal Service) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
- Filings sent by U.S. Postal Service First-Class Mail, Priority Mail, and Priority Mail Express must be sent to 45 L Street NE, Washington, DC 20554.

People with Disabilities. To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice).

One copy of each pleading, *ex parte* submission, or other filing must be delivered electronically, by email, or if delivered as paper copy, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (according to the procedures set forth above for paper filings), to: (1) Susannah Larson, Wireless Telecommunications Bureau, at susannah.larson@fcc.gov; (2) Nick Copeland, Economic Analysis Division, Office of Economics and Analytics, at nicholas.copeland@fcc.gov; (3) Monica DeLong, Competition & Infrastructure Policy Division, Wireless Telecommunications Bureau, at monica.delong@fcc.gov; (4) Stephanie Asous, Mobility Division, Wireless Telecommunications Bureau, at stephanie.asous@fcc.gov; (5) Nadja Sodos-Wallace, Broadband Division, Wireless Telecommunications Bureau, at nad (6) Joel Rabinovitz, Office of General Counsel, at joel.rabinovitz@fcc.gov. Any submission emailed to these individuals should include in the subject line of the email: (1) GN Docket No. 24-286; (2) the name of the submitting party; and (3) a brief description or title identifying the type of document being submitted (e.g., GN docket No. 24-286, Widget Corp., Notice of Exparter Communications).

The application and any associated documents are available for public inspection and copying during normal reference room hours, at the following Commission office: FCC Reference Information Center, 45 L Street, NE, Room 1.150, Washington, D.C. 20554. The exhibits and declarations associated with the proposed transaction are available electronically through ECFS, which may be accessed on the Commission's Internet website. In addition, the applications are available electronically through ULS, which also may be accessed on the Commission's Internet website. Further information regarding this proposed transaction will be available on the FCC's Office of General Counsel's T-Mobile/UScellular website, https://www.fcc.gov/transaction/t-mobile-uscellular, which will contain an unofficial listing and electronic copies of materials on this matter.