

EXPLANATION OF TRANSACTION AND PUBLIC INTEREST STATEMENT

Christian College of Georgia, Inc. (“CCG” and “Assignor”), licensee of Educational Broadband Service (“EBS”) Stations (“EBS Station”) WND620 seeks Federal Communications Commission (“Commission”) consent to the assignment of the EBS Station to Clearwire Spectrum Holdings II LLC, (“Clearwire” or “Assignee”) a wholly-owned indirect subsidiary of T-Mobile US, Inc. (collectively “T-Mobile”).

Description of the Parties

Clearwire is a wholly owned subsidiary of T-Mobile USA, Inc. and, indirectly, T-Mobile US, Inc., (collectively “T-Mobile”) a U.S.-organized, publicly traded company and part of the family of companies that operate under the T-Mobile® brand names. Deutsche Telekom AG (“DT”), a publicly traded German company,¹ directly holds approximately 5.5 percent of T-Mobile US. DT also indirectly holds approximately a 44.7 percent interest in T-Mobile US through its wholly owned subsidiary T-Mobile Global Zwischenholding GmbH. This subsidiary owns all of the equity and voting interests of T-Mobile Global Holding GmbH, which owns all of the equity and voting interests of Deutsche Telekom Holding B.V., which in turn holds the approximately 44.7 percent interest in T-Mobile US. DT has *de facto* control over T-Mobile – and thus Applicant – as a result of proxy agreements that authorize DT to vote a majority of the stock of T-Mobile. As a result, DT is deemed to indirectly hold 100 percent of the ownership interests in Clearwire.

Led by a management team with decades of collective experience in the telecommunications industry, T-Mobile, headquartered in Bellevue, Washington, offers nationwide wireless voice and data services to consumer and business customers and provides service to 116.6 million customers.² The Commission has repeatedly found that Clearwire and its controlling companies have the requisite character and qualifications to hold Commission authorizations.³ An FCC Form 602 providing current ownership information for T-Mobile US is on file with the Commission.⁴

¹ Germany is a signatory to the World Trade Organization Basic Agreement on Telecommunications.

² See Press Release, T-Mobile Delivers Industry-Leading Growth in Customers and Profitability in Q2 2023, Raises 2023 Guidance Again (July 27, 2023), <https://www.t-mobile.com/news/business/t-mobile-q2-2023-earnings>.

³ See *Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of License and Authorizations*, WT Docket No. 18-197, Memorandum Opinion and Order, Declaratory Ruling, and Order of Proposed Modification, FCC 19-103 (rel. Nov. 5, 2019) (“Merger Approval Order”).

⁴ See FCC File No. 0010502449. Based on prior guidance from the Wireless Telecommunications Bureau, the Form 602 filing for T-Mobile satisfies the ownership reporting

CCG is a private faith-based education institution located in Statham, Georgia. CCG is currently leasing its excess spectrum capacity to Clearwire⁵ pursuant to a long-term *de facto* transfer lease and has recently agreed to assign its EBS license to Clearwire.⁶ An FCC Form 602 providing current ownership information on CCG is on file with the Commission.⁷

Transaction Description

CCG and Clearwire are parties to an Asset Purchase Agreement (“APA”) whereby CCG will assign EBS Station WND620 (Channels C1-C4) to Clearwire. The assignment includes the entire EBS license area covering parts of four Cellular Market Areas (“CMAs”): Atlanta (CMA017), Athens (CMA234), GA 2-Dawson (CMA372) and GA 4-Jasper (CMA374) and portions of nineteen counties in Georgia. The full list of counties is included in Exhibit A.

Public Interest Statement

Approval of the instant assignment is in the public interest because they will provide T-Mobile with a more contiguous footprint and enhanced data capacity using 2.5 GHz EBS spectrum in the Statham, Georgia area as T-Mobile continues upgrading and enhancing its 5G broadband networks. As such, grant of this assignment application will meet the Commission’s goal of more efficient use of the spectrum and serve the public interest.

Spectrum Aggregation/Competition Analysis

As indicated above, this assignment covers portions of four local markets in portions of nineteen counties in Georgia and there is no need for any additional competitive review. In all

requirements of Sections 1.919 and 1.2112(a) of the Commission’s rules for its wholly-owned subsidiaries. *See* 47 C.F.R. §§ 1.919, 1.2112(a); *see also* *Wireless Telecommunications Bureau Answers Frequently Asked Questions Concerning Reporting of Ownership Information on FCC Form 602*, Public Notice, 14 FCC Rcd 8261, 8264-65 (WTB 1999) (“Form 602 FAQ’s”).

⁵ *See* ULS Lease Number L000005369. Currently there is a pending lease extension application pending at the Commission. *See* FCC File No. 0009853463.

⁶ Effective April 27, 2020, EBS eligibility rules were eliminated thereby enabling commercial operators to directly acquire EBS licenses. *See* *Transforming the 2.5 GHz Band*, Report and Order, 34 FCC Rcd 5446 (2019), which was published in the Fed. Reg. at 84 FR 57343 on Oct. 25, 2019. (“2.5 GHz Transformation Order”)

⁷ *See* FCC File No. 0009817919.

counties, the instant assignment adds no additional attributable spectrum to T-Mobile US, as T-Mobile is already leasing the C1-C4 channels (22.5 MHz) from CCG. T-Mobile's total spectrum holdings in these counties pre- and post-transaction is between 367.7 MHz and 399.2 MHz. The Commission, however, has already thoroughly considered T-Mobile's spectrum aggregation holdings⁸, even in those areas where T-Mobile exceeds the Commission's spectrum screen.⁹

Continued access to the 2.5 GHz spectrum in all the covered counties will promote the important objective of T-Mobile's expeditious deployment of its 5G network. As part of the Sprint Merger, T-Mobile has committed to build out a nationwide 5G network serving 97 percent of the U.S. population in three years and 99 percent in six years.¹⁰ In rural areas, T-Mobile must have 5G coverage for 85 percent of the population in three years and then 90 percent in six years.¹¹ The Commission stressed the general benefits of 5G deployment: "Building leading 5G networks is of critical importance for our nation. . . . [T]he deployment of 5G networks 'holds the potential to bring enormous benefits to American consumers by delivering faster speeds and lower latency and by supporting the development of advanced applications like the Internet of Things, smart cities, and telehealth.'"¹² The Commission also recognized that "'America's appetite for wireless broadband service is surging' and '[e]nabling next generation wireless networks and closing the digital divide will require efficient utilization of the low-, mid-, and high-bands.'"¹³

In approving the Sprint Merger, the Commission specifically found that:

⁸ See Merger Approval Order.

⁹ With the completion of the C-Band 3.7 GHz Auction and the 3.45 GHz Auction, 380 MHz of additional mid-band spectrum has now also been added to the Commission's wireless spectrum screen. With a total amount of 1124 MHz subject to the screen, 385 MHz is the screen threshold for local market analysis. T-Mobile's spectrum holdings are catalogued in Exhibit A.

¹⁰ See Merger Approval Order, ¶ 26.

¹¹ *Id.* ¶ 27.

¹² *Id.* ¶ 3, citing *Updating the Commission's Rule for Over-the-Air Reception Devices*, Notice of Proposed Rulemaking, 34 FCC Rcd 2695, ¶ 1 (2019).

¹³ *Id.* ¶ 97, citing *Expanding Flexible Use of the 3.7 to 4.2 GHz Band; Expanding Flexible Use in Mid-Band Spectrum Between 3.7 and 24 GHz; Petition for Rulemaking to Amend and Modernize Parts 25 and 101 of the Commission's Rules to Authorize and Facilitate the Deployment of Licensed Point-to-Multipoint Fixed Wireless Broadband Service in the 3.7-4.2 GHz Band; Fixed Wireless Communications Coalition, Inc., Request for Modified Coordination Procedures in Band Shared Between the Fixed Service and the Fixed Satellite Service*, GN Docket No. 18-122, GN Docket No. 17-183 (Terminated), RM 11791, RM-11778, Order and Notice of Proposed Rulemaking, 33 FCC Rcd 6915, 6917, ¶¶ 3-4 (2018) ("3.7-4.2 Order and NPRM").

“[c]ompared to the capabilities of the standalone companies as reflected in their internal plans, the transaction will significantly increase the quality and geographic reach of their wireless networks for the foreseeable future. . . . In an economy increasingly dependent upon access to broadband services for innovation in a wide variety of sectors and services, these network deployment synergies will yield significant public interest benefits. . . . The network benefits of the transaction are particularly important for the nation’s underserved rural areas. . . . By bringing new connectivity and competition to underserved rural areas, the transaction will help to ensure that 5G will close the digital divide.”¹⁴

The Commission noted that “the combination of spectrum and other resources brought together as a result of the proposed transaction would give T-Mobile the capability to deploy a highly robust nationwide 5G network” and added that “the benefits depend to a significant extent on the extensive deployment of 2.5 GHz spectrum” and that the “transaction will therefore significantly increase the overall utilization of the 2.5 GHz spectrum.”¹⁵ The Commission has stated that “[m]id-band spectrum [*i.e.*, 1 GHz to 6 GHz]¹⁶ is well-suited for next generation wireless broadband services due to the combination of favorable propagation characteristics (compared to high bands) and the opportunity for additional channel re-use (as compared to low bands).”¹⁷ It has also recognized “the complementarity of low-band and mid-band spectrum particularly for data services. By adding 2.5 GHz mid-band spectrum to a cell site, that spectrum can be used to serve the demand close to the cell site, leaving more capacity on the low-band 600 MHz spectrum free for use by those further from the cell site.”¹⁸

All of the foregoing analysis is particularly relevant here, as T-Mobile seeks access of the 2.5 GHz spectrum to enhance its 2.5 GHz operations, including multiple counties that are defined as rural.¹⁹ In this case ten counties will be part of the rural buildout that T-Mobile has committed

¹⁴ *Id.* ¶¶ 5-7.

¹⁵ *Id.* ¶¶ 97-98.

¹⁶ *Id.* ¶ 28.

¹⁷ *Id.* ¶ 237, citing 3.7-4.2 *Order and NPRM*, 33 FCC Rcd at 6917-18, ¶ 5.

¹⁸ *Id.* ¶ 238. The Commission also described the benefits of the combination of low-band and mid-band spectrum to deliver improved, broader services in rural areas, *Id.*, and recognized “that New T-Mobile’s network will have sufficient excess capacity to offer a new in-home broadband service to millions of homes, including underserved homes in rural areas . . . ,” *Id.* ¶ 282.

¹⁹ Ten counties in this Assignment are defined as rural (Walton, Jackson, Banks, Franklin, Habersham, Lumpkin, Stephens, White, Elbert and Hart Counties). See List of Rural Counties And Designated Eligible Census Tracts in Metropolitan, Office of Rural Health Policy, [List of Rural Counties \(hrsa.gov\)](https://hrsa.gov) (last visited on August 15, 2023).

to. In each of the Station's counties, access to this 2.5 GHz spectrum will help fill in spectrum usability holes at 2.5 GHz, enable a more contiguous 2.5 GHz footprint, and provide additional data capacity for customers.

The only spectrum under this Assignment is above 1 GHz, so the screen for below-1-GHz spectrum is not implicated.²⁰ In addition, there are numerous other carriers serving the markets in which T-Mobile is acquiring the spectrum (*see Exhibit B* hereto), which ensures that a high degree of competition continues to exist. Further, in none of the nineteen counties will any nationwide carrier be removed from the market.²¹ For all of these reasons, T-Mobile believes that the instant transaction does not trigger the need for additional competitive review.

T-Mobile US Foreign Ownership Disclosure

Clearwire is a wholly owned subsidiary of T-Mobile USA, Inc. and, indirectly, T-Mobile US, Inc. ("T-Mobile US"), a U.S.-organized, publicly traded company and part of the family of companies that operate under the T-Mobile® brand names. Deutsche Telekom AG ("DT"), a publicly traded German company based in Bonn Germany,²² directly holds approximately 5.5 percent of T-Mobile US. DT also indirectly holds approximately a 44.7 percent interest in T-Mobile US through its wholly owned subsidiary T-Mobile Global Zwischenholding GmbH ("T-Mobile Global"). This subsidiary owns all of the equity and voting interests of T-Mobile Global Holding GmbH ("T-Mobile Holding"), which owns all of the equity and voting interests of Deutsche Telekom Holding B.V. ("DT Holding B.V."), which, in turn, holds approximately 44.7 percent interest in T-Mobile US. DT has *de facto* control over T-Mobile US – and thus Applicant – as a result of proxy agreements that authorize DT to vote a majority of the stock of T-Mobile US. As a result, DT is deemed to indirectly hold 100 percent of the ownership interests in Clearwire.

By order released November 5, 2019, the Commission granted, subject to certain conditions, T-Mobile US's Petition for Declaratory Ruling under Section 310(b)(4) of the Communications Act on behalf of its current and future licensee and lessee subsidiaries that it would not serve the public interest to prohibit indirect foreign ownership by DT and its subsidiaries of T-Mobile US and its subsidiaries of up to 100 percent and authority for up to 49.99 percent ownership by certain other foreign minority interest holders.^{23/} T-Mobile US's petition was filed

²⁰ T-Mobile's attributable holdings of below-1 GHz spectrum both pre- and post-transaction remain unchanged at 55.2 MHz in the nineteen counties and three independent cities affected.

²¹ *See Exhibit B.*

^{22/} Germany is a signatory to the World Trade Organization Basic Agreement on Telecommunications.

^{23/} *See* IBFS File No. ISP-PDR-20180618-00002 (filed June 18, 2018); granted by *Applications of T-Mobile US, Inc., and Sprint Corporation For Consent To Transfer Control of Licenses and Authorizations*

in connection with the Sprint Merger. That ruling specifically permitted the direct and/or indirect foreign equity and voting interests which the Commission found would be held in T-Mobile US upon closing of the Sprint Merger and also specifically permitted the foreign entities with a controlling interest in T-Mobile US (*i.e.*, DT Holding B.V., T-Mobile Holding, T-Mobile Global and DT) to increase the aggregate level of their controlling ownership interests in the reorganized T-Mobile US, at some future time, up to any amount, including 100 percent of T-Mobile US's equity and voting interests. That declaratory ruling, in accordance with Section 1.5001(c)(1) of the rules, specifically listed as covered by such ruling Applicant (among other licensee subsidiaries of T-Mobile USA) and the type of wireless service licenses that are the subject of the instant transaction. The foreign ownership in the licensees as approved has not materially changed since November 5, 2019 and will not be affected by the instant transaction.

Conclusion

T-Mobile respectfully submits that the proposed transaction will advance the public interest by enhancing T-Mobile's ability to expand its array of commercial wireless mobile services in the Statham, Georgia area. Therefore, for the reasons set forth above, T-Mobile respectfully submits that Commission approval of the requested assignment will serve the public interest.