

REDACTED - FOR PUBLIC INSPECTION

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554**

In the Matter of)	
)	
)	
Applications of AT&T Inc. and Atlantic)	WT Docket No. 13-54
Tele-Network, Inc. for Consent to the)	
Transfer of Control of Licenses and)	
Authorizations held by Atlantic Tele-Network,)	
Inc. and Its Subsidiaries)	
)	

**RESPONSE OF AT&T INC. TO
INFORMATION AND DISCOVERY REQUEST DATED JUNE 5, 2013**

June 19, 2013

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Introduction

AT&T Inc. (“AT&T”) provides this response (the “Response”) to the letter dated June 5, 2013, from Ruth Milkman, Chief of the Wireless Telecommunications Bureau of the Federal Communications Commission (the “FCC” or the “Commission”), and the Information and Discovery Request for AT&T attached thereto (collectively, the “Request”). In 13 requests (individually referred to herein as “Request No. [#]”), the FCC asks AT&T (sometimes referred to in the Request as the “Company” as defined therein) to provide by June 19, 2013, documents, data, charts, maps, and other information to complete the FCC’s review of the applications of AT&T and Atlantic Tele-Network, Inc. (“ATN”) for consent to transfer control of certain licenses and authorizations.

Consistent with AT&T’s discussions with the Commission staff, AT&T’s responses are based on a review of available documents that are likely to contain responsive information and inquiry of those individuals and available sources that are likely to have relevant information. Also consistent with AT&T’s discussions with the staff, AT&T is in the process of collecting an additional selection of documents responsive to Request No. 4 and will submit a supplemental production when the collection has been completed. Likewise, once AT&T finishes its privilege review, it will supplement this production with any document AT&T determines should not be withheld as privileged; AT&T also will supply a privilege log and copies of all redacted documents reflected on that log. In certain cases, AT&T does not maintain some of the

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information requested in the ordinary course of business, or AT&T does not maintain the information in the precise manner requested. When information was not available for the period of time requested or in the form requested, AT&T has provided the information to the extent possible.

Where the Request seeks charts, spreadsheets, or similar graphic or tabular information, or specific documents, responsive information is provided in exhibits to the Response, numbered with reference to the specific request (*e.g.*, Exhibit 12.1 responds to Request No. 12). An Index of Exhibits is appended as Exhibit A. Where the Request seeks documents, responsive documents are produced.

The Request calls for AT&T to submit certain information and documents that are sensitive from a commercial, competitive, and financial perspective, and that AT&T would not reveal in the ordinary course of business to the public or its competitors. AT&T is submitting information and documents on a Confidential and Highly Confidential basis pursuant to the Protective Order and Second Protective Order for this proceeding that were issued on June 5, 2013, and, in the case of the Second Protective Order, amended on June 17, 2013. The inadvertent inclusion of any material that is subject to an assertion of the attorney-client, attorney work-product, or other applicable privilege is not intended as a waiver of such privilege.

In the public version of the Response, AT&T has redacted Confidential Information and marked the redactions with “[**BEGIN [AT&T or ALLIED] CONFIDENTIAL INFORMATION**] . . . [**END [AT&T or ALLIED] CONFIDENTIAL INFORMATION**]”. AT&T also has redacted Highly Confidential Information and marked the redactions with “[**BEGIN [AT&T OR ALLIED] HIGHLY CONFIDENTIAL INFORMATION**] . . . [**END**

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[**AT&T OR ALLIED**] **HIGHLY CONFIDENTIAL INFORMATION**]. The redacted Response is marked “**REDACTED – FOR PUBLIC INSPECTION**” and is being filed electronically in the Commission’s Electronic Comment Filing System (“ECFS”). The Highly Confidential, unredacted Response is marked, “**HIGHLY CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER IN WT DOCKET NO. 13-54 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION – ADDITIONAL COPYING RESTRICTED**” and is being delivered to the Secretary. Additional copies of the unredacted Response are being delivered as instructed in the Request.

In accordance with the Request, the Protective Order, and the Second Protective Order, unredacted copies of Highly Confidential documents are marked “**HIGHLY CONFIDENTIAL INFORMATION – SUBJECT TO SECOND PROTECTIVE ORDER IN WT DOCKET NO. 13-54 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION – ADDITIONAL COPYING RESTRICTED**”; and unredacted copies of Confidential documents are marked “**CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER IN WT DOCKET NO. 13-54 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION.**” Pursuant to the Request, the Confidential and Highly Confidential documents are being delivered to Scott Patrick of the Wireless Telecommunications Bureau, while a redacted set of the documents is being filed electronically in ECFS.

Pursuant to discussions with the Commission staff, AT&T is submitting its Response with the following qualifications:

- In the Request, AT&T interprets the term “relevant area” to mean each Cellular Market Area in the proposed transaction.

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- AT&T has not verified that it has produced “all other documents referred to in the document or attachments,” pursuant to Instruction 4.
- AT&T is not grouping materials being produced by the request number and, within each request-number grouping, by custodian, as requested in Instruction 9. The information being submitted as part of AT&T’s Summation load should allow the Commission to sort the produced documents in this fashion, however.

RESPONSES

1. REQUEST:

Provide an organization chart and personnel directory in effect for the Company as a whole and for each of the Company's facilities or divisions involved in any activity relating to any relevant product or any relevant service.

RESPONSE:

AT&T is providing an organizational chart responsive to this Request as Exhibit 1.1.

2. REQUEST:

Provide copies of any side agreements (and all attachments) that AT&T and Allied have entered into related to the Proposed Transaction in addition to the Purchase Agreement filed on February 5, 2013. Provide all attachments to the Purchase Agreement filed on February 5, 2013.

RESPONSE:

Documents responsive to this request are included in AT&T's production. In addition, AT&T understands that ATN is producing two more responsive documents in response to the Commission's Information and Discovery Request for Allied dated June 5, 2013 ("Allied Information Request").¹

¹ These documents are [BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]

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[END AT&T

3. REQUEST:

The Applicants state that the Proposed Transaction will ensure that the spectrum subject to the instant transaction will be “put to a significantly more valuable and efficient use than Allied has been, or would be, able to achieve on its own given the obstacles it faces.” (Public Interest Statement at 7-8.) Explain the spectrum requirements of the Company in the relevant geographic areas, including a discussion of whether the Company can currently, and plans to, deploy 4G in each relevant area (and what technology would be used) and how the Company will put the spectrum subject to the transaction to a more valuable and efficient use. Provide all documents discussing the claimed network spectrum efficiencies, spectrum use, spectrum exhaust, and the spectrum requirements of the Company in any relevant area.

RESPONSE:

This year and next, AT&T plans to deploy spectrally efficient 4G services throughout its nationwide footprint. As Allied customers migrate to the AT&T network, they will benefit immediately from this upgrade.

Specifically, AT&T is deploying 4G HSPA+ service throughout its footprint using its cellular (850 MHz) and PCS (1900 MHz) spectrum, covering over 300 million people by the end of this year. AT&T also is deploying 4G LTE service throughout its footprint, with a plan to cover 300 million people by the end of 2014. LTE is more spectrally efficient than 3G services and offers even faster data speeds and reduced latency to improve customers’ wireless experience, particularly for real-time applications. AT&T currently uses Lower 700 MHz B Block, Lower 700 MHz C Block, and AWS spectrum to provide LTE service. As more customers upgrade to LTE service, and compatible handsets and equipment become available, AT&T expects to deploy its LTE service using additional spectrum bands, including cellular and

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PCS.²

Allied's spectrum is in bands that AT&T has deployed for its 4G HSPA+ and LTE services. As a result, AT&T will quickly put the spectrum to more efficient use as part of AT&T's HSPA+ and LTE deployments. AT&T expects to deploy all of Allied's spectrum in AT&T's 4G network, subject only to the obligation to reserve some of Allied's cellular and PCS spectrum to satisfy continuing obligations to provide CDMA roaming service.³

Allied holds Lower 700 MHz spectrum, **[BEGIN ALLIED HIGHLY CONFIDENTIAL INFORMATION]**

[END ALLIED

HIGHLY CONFIDENTIAL INFORMATION] By contrast, AT&T will put this spectrum into service in its LTE mobile wireless network more quickly and cost effectively than Allied could on its own. In seven of these nine CMAs where Allied holds Lower 700 MHz spectrum, AT&T today holds only 12 MHz of Lower 700 MHz B and C Block spectrum, limiting AT&T's

² AT&T's ability to repurpose cellular and PCS spectrum for LTE services will depend on the need to continue to use that spectrum to support customers on the existing technologies for which the spectrum is being used.

³ See AT&T's response to Request 7, below, for more information on AT&T's plans and obligations related to CDMA roaming.

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initial LTE deployment to a 5x5 MHz configuration. In these areas, the addition of Allied's 12 MHz of Lower 700 MHz spectrum will allow AT&T to deploy LTE with a 10x10 MHz configuration.

AT&T LTE handsets and radio heads support service in the frequencies covered by the Allied 700 MHz spectrum. As a result, AT&T is well positioned to deploy the spectrum quickly and efficiently. Where AT&T already has deployed a 5x5 MHz LTE product at the time the transaction closes, AT&T will be able to integrate Allied's 700 MHz spectrum within 60-90 days to achieve a 10x10 MHz deployment. In two CMAs where Allied holds 700 MHz spectrum, AT&T holds no Lower 700 MHz B or C Block spectrum, and Allied's Lower 700 MHz spectrum will provide the spectrum for AT&T's initial LTE deployment.

Additionally, AT&T will use Allied's cellular and PCS spectrum to augment AT&T's 4G HSPA+ deployments. Although AT&T will require some of this spectrum to continue to operate the CDMA roaming network, AT&T anticipates that, as the Allied and AT&T networks are integrated, some of Allied's cellular and PCS spectrum can be redeployed in AT&T's network for HSPA+ service. Over the long term, as AT&T begins to repurpose its cellular and PCS spectrum for its LTE network, the additional spectrum depth provided by Allied's 700 MHz holdings will allow AT&T to provide even more robust LTE service in Allied areas. AT&T's use of Allied's cellular and PCS spectrum for 4G HSPA+, and eventually LTE, service represents a significantly more efficient use of the spectrum than Allied's 3G EV-DO network and will provide AT&T customers, as well as Allied customers migrated to AT&T's network, with improved network performance and faster data speeds.

In addition, AT&T is providing documents responsive to this request.

4. REQUEST:

The Applicants state that “Allied is not an effective competitive constraint on AT&T at either the local or national level.” (Public Interest Statement at 13.) Provide, for any relevant area, all documents discussing:

- a. actual or potential competition between the Company and any other provider’s mobile wireless services (both individually and in the aggregate); and**
- b. actual or potential competitive responses by your Company to any other provider of mobile wireless services, including but not limited to, new product introductions, pricing, promotions, retail locations, service offerings, coverage, and network or technology upgrades.**

RESPONSE:

Documents responsive to this request are included in AT&T’s production.

5. REQUEST:

The Applicants state that the transaction “will result in cost savings and synergies . . . such as the reduction of general and administrative costs, more efficient billing functions, and lower network operating expenses.” (Public Interest Statement at i, 11-12.) Further, the Applicants state that “AT&T . . . projects that the transaction will result in substantial savings in network operating expenses. AT&T expects to be able to take advantage of many of Allied’s towers while saving costs through decommissioning redundant sites. In addition, roaming costs will decline sharply with the resultant elimination of double marginalization.” (Public Interest Statement at 11.) Explain in detail all of the cost savings and synergies that may result from the Proposed Transaction, including all roaming cost savings and/or synergies. Provide all documents discussing any operational savings and other cost synergies.

- a. For each operational savings or cost synergy identified by the Applicants, (i) provide a quantification of the operational savings or cost synergy and an explanation of how the quantification was calculated; (ii) state the steps that the Company anticipates taking to achieve that operational savings or cost synergy, and the estimated time and costs required to achieve it.**

RESPONSE:

AT&T is providing the documents that were presented either to the Company’s senior

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executives or to its board of directors to explain the cost savings and synergies expected from this transaction.⁴ The underlying model and data for estimating these cost savings also are provided.⁵

Quantification of the operational cost savings and synergies expected from the transaction, the underlying assumptions and methods for quantifying these savings, and the estimated time frame required to achieve the projected cost savings are described in the produced documents. The modeling reflects estimated cost savings for the Allied business on a stand-alone basis as compared to when combined with AT&T operations. AT&T's projections are based on the limited information on Allied that was available to AT&T in due diligence and on certain high-level and conservative assumptions made by AT&T based on its own experience, which are summarized on pages 11 and 12 of the final Project Ant-Overview, dated January 17, 2013 ("Overview"),⁶ and specified in greater detail in the Scenarios tab of the enclosed model. AT&T will not be in a position to make any final determinations on such savings until it is able to obtain more detailed information about Allied Wireless's operations, which will occur later in the acquisition process. In addition, any preliminary plans are subject to the outcome of the regulatory process. Accordingly, AT&T's response is based on the assumptions that were included in its pre-transaction analysis, as reflected in the documents provided to the Commission herewith.

⁴ ATTF-ATN00000053 - ATTF-ATN00000095; ATTF-ATN00001137 - ATTF-ATN00001159; ATTF-ATN00001846 - ATTF-ATN00001896; and ATTF-ATN00002207 - ATTF-ATN00002246.

⁵ ATTF-ATN00000096.

⁶ See ATTF-ATN00000064-65.

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⁷ See ATTF-ATN00000063 (expected case, net synergies from G&A, Store Shutdown; Network Rationalization; Network Experience; and Integration Costs). Synergies stated herein are in Present Value terms.

⁸ **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]**

[END AT&T HIGHLY CONFIDENTIAL INFORMATION]

⁹ See ATTF-ATN00000079. The general categories are those used by Allied in characterizing its expenses in materials provided to AT&T in due diligence.

¹⁰ See ATTF-ATN00000096, Cost tab.

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¹¹ **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]**

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¹² *See* ATTF-ATN00000079.

¹³ *See* ATTF-ATN00000096, Cost tab, lines 122-129, 138; ATTF-ATN00000065.

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[END AT&T HIGHLY CONFIDENTIAL INFORMATION]

- b. For each cost savings, state separately the one-time fixed cost savings, recurring fixed cost savings, and variable cost savings (in dollars per subscriber and dollars per year).**

RESPONSE:

[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]

[END AT&T HIGHLY

CONFIDENTIAL INFORMATION] Various recurring fixed cost savings and recurring variable cost savings have been described above and others are estimated within the Model provided.

Projected annual expense estimates stated on a dollars per-year basis,¹⁵ combined with annual projections for the total number of Allied subscribers,¹⁶ can be used to estimate annual total costs per subscriber over time. Using such data, the total dollar cost per subscriber (excluding the depreciation and amortization) is estimated to be **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]**

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¹⁴ See ATTF-ATN00000096, Cost tab, line 151.

¹⁵ See ATTF-ATN00000079; ATTF-ATN00000096.

¹⁶ See ATTF-ATN00000069.

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REQUEST:

- c. **Provide all plans, analyses, and reports discussing how the Company will overlay networks, switching facilities, and cell sites, including where and when existing cell sites will be consolidated and the criteria to be used to consolidate cell sites; and the number of cell sites that the Company will own, share, or decommission in any relevant area.**

RESPONSE:

See the Response to Requests 5.c and 6 below.

6. REQUEST:

The Applicants state that AT&T expects to overlay the Allied network with 4G technology, providing Allied customers with upgraded service compared to the 3G service they currently receive. (Public Interest Statement at 6.) Identify whether the network will be HSPA+ or LTE for each relevant area. Explain the network transition plan including plans and timeline to deploy a network and any “fallback” technology. If the planned network is HSPA+, explain whether AT&T has plans to upgrade the planned network to LTE. If so, describe the planned timeframes, investment, and financing for the upgrades. Provide all plans, analyses, and reports discussing: a) the Company’s pre-transaction 4G deployment plans in each relevant area; and b) the Company’s transition of Allied’s network.

RESPONSE TO REQUESTS 5.c and 6:

As soon as the transaction closes, AT&T plans to begin the network integration process by overlaying AT&T’s 4G technologies at selected Allied cell sites. In areas where the AT&T and Allied networks do not overlap, AT&T will overlay HSPA+ and, in many cases, LTE services on the Allied cell sites selected to be integrated into AT&T’s network. **[BEGIN AT&T**

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[END AT&T HIGHLY CONFIDENTIAL INFORMATION] Where the AT&T and Allied networks do overlap, AT&T will identify complementary cell sites that can be productively integrated into AT&T's network.

Based on the information available at this time, AT&T estimates that it will incorporate **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]** **[END AT&T HIGHLY CONFIDENTIAL INFORMATION]** Allied's cell sites into AT&T's network in 2014. A precise determination of the number and location of Allied sites to be integrated into AT&T's network and the network technology to be used on each has not yet been made.

[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]

[END AT&T HIGHLY CONFIDENTIAL INFORMATION] that AT&T will be able to carry out more detailed integration planning.

In addition, AT&T is producing documents responsive to these requests.

7. REQUEST:

Explain AT&T's plans relating to any of Allied's roaming or build out agreements including whether, and for how long, the company will provide CDMA roaming on the divestiture network following the transaction. Further explain whether: (1) AT&T will provide CDMA roaming services at the current rates, terms and conditions until the CDMA network is shut down; (2) AT&T has any plans to raise roaming rates or change other terms and conditions prior to shutting down the CDMA network; and (3) whether AT&T plans to renew, extend, or sign new roaming agreements prior to shutting down the CDMA network. Provide all documents relied on in preparing these responses. Provide all documents discussing any Allied roaming or build out agreement in any relevant area.

RESPONSE:

Under the Purchase Agreement, AT&T will assume Allied roaming agreements that are primarily related to the business that AT&T is acquiring from ATN.¹⁷ AT&T plans to honor the terms of those agreements. In some cases, however, AT&T and the counterparty may choose to negotiate mutually agreeable modifications of the agreements, in which case AT&T will honor the modified terms.¹⁸

As discussed elsewhere, AT&T no longer will need Allied's 3G EV-DO network for Allied's customers once it has completed transitioning them to the 4G network described in the

¹⁷ The Purchase Agreement treats roaming agreements as "Excluded Assets," *see* Purchase Agreement § 1.1, at 6 (defining "Excluded Assets"), unless they are primarily related to the Seller's business, in which case they are treated as "Transferred Assets," *see id.* at 6, 16-18 (defining "Excluded Assets" and "Transferred Assets"). AT&T does not yet have a final list from ATN of the roaming agreements that are primarily related to the business that AT&T is acquiring from ATN.

¹⁸ *See* AT&T Inc., Alltel Integration Program - High Level CDMA Plan at 2 (June 12, 2013), ATTF-ATN00000047 ("AT&T will maintain all assets required to provide wholesale (roaming customers) with service per the terms of their contract.").

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responses to Requests 3, 5.c, and 6.¹⁹ However, AT&T will not decommission Allied's EV-DO network to the extent that the EV-DO network remains necessary for AT&T to honor the roaming agreements it assumes (subject to any mutually agreeable modifications). Accordingly, AT&T will need to maintain Allied's EV-DO network so as to serve CDMA roaming customers until at least **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]**

¹⁹ See Description of Transaction, Public Interest Showing and Related Demonstrations at 7 ("AT&T expects that it will transition Allied's customers from the current 3G EV-DO network to a 4G network"); Joint Opposition of AT&T Inc. and Atlantic Tele-Network, Inc. to Petitions to Deny and Reply to Comment at 2 ("Allied customers, who currently receive 3G EV-DO services, will gain access to 4G and other services, equipment and features, including AT&T's nationwide 4G network."); see also Responses to Requests 3, 5.c, and 6 above.

²⁰ **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]**

[END AT&T HIGHLY CONFIDENTIAL INFORMATION] AT&T understands that ATN is producing this document in response to the Commission's Information and Discovery Request for Allied dated June 5, 2013 ("Allied Information Request").

²¹ **[BEGIN ALLIED HIGHLY CONFIDENTIAL INFORMATION]**

[END ALLIED HIGHLY CONFIDENTIAL INFORMATION] AT&T understands that ATN is producing this document in response to the Commission's Allied Information Request.

²² **[BEGIN ALLIED HIGHLY CONFIDENTIAL INFORMATION]**

[END ALLIED HIGHLY CONFIDENTIAL INFORMATION] AT&T understands that ATN is producing this document in response to the Commission's Allied Information Request.

²³ **[BEGIN ALLIED HIGHLY CONFIDENTIAL INFORMATION]**

[END ALLIED HIGHLY CONFIDENTIAL INFORMATION] AT&T understands that ATN is producing this document in response to the Commission's Allied Information Request.

²⁴ **[BEGIN ALLIED HIGHLY CONFIDENTIAL INFORMATION]**

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²⁵ **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]**

[END AT&T HIGHLY CONFIDENTIAL INFORMATION] AT&T understands that ATN is producing these documents in response to the Commission's Allied Information Request.

²⁶ **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]**

[END AT&T HIGHLY CONFIDENTIAL INFORMATION]

[END AT&T

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In particular, for so long as AT&T maintains Allied's EV-DO network, the Commission's rules will require AT&T, "upon a reasonable request," to "provide automatic [real-time, two-way switched voice or data] roaming to any technologically compatible, facilities-based CMRS carrier on reasonable and not unreasonably discriminatory terms and conditions."²⁷ In addition, the automatic data roaming rule will require AT&T to negotiate data roaming agreements in good faith with CDMA carriers and to offer them rates, terms, and conditions that are commercially reasonable.²⁸ Thus, other CDMA carriers will be able to receive CDMA roaming services from AT&T for as long as **[BEGIN AT&T HIGHLY CONFIDENTIAL]**

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²⁷ See 47 C.F.R. § 20.12(d).

²⁸ See *id.* § 20.12(e); see also *Reexamination of Roaming Obligations of Commercial Mobile Radio Serv. Providers & Other Providers of Mobile Data Servs.*, Second Report and Order, 26 FCC Rcd. 5411, 5423-24 ¶ 23 (2011) ("This rule also includes the ability to offer individualized, commercially reasonable terms, including rates."), *aff'd sub nom. Cellco P'ship v. FCC*, 700 F.3d 534 (D.C. Cir. 2012).

CONFIDENTIAL] In any event, any change that AT&T might seek to make to Allied's current roaming rates, terms, and conditions will be fully consistent with both the roaming agreements AT&T assumes and the Commission's rules.

8. REQUEST:

The Applicants emphasize the potential benefit to Allied's customers of access to AT&T's nationwide wireless network (e.g., Public Interest Statement at 6), as well as, but not limited to, a wider variety of rate plans, free mobile-to-mobile calling, Wi-Fi hotspots, and wireless/wireline bundle discounts. (Public Interest Statement at 9.)

- a. Explain in detail the competitive decisions (pricing, device equipment availability, service plans, promotions, coverage, retail locations, etc.) made by AT&T at the national, regional, state, or local level, including a description of any differences in price of the plans, add-ons, or devices that depend on the geographic location of the subscriber; and**

RESPONSE:

In the continental United States, AT&T offers national plans that give subscribers a consistent number of minutes (or unlimited minutes) and/or data for a single monthly price, with no roaming charges, and does not provide regional or local plans that vary depending on subscriber location. These rate plans and their pricing are established on a national basis, with reference to competing plans offered by other national wireless carriers.

Similarly, AT&T establishes its pricing and promotions for mobile wireless handsets on a national basis, **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]**

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[END AT&T HIGHLY CONFIDENTIAL INFORMATION]

Although rate plans and handset prices are established on a national basis, regional Vice President - General Managers (“VP-GMs”) monitor local conditions and may from time to time recommend local or regional promotions, typically device promotions. Some device promotions apply throughout the marketing area in which the promotion is initiated, meaning that the promotional pricing is offered in all of the states that comprise a particular marketing area rather than within any subsection of the region and others may apply to a smaller geography. AT&T has also issued one-time statement credits as a means of retaining customers who are considering switching to other competitors. AT&T also takes into account competitive conditions in making local decisions about network upgrades and expansion, as well as retail locations.

- b. Provide a list of the Allied markets in which Allied customers will have access to AT&T’s wireline/wireless bundle discounts.**

RESPONSE:

[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]

[END AT&T HIGHLY

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9. REQUEST:

Describe in detail how the Company expects to migrate customers and provide all plans, analyses, and reports discussing the migration plan, including plans for customer transition to new pricing plans and devices, and the timeline for this transition.

- a. Explain the likely impact of the Proposed Transaction and the Company's migration plans on Allied customers' existing rates, service plans, and devices, including, but not limited to, a discussion of device replacement plans, device comparability, and whether customers will be subsidized, in full or in part, for the costs of new devices. This explanation should also include, but not be limited to, a discussion of the Company's maintenance and transition of those Allied customers, detailed by plan, that have lower price rate plans to the extent that the Company does not provide comparably-priced plans for comparable services.**
- b. Explain whether the CDMA network will be maintained at the same level prior to transitioning customers off the network, and whether subscribers will be able to access the same services during this time period.**
- c. Explain whether AT&T will honor the terms and conditions of the Allied customers' existing contracts for the life of their contracts.**
- d. Provide all documents relied upon in preparing these responses.**

RESPONSE:

AT&T has conducted preliminary integration planning and its customer transition plans

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remain subject to change. Based on experience in prior transactions, AT&T currently expects that **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]** **[END AT&T HIGHLY CONFIDENTIAL INFORMATION]** from the date of the proposed transaction's close, the majority of Allied customers will have been migrated to AT&T's network.

Prior to the transition to AT&T's 4G network, AT&T currently intends to provide Allied customers with the same degree of access to services on Allied's 3G EV-DO network as they currently have, and to maintain the EV-DO network at the same level pending the transition to AT&T's network.²⁹

Generally, AT&T currently plans to begin migrating Allied's customers as soon as the AT&T network in a given area is ready for the migration. Prior to being migrated, Allied's customers will be provided with ample notification and instructions regarding the change and the timeframe required to exercise any available options.

[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]

²⁹ As discussed elsewhere, AT&T no longer will need Allied's 3G EV-DO network for Allied's customers once it has completed transitioning them to the 4G network described in the responses to Requests 3, 5.c, and 6. However, AT&T will not decommission Allied's EV-DO network to the extent that the EV-DO network remains necessary for AT&T to honor the roaming agreements it assumes.

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In addition, AT&T is producing documents responsive to these requests.

³⁰ **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]**

[END AT&T HIGHLY CONFIDENTIAL INFORMATION]

10. REQUEST:

Provide a list, in csv format, as of the date of this Request, for each county within each state of each spectrum license that can be used in the provision of mobile wireless services that the Company holds, has a joint venture or other business arrangement with regard to, leases from another person, has another interest in, manages, has contracted to acquire, or is in negotiations to acquire. For each license, identify the: (a) FIPS Code; (b) county; (c) state; (d) market name; (e) market number (in the case of CMA, MTA, or BTA); (f) spectrum type; (g) spectrum block; (h) amount of spectrum; (i) the wireless technology format deployed or planned (e.g., GSM, EDGE, CDMA, EV-DO, EV-DO Rev. A, UMTS, HSPA, HSPA+, LTE); and (j) whether the Company: (i) holds; (ii) has a joint venture or other business arrangement with regard to; (iii) leases to or from another person; (iv) has an interest in; (v) manages; (vi) has contracted to acquire; (vii) is in negotiations to acquire; or (viii) plans to sell.

RESPONSE:

AT&T is providing csv files as Exhibits 10.1-10.9.

Using information from the FCC license database that AT&T keeps in the ordinary course of business, AT&T is providing Exhibit 10.1, which lists each spectrum license that can be used in the provision of mobile wireless services in which AT&T holds/has an interest in the relevant area as defined in the Introduction. AT&T understands “used in the provision of mobile services” to have the same meaning as “included in the spectrum screen.”³¹ AT&T has interpreted “hold” to mean having a direct or indirect interest of 10 percent or more.

Exhibit 10.2 lists each spectrum license that can be used in the provision of mobile wireless services with regard to which the Company has a joint venture or other business arrangement. AT&T has a joint operating agreement with the Local Exchange Carriers listed in Exhibit 10.2. For a description of this agreement see ULS File No. 0005649967, Exhibit 1, at 1

³¹ Accordingly, AT&T’s WCS C and D block spectrum holdings are not included in this response.

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(amended May 3, 2013).

Exhibit 10.3 lists each spectrum license that can be used in the provision of mobile wireless services that the Company leases from another person. AT&T is not leasing any spectrum to another person.

Exhibit 10.4 lists each spectrum license that can be used in the provision of mobile wireless services that the Company has contracted to acquire.

Exhibit 10.5 lists each spectrum license that can be used in the provision of mobile wireless services that the Company is in negotiations to acquire. The Company is engaged from time to time in discussions with other holders of spectrum licenses that may result in the Company acquiring control of such spectrum licenses. **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]**

[END AT&T HIGHLY CONFIDENTIAL INFORMATION]

AT&T does not manage any spectrum license that can be used in the provision of mobile wireless services that is not otherwise listed in Exhibit 10.1.

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[END AT&T

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Where spectrum is summarized by CMA, pops are summarized for the licensed area in question and the CMA market as a whole. In some cases the licensed area in question is smaller than the entire CMA. [BEGIN AT&T CONFIDENTIAL INFORMATION]

[END AT&T CONFIDENTIAL INFORMATION]

11. REQUEST:

Provide, as of the date of this Request, maps by bands of the geographic coverage of each relevant wireless service provided by the Company, in each relevant area, distinguishing by technological format (e.g., GSM, EDGE, CDMA, EV-DO, EV-DO Rev. A, UMTS, HSPA, HSPA+, LTE). Provide the maps in a geo-referenced format, such as a shapefile (for ArcMap) or table (for MapInfo), and provide all assumptions, methodology (e.g., propagation, field measurements), calculations (including link budgets), tools (e.g., predictive and field measurements) and data (e.g., terrain, morphology, buildings) used in the production of the maps.

RESPONSE:

AT&T is providing Exhibits 11.1-11.5, which comprises geospatial shape files in ArcGIS

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format depicting AT&T's geographic coverage, by wireless technology, for the CMAs relevant to the transaction.

AT&T uses Forsk's Atoll propagation tool to generate signal level files which are collected and compiled to create coverage maps. Inputs to the propagation tool include cell site location, antenna height, antenna down tilt, antenna azimuth (direction the antenna points), antenna pattern (shape of antenna signal), signal power, topography/terrain, and clutter, *i.e.*, physical land use and vegetation obstructions to the propagation of radio waves other than topography.

AT&T customizes the Atoll propagation tool primarily through the use of area-specific propagation models which leverage up-to-date geographic terrain and clutter information

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[END AT&T CONFIDENTIAL INFORMATION] The models are spectrum-specific. For instance, 700 MHz/AWS-specific models are applied within Atoll to generate LTE-specific coverage files because AT&T currently uses that spectrum for its LTE networks.

AT&T contracts with a third-party vendor, **[BEGIN AT&T CONFIDENTIAL INFORMATION]** **[END AT&T CONFIDENTIAL INFORMATION]** to

tune and deliver pre-calibrated propagation models to AT&T. The calibrated propagation models are based on the **[BEGIN AT&T CONFIDENTIAL INFORMATION]**

[END AT&T CONFIDENTIAL

INFORMATION]

The selection of suitable sites at which CW data will be collected for model calibration is extremely important. The process for path loss data collection is summarized below:

- Define Area of Interest. The area of interest is used in conjunction with the geodata and the distribution of network transmitter heights to determine the number of models required.
- Number of Morphologies. The number of morphologies will depend on various factors, including:

Clutter Variability

- Limitations of the clutter classification system
 - Clutter class “Forest,” for example, represents all tree cover types.
 - Residential “clutter class” is a mixture of trees, open space, and residential use.
 - No clutter class may be specified for certain clutter classes such as universities.
- Variation in physical characteristics of clutter classes
 - Forest in one area may be 10 meters and 20 meters in another.

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- Classification errors
 - One clutter class misclassified as another, for example a suburban area misclassified as open.
- Vintage of source layers
- Accuracy of layers
 - Location offsets, clutter seams, leaf on/off
- Spatial Resolution Limitations
 - It is not possible to represent features smaller than layer resolution.

Terrain variability

- Flat
- Hilly
- Mountain

Special conditions

- Bowl effect
 - Boomers
 - Below clutter
 - Completely below clutter (DAS)
- Select representative transmission locations and radiation centerlines for the morphologies selected. Selected sites should be typical of the morphology, including both clutter and terrain characteristics, and the test heights chosen should be representative of the network sites being modeled. It is important to choose a representative set of sites otherwise the dataset and resulting model will be biased.

Once the sites have been selected, the CW data are collected using a methodical process to arrive at an accurate calibration of the propagation models. To apply the propagation models

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[END

AT&T CONFIDENTIAL INFORMATION] accurately, AT&T ensures that the models are properly assigned for all of the transmitters, and that they are not altered in any way **[BEGIN**

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[END AT&T CONFIDENTIAL INFORMATION]

Propagation coverage files generated by AT&T are consolidated in AT&T's Centralized

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Coverage Area Translation System (“C-CATS”), which merges and translates the files into a nationwide, contour format. **[BEGIN AT&T HIGHLY CONFIDENTIAL INFORMATION]**

[END AT&T

HIGHLY CONFIDENTIAL INFORMATION].

12. REQUEST:

Provide the Company’s monthly subscriber data, as specified in Attachment A.

RESPONSE:

Information responsive to this specification is enclosed as Exhibit 12.1. AT&T does not track the requested information by Cellular Market Area in the ordinary course of business. Instead, AT&T maintains and reports these data within 27 individual billing markets nationwide. In an effort to provide the data in the format requested by the Commission, AT&T has disaggregated its subscriber and related information to the NPA-NXX level, which the Company has used to develop CMA-level data. The NPA-NXX figures correspond to the area code and first three digits of a mobile phone number. Data provided in Exhibit 12.1 represent NPA-NXX figures owned by AT&T only. Because AT&T does not own any NPA-NXX resources in CMA388 (Idaho RSA-1 – Boundary) or CMA389 (Idaho RSA-2 – Idaho), it cannot provide subscriber data for those CMAs – any subscribers have likely ported their numbers from other carriers or regions. Although this process is imperfect, utilizing NPA-NXX information allows AT&T to attribute individual subscribers to particular CMAs rather than its billing markets.

Revenue data for postpaid and prepaid subscribers are provided at the CMA level, based on the methodology above. Because it is not tracked at the NPA-NXX level, however, AT&T is

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unable to provide wholesale revenue information at the CMA level. Instead, revenue information for AT&T's wholesale subscribers is provided at the billing market level.

13. REQUEST:

Provide the Company's monthly porting data, as specified in Attachment B.

RESPONSE:

Information responsive to this specification is enclosed as Exhibit 13.1. In compiling this information, AT&T used the billing zip code associated with the porting number to determine the CMA. It is important to note that, in some cases, the billing address may not reflect the customer's actual place of residence. For some customers, the billing address may be a P.O. Box, work address, previous home address, or similar.

Description of Deduplication Process Employed for the Document Production

Pursuant to Instruction for Submission of Electronic Documents No. C.6(b)(iii), AT&T provides the following description of the deduplication methodology it has employed for the document production:

“Other ESI” type files are read and converted to an array of ascii bytes; these bytes are then input to the .NET crypto library MD5 hash algorithm. The results of this algorithm are then converted back to a 32 byte string of hexadecimal characters representing the MD5 hash value for the bytes of the mentioned “Other ESI” file. This MD5 Hash string value is stored in an items table. Further, each subsequently extracted parent level “Other ESI” file is also hashed using the previously mentioned methodology, then compared against the database of existing MD5 hash values to determine if the newly extracted file is distinct. If the file is not distinct it is not extracted, but instead receives a value in the selection table field that reflects the item the current record is a duplicate of.

“Email/Calendar Item” types are opened and the specified metadata text values are read and converted to an array of ascii bytes; these bytes are then input to the .NET crypto library MD5 hash algorithm. The results of this algorithm are then converted back to a 32 byte string of hexadecimal characters representing the MD5 hash value of the bytes derived from the combined metadata text values of the mentioned “Email/Calendar Item” file. This MD5 Hash string value is stored in an items table. Further, each subsequently extracted parent level “Email/Calendar Item” file is also hashed using the previously mentioned methodology, then compared against the database of existing MD5 hash values to determine if the newly extracted file is distinct. If the file is not distinct it is not extracted, but instead receives a value in the selection table field that reflects the item the current record is a duplicate of.

To derive a full list of custodians for each record, the selection table is queried for a list of items that are duplicative of the first item extracted and exported for review. The custodian values are then pulled for each of the items in this list and provided as a MasterCustodian field representing all of the custodians that were found to possess a distinct item.

All deduplication actions occur against compound documents. In other words, if the parent hash matches a hash in the table, then the entire compound document is suppressed from extraction. Children items are not evaluated for deduplication.

Email fields available to be included as variables in the MD5 hashing algorithm:

- Subject, Body, Recipients, From/Author, Email Date, CC, Attachment Count, Attachment Names, BCC
- If sent date is not present, we allow for the use of either Creation Date or Last Modification Date instead. We can include the body text as a variable in full or with whitespace removed.

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- We also allow for the use of Start and End Times for Outlook Appointments if a Calendar item does not have a sent date.

Exhibit 1.1

In Response to Request 1

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[Exhibit 1.1 is redacted in its entirety as Confidential Information]

Exhibit 8b.1

In Response to Request 8.b

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[Exhibit 8b.1 is redacted in its entirety as Highly Confidential Information]