



State of Utah
Department of Commerce
Division of Public Utilities

FRANCINE GIANI
Executive Director

THOMAS BRADY
Deputy Director

CHRIS PARKER
Director, Division of Public Utilities

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Governor
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Lieutenant Governor

MEMORANDUM

To: Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Bill Duncan, Telecommunications / Water Manager
Casey J. Coleman, Utility Technical Consultant

Date: April 30, 2014

Re: AT&T's Acquisition of LEAP Wireless International Inc., and Cricket Communications Inc. per Docket No. 14-087-01.

RECOMMENDATION:

The Division of Public Utilities ("Division") has reviewed the notification filed by AT&T Inc., ("AT&T") on April 2, 2014. The Division recommends that the Commission acknowledge the letter and take no additional actions.

ISSUES:

The Commission sent an Action Request to the Division on April 9, 2014 in regard to the notification of AT&T of their purchase of Leap Wireless International, Inc. and the Leap subsidiary company, Cricket Communications, Inc. ("Cricket"). The Commission specifically asked the Division to research the implications to the Eligible Telecommunications Carrier ("ETC") status of Cricket. As stated in the letter, "[o]ther than the change in ownership, Cricket's operations in the State of Utah remain unchanged for the immediate future".

On April 29, 2014 the Division contacted Mr. Sisemore from AT&T to get a clearer picture of the transaction and the impacts to any company in the state of Utah. Mr. Sisemore indicated, as stated in his letter, that the company intends to keep everything the same for all customer classes including low income customers. AT&T will not be offering any different packages or attempting to be an ETC in the state and Cricket will continue to offer service as the company had previously done prior to the merger. Additionally, it was mentioned that for the short term Cricket will file the necessary reports for Cricket and AT&T will file the required reports, if any, with the Commission. Basically, the companies are going to let the dust settle and evaluate the course moving forward for each entity.

Because of this understanding, the Division is recommending that the Commission take no additional actions. Cricket will still be offering service as an ETC in the state and believes that there should be no change to their status at this time.

cc: Justin Jetter, Assistant Attorney General
Roger Moffitt, Attorney, AT&T
John D. Sisemore, Director Regulatory, AT&T