



PUBLIC NOTICE

Federal Communications Commission
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DA 19-1316
December 20, 2019

**LIBERTY LATIN AMERICA LTD. AND AT&T INC. SEEK FCC CONSENT TO
THE TRANSFER OF CONTROL OF THE LICENSES, AUTHORIZATIONS, AND
SPECTRUM LEASE HELD BY AT&T MOBILITY PUERTO RICO INC. AND
AT&T MOBILITY USVI INC. TO LIBERTY LATIN AMERICA LTD.**

WT Docket No. 19-384

PLEADING CYCLE ESTABLISHED

Petitions To Deny/Comments Due: January 21, 2020
Oppositions Due: January 31, 2020
Replies Due: February 7, 2020

I. INTRODUCTION

Liberty Latin America Ltd. (LLA) and AT&T Inc. (collectively, with its subsidiaries and affiliates, AT&T) (collectively, Applicants) have filed applications pursuant to sections 214 and 310(d) of the Communications Act of 1934, as amended (the Act),¹ seeking Commission consent to the transfer of control to LLA of AT&T Mobility Puerto Rico Inc. (AT&T Mobility PR) and AT&T Mobility USVI Inc. (AT&T Mobility USVI) (collectively, Transferred Companies) and the FCC licenses, lease, and authorizations held by them. LLA also filed a petition for declaratory ruling (Petition)² to permit foreign investment above the 25% benchmark in section 310(b)(4) of the Act and section 1.5000(a)(1) of the Commission's rules.³

Under LLA's and AT&T's stock purchase agreement, a wholly-owned subsidiary of LLA will acquire the Transferred Companies in the proposed transaction, and they will then be operated with Liberty Cablevision of Puerto Rico LLC (LCPR), also wholly-owned by LLA. In particular, LLA, through its indirect, wholly-owned subsidiary, Leo Cable LP (Leo Cable),⁴ has agreed to acquire all of the outstanding capital stock of Beach Holding Corporation (Beach) from three wholly-owned subsidiaries of AT&T: AT&T Corp.; AT&T International Holdings, LLC; and SBC Telecom, Inc. (collectively

¹ 47 U.S.C. §§ 214, 310(d).

² Petition for Declaratory Ruling, File No. ISP-PDR-20191114-00009 (filed Nov. 14, 2019) (Petition); Supplement to Petition for Declaratory Ruling, File No. ISP-PDR-20191114-00009 (filed Dec. 12, 2019) (December Supplement).

³ 47 U.S.C. § 310(b); 47 CFR § 1.5000(a)(1).

⁴ Under the terms of the stock purchase agreement, Leo Cable may assign its rights to another LLA subsidiary. Upon completion of the proposed transaction, Dr. John C. Malone, a U.S. citizen, will hold an approximate 25.07% interest in LLA.

Sellers).⁵ Beach holds all of the outstanding capital stock of AT&T Mobility PR and AT&T Mobility USVI. Applicants state that LLA’s shares are publicly traded on the NASDAQ Stock Exchange and U.S. persons own over 80% of LLA’s aggregate voting interests and over 67% of LLA’s aggregate equity.⁶ The Petition states that LLA is controlled by its Board of Directors, who are elected by its shareholders.⁷

AT&T Mobility PR provides wireless voice and data services, as well as competitive local exchange carrier (LEC) and other services in Puerto Rico.⁸ LCPR is a competitive LEC and the largest cable operator in Puerto Rico and does not currently provide mobile wireless service there. Applicants state that LCPR’s hybrid fiber coaxial network passes approximately 85% of all households in Puerto Rico, and that it provides broadband, video, and telephone services to approximately 392,000 customers on the island. AT&T Mobility USVI provides mobile wireless voice and data services in the USVI. Neither Leo Cable nor any of its affiliates currently provides any type of service in the USVI.⁹

Applicants assert that grant of the applications will serve the public interest. Applicants state that the transaction will result in public interest benefits for consumers in Puerto Rico and USVI by enhancing network resiliency and redundancy, increasing competition, and intensifying the local focus for wireless services.¹⁰ Applicants also state that the transaction offers public interest benefits without any countervailing public interest harms.¹¹

II. SECTION 310(d) APPLICATIONS

Parts 22, 24, 27, and 101 – Wireless Radio Services

The following applications for consent to the transfer of control of licenses from AT&T to LLA or for consent to the partitioning of licenses from AT&T to LLA have been assigned the file numbers listed below:

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0008836370 ¹²	AT&T Mobility Puerto Rico Inc.	KNKA451
0008836373	AT&T Mobility USVI Inc.	KNKN523
0008857446	New Cingular Wireless PCS, LLC	WPZA237 ¹³

⁵ Leo Cable is not acquiring any interest from AT&T in DIRECTV, AT&T’s video business, or in any submarine cable or cable landing station held by AT&T. AT&T is also retaining certain business customers with which it has a global business relationship. AT&T is not transferring 39 GHz spectrum in Puerto Rico and the USVI to LLA. In connection with the transaction, Applicants state that AT&T is subcontracting with the Transferred Companies to fulfill certain of AT&T’s commitments to the First Responder Network Authority in Puerto Rico and the USVI.

⁶ December Supplement at 2.

⁷ *Id.* at 3.

⁸ AT&T Mobility PR does not offer residential wireline service. AT&T Mobility PR and LCPR provide wireline services to business customers in Puerto Rico in competition with the incumbent LEC, Puerto Rico Telephone Company (Claro PR), and other providers. Applicants state that AT&T Mobility PR and LCPR have overlapping network facilities to serve these customers primarily in the San Juan metropolitan area.

⁹ Public Interest Statement at 23.

¹⁰ *Id.* at 1, 10-17.

¹¹ *Id.* at 1-2, 17-24.

¹² This application is the lead application for the wireless radio services.

¹³ The Applicants also seek permission to transfer the relief granted to the Transferred Companies for 2.3 GHz Wireless Communications Service C and D block spectrum and treatment of miscellaneous regulatory issues consistent with prior Commission precedent.

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0008857453	New Cingular Wireless PCS, LLC	WPZA237

Parts 27 – Wireless Radio Services Spectrum Leasing Arrangement

The following application for consent to the transfer of control of a spectrum leasing lessee from AT&T to LLA has been assigned the file number listed below:

<u>File No.</u>	<u>Lessee</u>	<u>Lead Lease ID</u>
0008871345	AT&T Mobility USVI Inc.	L000031145

III. INTERNATIONAL SECTION 214 AUTHORIZATIONS

The following applications for consent to the transfer of control of international section 214 authorizations held by subsidiaries of AT&T from AT&T to LLA have been assigned the file numbers listed below:

<u>File No.</u>	<u>Authorization Holder</u>	<u>Authorization Numbers</u>
ITC-T/C-20191107-00178	AT&T Mobility USVI Inc.	ITC-214-20001101-00664
ITC-T/C-20191107-00179	AT&T Mobility Puerto Rico Inc.	ITC-214-19930315-00040, ITC-214-19940107-00011, ITC-214-19980918-00669

IV. DOMESTIC SECTION 214 AUTHORIZATION

AT&T and LLA filed an application for consent to transfer control of domestic section 214 authority held by AT&T Mobility Puerto Rico Inc. In light of the multiple applications pending before the Commission with respect to this transaction and the public interest review associated with them, the domestic section 214 transfer of control application is not subject to streamlined treatment.¹⁴

V. PETITION FOR DECLARATORY RULING UNDER SECTION 310(b)(4)

LLA filed a petition for declaratory ruling (Petition), pursuant to section 310(b)(4) of the Act and section 1.5000(a)(1) of the Commission’s rules,¹⁵ to permit foreign ownership of the Transferred Companies’ proposed, controlling U.S. parent, Beach, to exceed the 25% benchmark specified in section 310(b)(4) of the Act. Petitioner asserts that the proposed foreign ownership of the Companies’ controlling U.S. parent, Beach, would serve the public interest.

According to the Petition, upon completion of the proposed transaction, Beach would have aggregate indirect foreign equity and voting interests of 100%. Pursuant to section 1.5001(i) of the rules, Petitioner requests that the Commission specifically approve the direct and/or indirect foreign equity and/or voting interests that would be held in Beach upon completion of the proposed transaction by foreign-organized entities as follows:

Liberty Latin America Ltd. (100% voting and equity) (Bermuda);

LiLAC Services Ltd. (100% voting and equity) (Bermuda);

¹⁴ 47 CFR § 63.03.

¹⁵ *Id.* § 1.5000(a)(1).

LiLAC Ventures Ltd. (60% voting and equity) (Cayman Islands); and
Genesis Asset Managers, LLP (8.4% voting and equity) (located in Guernsey).

Petitioner requests advance approval, pursuant to section 1.5001(k), for Genesis Asset Managers, LLP to acquire up to a non-controlling 15% direct and/or indirect equity and/or voting interest in Beach, the proposed controlling U.S. parent of the Transferred Companies.

The Petition has been assigned File No. ISP-PDR-20191114-00009.

VI. *EX PARTE* STATUS OF THIS PROCEEDING

Pursuant to section 1.1200(a) of the Commission's rules,¹⁶ the Commission may adopt modified or more stringent *ex parte* procedures in particular proceedings if the public interest so requires. 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.¹⁷

Parties making oral *ex parte* presentations are directed to the Commission's *ex parte* rules. Parties are reminded that memoranda summarizing the presentation must contain the presentation's substance and not merely list the subjects discussed.¹⁸ More than a one- or two-sentence description of the views and arguments presented is generally required.¹⁹ Other rules pertaining to oral and written presentations are set forth in Section 1.1206(b) as well.²⁰

VII. GENERAL INFORMATION

The 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 and comments no later than **January 21, 2020**. Persons and entities that file petitions to deny become parties to the proceeding. They may participate fully in the proceeding, including seeking access to any confidential information that may be filed under a protective order, seeking reconsideration of decisions, and filing appeals of a final decision to the 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 31, 2020**. Replies to such pleadings must be filed no later than **February 7, 2020**. All filings concerning matters referenced in this Public Notice should refer to WT Docket No. 19-384.

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 their initial filings. New issues may not be raised in responses or replies.²¹ 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 that seek to raise new issues based on new facts or

¹⁶ *Id.* § 1.1200(a).

¹⁷ *Id.* § 1.1206.

¹⁸ *Id.* § 1.1206(b)(1).

¹⁹ *Id.*

²⁰ *Id.* § 1.1206(b).

²¹ *Id.* § 1.45(c).

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.

Under the Commission's current procedures for the submission of filings and other documents,²² submissions in this matter may be filed electronically through the Commission's Electronic Comment Filing System (ECFS) or by hand delivery to the Commission.

- **To file electronically,**²³ access ECFS via the Internet at <http://apps.fcc.gov/ecfs>. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket number.
- **To file by paper,** the original and one copy of each filing must be filed by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St., SW, Room TW-A325, Washington, DC 20554. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, SW, Washington, DC 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

One copy of each pleading, *ex parte* submission, or other filing must be delivered electronically, by email or facsimile, or if delivered as paper copy, by hand or messenger delivery, 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) Kathy Harris, Mobility Division, Wireless Telecommunications Bureau, at kathy.harris@fcc.gov or (202) 418-2643 (facsimile); (2) Linda Ray, Broadband Division, Wireless Telecommunications Bureau, at linda.ray@fcc.gov or (202) 418-7247 (facsimile); (3) Jim Bird, Office of General Counsel, at TransactionTeam@fcc.gov or (202) 418-1234 (facsimile); (4) Kimberly Cook, Telecommunications and Analysis Division, International Bureau, at kimberly.cook@fcc.gov or (202) 418-2824 (facsimile); and (5) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, at dennis.johnson@fcc.gov or (202) 418-1413 (facsimile). Any submission emailed to these individuals should include in the subject line of the email: (1) WT Docket No. 19-384; (2) the name of the submitting party; and (3) a brief description or title identifying the type of document being submitted.

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, 445 12th Street, SW, Room CY-A257, Washington, DC 20554. The wireless applications in addition are available electronically through ULS, which also may be accessed on the Commission's Internet website. To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice) or (202) 418-0432 (TTY). Contact the FCC to request reasonable accommodations for filing comments (accessible format documents, sign language interpreters, CART, etc.) by email: fcc504@fcc.gov; phone: (202) 418-0530; or TTY: (202) 418-0432.

For further information, contact Kathy Harris, Mobility Division, Wireless Telecommunications Bureau, at kathy.harris@fcc.gov; (2) Linda Ray, Broadband Division, Wireless Telecommunications Bureau, at linda.ray@fcc.gov; (3) Jim Bird, Office of General Counsel, at TransactionTeam@fcc.gov;

²² *FCC Announces Change in Filing Location for Paper Documents*, Public Notice, 24 FCC Red 14312 (2009).

²³ *Electronic Filing of Documents in Rulemaking Proceedings*, Report and Order, 13 FCC Red 11322 (1998).

(4) Kimberly Cook, Telecommunications and Analysis Division, International Bureau, at kimberly.cook@fcc.gov; and (5) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, at dennis.johnson@fcc.gov.

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