



# Commentary: CPUC Should Back T-Mobile/Sprint Merger

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For California to remain at the forefront of economic prosperity and innovation, all of us — rural and urban, coastal and inland, regardless of age or wealth — need reliable access to broadband. Leadership starts with broadening access, and this is at the core of our mission at the California Emerging Technology Fund ([CETF](#)) and a passion for triple-bottom-line leadership organizations like Valley Vision.

Recently, the U.S. Department of Justice **approved in principle** the proposed merger between T-Mobile and Sprint. This is a positive step forward for California. Now, we urge the California Public Utilities Commission ([CPUC](#)) to rapidly complete its review process and conclude that the merger is in Californians' interest and will help close the digital divide in our state.

Here's why: When T-Mobile and Sprint announced plans to merge last year, they declared New T-Mobile would be strengthened as a maverick provider capable of delivering better, more reliable, and more affordable service to customers. Naturally, CETF and groups like Valley Vision looked closely at how the merger would affect California's communities currently on the wrong side of the digital divide.

With the green light from the U.S. Justice Department, New T-Mobile will be a stronger competitor to existing telephone and Internet service providers (ISPs) and will be able to build a nationwide high-capacity 5G network to drive down prices across the industry and improve service for Internet users.

Valley Vision and CETF particularly appreciate the merger's benefits to rural communities around the nation, including bringing greater access to rural California and 1,000 jobs to the Central Valley. Within three years of closing the merger, New T-Mobile will deliver 50 Mbps or higher to two-thirds of the rural population and 100

Mbps or higher to over half the rural population nationwide. This will dramatically improve emergency response communications and increase access to telehealth services and online education, among other benefits. These investments are critical to connecting people in towns and cities to emergency services when disaster strikes, as well as linking agriculture, healthcare, and education with markets and services around the world.

Moreover, T-Mobile has pledged to ensure that New T-Mobile has the capability to provide better, more reliable, and more affordable service to the most digitally disadvantaged customers in rural California following the close of its merger with Sprint. In a memorandum of understanding with CETF, T-Mobile pledges to double down to provide access to Californians who currently lack adequate service.

New T-Mobile will ensure its 5G network is available throughout the state, with speeds that exceed the Federal Communications Commission commitments, as verified by a third-party testing firm. The combined company will also significantly increase the number of low-income households receiving Lifeline or other subsidized rates through at least 2024, including free devices and free high-speed data. And New T-Mobile will deploy 5G service at 10 rural fairgrounds that do not have broadband speeds today and retain and expand mobile communications equipment in the state to support emergency response capabilities.

Additionally, the New T-Mobile will commit more than \$12 million to schools participating in the statewide, CETF-led **School2Home** program, which helps bridge the digital divide and close the achievement gap for students disadvantaged by inadequate access to technology. It serves schools in Sacramento City Unified and Winters Joint Unified school districts. The company also will invest tens of millions more in digital literacy and local government digital inclusion programs.

There is an important hurdle to realizing these significant public benefit investments: California is one of the few states that hasn't yet completed its review of the transaction. In the wake of the U.S. DOJ approval, it's time for the CPUC to complete its review process and approve the merger so Californians can benefit from greater access to broadband.

*Bill Mueller, longtime chief executive officer of the civic leadership group Valley Vision, co-wrote this commentary.*



**By Barbara O'Connor**

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