

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Applications of AT&T Mobility Spectrum, LLC and)	WT Docket No. 25-138
FTC Management Group, Inc. for Long-Term <i>De</i>)	
<i>Facto</i> Transfer Leasing Arrangements)	

MEMORANDUM OPINION AND ORDER

Adopted: August 21, 2025

Released: August 21, 2025

By the Chief, Wireless Telecommunications Bureau:

I. INTRODUCTION

1. In this Memorandum Opinion and Order, we consider two applications¹ and a related waiver request filed by AT&T Mobility Spectrum, LLC (AT&T) and FTC Management Group, Inc. (FTC) (collectively, the Applicants) to enter into long-term *de facto* transfer leasing arrangements for certain 3.45 GHz, AWS-1, and AWS-3 spectrum. For the reasons discussed below, we grant the Applicants' request for waiver of the time-limited 40 megahertz aggregation limit on 3.45 GHz spectrum under section 27.1606(a) of the Commission's rules, and we consent to the long-term *de facto* transfer leasing arrangement applications.

II. BACKGROUND

2. *Description of the Applicants.* AT&T Mobility Spectrum, LLC is a wholly-owned subsidiary of and is controlled by AT&T Inc.² AT&T Inc. is incorporated in Delaware.³ FTC is a wholly owned subsidiary of Farmers Telephone Cooperative, Inc., a South Carolina telephone cooperative.⁴

3. *Description of the Transaction.* On June 11, 2024, AT&T and FTC entered into long-term *de facto* leasing agreements, under which the Applicants would lease up to 40 megahertz of 3.45 GHz spectrum to each other⁵ in the Florence, South Carolina partial economic area (PEA) (PEA238)⁶ and

¹ See Applications of AT&T Mobility Spectrum, LLC and FTC Management Group for Long-Term *De-Facto* Transfer Leasing Arrangements, ULS File Nos. 0011135704 (Lead) (filed July 15, 2024, last amended Aug. 9, 2024) and 0011152414 (filed July 15, 2024, last amended Mar. 27, 2025) (Applications). The parties designated ULS File No. 001135704 as the lead application and incorporated by reference all of the lead application to ULS File No. 0011152414. See Exh. 1, Lead Application Information (ULS File No. 0011152414). AT&T Spectrum Frontiers LLC was originally the AT&T entity listed on the Applications. However, on February 28, 2025, as part of a planned internal restructuring, AT&T Spectrum Frontiers LLC was merged into AT&T Mobility Spectrum, LLC. Accordingly, AT&T Mobility Spectrum, LLC is now the AT&T entity for these Applications. AT&T, Explanation of Minor Amendment, ULS File No. 0011152414 (filed Mar. 27, 2025).

² Description of Lease, Public Interest Statement, and Request for Waiver at 1 (ULS File No. 0011135704) (PIS); see also AT&T, Explanation of Minor Amendment, ULS File No. 0011152414 (filed Mar. 27, 2025).

³ AT&T Inc., SEC Form 10-K for fiscal year ending December 31, 2024, at 1 (filed Feb. 12, 2025), <https://www.sec.gov/Archives/edgar/data/732717/000073271725000013/t-20241231.htm>.

⁴ PIS at 1.

⁵ PIS at 2.

the Sumter, South Carolina PEA (PEA248).⁷ Specifically, AT&T would lease 40 megahertz of 3.45 GHz spectrum to FTC in Williamsburg, southern Florence, Clarendon, Lee, and Sumter Counties, and FTC would lease 40 megahertz of 3.45 GHz spectrum to AT&T in Kershaw, Darlington, and northern Florence Counties, South Carolina.⁸ FTC would lease to AT&T the portions of its 3.45 GHz licenses that are outside its service area and AT&T would lease to FTC the portions of its 3.45 GHz spectrum that are in FTC's service area.⁹ The proposed transaction would result in both Applicants holding more than 40 megahertz of 3.45 GHz spectrum in portions of the PEAs at issue.¹⁰ FTC would also lease 20 megahertz of AWS-1 spectrum and 10 megahertz of AWS-3 spectrum to AT&T in Florence County (part of PEA 238).¹¹ Post-transaction, AT&T would be attributed with 176 to 320 megahertz of spectrum on a county-by-county basis, including 40 to 80 megahertz of 3.45 GHz spectrum, and FTC would be attributed with 60 to 256 megahertz of spectrum on a county-by-county basis, including 40 to 80 megahertz of 3.45 GHz spectrum. The Applicants seek a waiver of section 27.1606(a) of the Commission's rules, which sets a time-limited aggregation limit of up to 40 megahertz of 3450-3550 MHz band licenses in any service area at any given time for four years after the close of Auction 110 for 3.45 GHz licensees.¹²

4. *Transaction Review Process.* On July 15, 2024, the Applicants filed two applications requesting Commission consent for the long-term *de facto* transfer leasing arrangements.¹³ On March 14, 2025, a public notice was released accepting the Applications for filing and seeking comment on the Applicants' request for waiver of section 27.1606(a) of the Commission's rules.¹⁴ No parties filed petitions to deny the proposed transaction. However, a few parties (collectively, the Commenters) filed informal comments requesting that the Commission consolidate its review of four pending AT&T transactions involving 3.45 GHz spectrum¹⁵ and the related requests for waiver of section 27.1606(a) of the Commission's rules, and advocating for the Commission to adopt a mid-band spectrum screen.¹⁶ In

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⁶ PEA 238 includes Darlington, Florence, and Williamsburg Counties in South Carolina.

⁷ PEA 248 includes Clarendon, Kershaw, Lee, and Sumter Counties in South Carolina.

⁸ PIS at 2. The Applicants state that consistent with the Commission's rules and pursuant to the Applicants' Lease Agreement, "the appropriate unjust enrichment payment will be paid to the U.S. Treasury for the portions of the FTC licenses that AT&T is leasing upon the grant of the lease application." PIS at 1 & n.1.

⁹ PIS at 2.

¹⁰ PIS Exhs. 3A, FTC Spectrum Aggregation & 3B, AT&T Spectrum Aggregation.

¹¹ PIS at 2; PIS Exh. 3B, AT&T Spectrum Aggregation.

¹² 47 CFR § 27.1606(a); *see also Facilitating Shared Use in the 3100-3550 MHz Band*, WT Docket No. 19-348, Second Report and Order, Order on Reconsideration, and Order of Proposed Modification, 36 FCC Rcd 5987, 6022-23, 6025, paras. 102, 106 (2021) (*3.45 GHz Order*).

¹³ Applications.

¹⁴ *Wireless Telecommunications Bureau Accepts for Filing AT&T Spectrum Frontiers LLC's and FTC Management Group, Inc.'s De Facto Transfer Spectrum Leasing Arrangements and Seeks Comment on Waiver Request*, WT Docket No. 25-138, Public Notice, DA 25-231 (WTB Mar. 14, 2025) (*AT&T-FTC Public Notice*).

¹⁵ These four pending transactions include the instant proposed transaction, the AT&T-UScellular transaction (WT Docket No. 25-150); the AT&T-SoniqWave Networks LLC transaction (ULS Lead File No. 0011490039), and the AT&T-Nsight Spectrum transaction (ULS Lead File No. 0011555289).

¹⁶ Reply Comments of Open Technology Institute at New America and Public Knowledge at 1-4 (filed Apr. 14, 2025) (Public Knowledge et al. Informal Comments); Reply Comments of NCTA-The Internet and Television Association at 1-4 (filed Apr. 14, 2025) (NCTA Informal Comments). Although styled as "Reply Comments," these filings were not in response to any comments because none were filed by the March 28, 2025, comment deadline established in the *AT&T-FTC Public Notice*; we will, however, treat these comments and those of NCTA as informal objections or informal requests for action pursuant to section 1.41 of the rules. 47 CFR § 1.41; *see also* 47 CFR § 1.9030(e)(1)(iii) (requirements for petitions to deny *de facto* leasing applications); Letter from Donald

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addition, in their Informal Comments, Public Knowledge and Open Technology Institute at New America (OTI) oppose the proposed transaction to the extent it would allow Applicants to exceed the 40 megahertz spectrum aggregation limit.¹⁷ The Applicants filed an *ex parte* letter addressing the Commenters' arguments.¹⁸

III. STANDARD OF REVIEW AND PUBLIC INTEREST FRAMEWORK

5. Pursuant to section 310(d) of the Communications Act of 1934, as amended (Act), we must determine whether approving the proposed transaction will serve the public interest, convenience and necessity.¹⁹ In making this determination, we first assess whether the proposed transaction complies with the specific provisions of the Act, other applicable statutes, and the Commission's rules.²⁰

6. If the proposed transaction does not violate a statute or rule, we then consider whether the transaction could result in public interest harms by substantially frustrating or impairing the objectives or implementation of the Act or related statutes.²¹ If we determine that a transaction raises no public interest harms or that any such harms have been ameliorated by the Commission-imposed conditions or voluntary commitments, we next consider a transaction's public interest benefits.²² The Applicants bear the burden of proving, by a preponderance of the evidence, that the proposed transaction, on balance serves the public interest.²³

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Herman, Jr., counsel to FTC Management Group, Inc., and Jessica B. Lyons, Counsel to AT&T Services, Inc., to Marlene H. Dortch, Secretary, FCC, WT Docket No 25-138, at 1 & n.3 (filed Apr. 21, 2025) (FTC and AT&T *Ex Parte* Letter) ("Notably, the Reply Comments filed by NCTA and OTI & [Public Knowledge] are not petitions to deny."). In the docket for the proposed transaction, Public Knowledge, Communications Workers of America, Open Technology Institute at New America, and Benton Institute for Broadband & Society also filed a copy of their Petition to Deny the pending AT&T-UScellular transaction in which they oppose the waiver of the aggregation limit on 3.45 GHz spectrum as against the public interest and advocate for consolidated review of all of the pending AT&T transactions involving 3.45 GHz spectrum. Petition to Deny of Public Knowledge, Communications Workers of America, Open Technology Institute at New America, and Benton Institute for Broadband & Society, WT Docket Nos. 25-150, 25-138, GN Docket No. 24-286, ULS File No. 0011490039 at 13-15 (filed Apr. 28, 2025) (Public Knowledge et al. AT&T-UScellular Informal Objection). Although the Public Knowledge et al. Petition to Deny the AT&T-UScellular transaction was not filed by the pleading deadlines specified in the *AT&T-FTC Public Notice* and under section 1.9030, we treat it as an informal objection pursuant to section 1.41 of the rules for purposes of this proceeding. 47 CFR § 1.41.

¹⁷ Public Knowledge et al. Informal Comments at 1.

¹⁸ FTC and AT&T *Ex Parte* Letter at 2.

¹⁹ 47 U.S.C. § 310(d); *see also, e.g., Applications of T-Mobile US, Inc. and United States Cellular Corporation for Consent to Transfer Control of Licenses, Authorizations, and Leases*, GN Docket No. 24-286, Memorandum Opinion and Order, DA 25-605, at 8-9, para. 13 (WTB/OIA July 11, 2025) (*T-Mobile-UScellular Order*); *Frontier Communications Parent, Inc. and Verizon Communications, Inc. Application for Consent to Transfer Control*, WC Docket No. 24-445, Memorandum Opinion and Order, DA 25-421, at 5, para. 9 (WCB/OIA/WTB May 16, 2025) (*Verizon-Frontier Order*); *Policies Regarding Mobile Spectrum Holdings; Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, WT Docket No. 12-269, GN Docket No. 12-268, Report and Order, 29 FCC Rcd 6133, 6136-37, para. 6 (2014) (*Mobile Spectrum Holdings Report and Order*).

²⁰ 47 U.S.C. § 310(d); *see, e.g., T-Mobile-UScellular Order* at 8-9, para. 13, *Verizon-Frontier Order* at 5, para. 9; *Application of T-Mobile US, Inc., Nextel West Corp., and LB License Co, LLC for License Assignment*, ULS File No. 0010923038, Memorandum Opinion and Order, 39 FCC Rcd 11482, 11485-86, para. 8 (WTB/OEA 2024) (*T-Mobile-LB Dallas License Order*).

²¹ *See, e.g., T-Mobile-UScellular Order* at 9, para. 14; *Verizon-Frontier Order* at 5, para. 10; *T-Mobile-LB Dallas License Order*, 39 FCC Rcd at 11485-86, para. 8.

²² *T-Mobile-UScellular Order* at 10, para. 15; *Verizon-Frontier Order* at 6, para. 11.

²³ *See, e.g., T-Mobile-UScellular Order* at 10, para. 15; *Verizon-Frontier Order* at 6, para. 11.

7. *Qualifications of the Applicants and Compliance with Communications Act and FCC Rules and Policies.* Section 310(d) of the Act also requires that we make a determination as to whether the Applicants have the requisite qualifications to hold Commission licenses.²⁴ In other spectrum license assignment transactions, we have previously concluded that the Applicants have the requisite qualifications to hold Commission licenses.²⁵ No parties have questioned the Applicants' qualifications for the proposed transaction. We also find that the transaction will not violate any statutory provision or Commission rule, except as waived in this Order, as discussed below.

IV. DISCUSSION

8. Based on our careful review of the record, we find that the proposed transaction has a low likelihood of competitive harm and would serve the public interest, convenience, and necessity. In addition, waiver of the time-limited 40 megahertz aggregation limit on 3.45 GHz spectrum is warranted given the circumstances of the proposed transaction and is also in the public interest because it would facilitate the immediate use of the 3.45 GHz spectrum at issue before the expiration of the aggregation limit. The value of putting this unused or underutilized mid-band spectrum to use in the near term under the instant transaction outweighs any value of strictly adhering to the in-band spectrum aggregation limit. Accordingly, we grant the Applicants' request for waiver of section 27.1606(a) of the Commission's rules and consent to the proposed long-term *de facto* transfer leasing arrangements for 3.45 GHz, AWS-1, and AWS-3 spectrum.

9. While the Commenters request consolidated review of the transaction and also consideration of broader spectrum aggregation issues, and Public Knowledge et al. oppose granting the waiver, we do not find these arguments persuasive and conclude that the broader policy issues are more appropriately addressed in a rulemaking proceeding rather than this transaction. In addition, the Commenters do not provide any transaction-specific basis for denying either the waiver request or the proposed transaction.

A. Preliminary Issues

10. As an initial matter, we decline the Commenters' requests that we consolidate our review of four separate pending AT&T transactions involving 3.45 GHz spectrum and the related waiver requests of section 27.1606(a) of the Commission's rules.²⁶ We also decline the Commenters' request to resolve broader mid-band spectrum aggregation policy matters in the pending AT&T transactions.²⁷ Nothing in the record compels a departure from our traditional approach of reviewing waiver requests on a case-by-case basis or reviewing spectrum transactions on an individualized basis. Further, the broader policy considerations that the Commenters raise are more appropriately addressed in a rulemaking proceeding, rather than in the context of individual transactions.

²⁴ 47 U.S.C. § 310(d).

²⁵ See, e.g., *Application of AT&T Mobility Spectrum, LLC and Kaplan Telephone Company, Inc. for Consent to Assign Licenses*, WT Docket No. 14-167, Memorandum Opinion and Order, 30 FCC Rcd 8502, 8506-07, para. 9 (WTB 2015); *Application of AT&T Mobility Spectrum, LLC and Data-Max Wireless, LLC for Consent to Assign License*, WT Docket No. 16-59, Memorandum Opinion and Order, 31 FCC Rcd, 12662, 12664-65, para. 6 (WTB 2016); *Application of FTC and AT&T for long-term de facto leasing arrangements*, ULS File Nos. 0007303594, 0007303435 (long-term *de facto* lease arrangements automatically granted on Aug. 11, 2016); *Winning Bidders Announced for Auction of 28 GHz Upper Microwave Flexible Use Service Licenses (Auction 101)*, AU Docket No. 18-85, Public Notice, 34 FCC Rcd 4279, Attachment A, Bidder Summary (AU 2019) (indicating winning bids by FTC Management Group, Inc.).

²⁶ NCTA Informal Comments at 1-4; Public Knowledge et al. Informal Comments at 1-4; Public Knowledge et al. AT&T-UScellular Informal Objection at 14-15.

²⁷ NCTA Informal Comments at 1, 4; Public Knowledge et al. Informal Comments at 1-4.

11. In considering the Commenters' consolidation arguments, we note that we have broad discretion as to how we conduct our proceedings²⁸ and that "[o]ur review process generally takes into account, as appropriate, the effects of multiple pending applications"²⁹ The case-by-case consideration of waiver requests is also consistent with the Commission's traditional review of secondary market-transactions on a case-by-case basis.³⁰ We agree with the Applicants³¹ and find that the Commenters have not offered any compelling reason to consolidate our review of the waiver requests³² or the separate pending AT&T 3.45 GHz spectrum transactions. Nothing in the record indicates that these transactions are in fact related. Indeed, the four pending transactions involve four different, unrelated non-AT&T parties and contemplate AT&T leasing or acquiring differing amounts and types of spectrum in different markets, implicating different aggregation issues and public interest analyses. Therefore, consolidation of the proceedings would not facilitate an efficient resolution of the issues and is not necessary to allow for full and thoughtful review of each transaction and related waiver request. Consistent with precedent, our competitive analysis considers the potential for competitive harm and the potential public interest benefits of each proposed transaction in the markets at issue. Finally, while Commenters assert that the consolidated review of the transactions and related waiver requests is warranted because of broader spectrum aggregation policy concerns,³³ these broader issues are more appropriately considered in a rulemaking rather than a transaction.³⁴

B. Public Interest Analysis

12. Based on our review of the record, we find that the likelihood of competitive harm from the proposed transaction is low. As explained below, the proposed transaction does not trigger the initial

²⁸ See 47 U.S.C. § 154(j); *T-Mobile-UScellular Order* at 16, para. 24; see also *Application of Cellco Partnership d/b/a Verizon Wireless and XO Holdings for Consent to Transfer of Control of Nextlink Wireless, LLC, et al.*; *Application of Verizon Communications, Inc. and Straight Path Communications, Inc. for Consent to Transfer of Control of Straight Path Spectrum, LLC*, ULS File Nos. 0007765708, 0007783428, Memorandum Opinion and Order, 32 FCC Rcd 5058, 5060, para. 6 (WTB 2017); *Application of AT&T Inc. and Qualcomm Incorporated for Consent to Assign Licenses and Authorizations*, WT Docket No. 11-18, Order, 26 FCC Rcd 17589, 17622, para. 80 (2011) (*AT&T-Qualcomm Order*); *Applications Filed for the Acquisition of Certain Assets of CIMCO Communications, Inc. by Comcast Phone LLC et al.*, WC Docket No. 09-183, Memorandum Opinion and Order and Order on Reconsideration, 25 FCC Rcd 3401, 3404-05, para. 8 & n.16 (2010).

²⁹ *AT&T-Qualcomm Order*, 26 FCC Rcd at 17622, para. 80; see also *T-Mobile-UScellular Order* at 16, para. 24.

³⁰ See, e.g., *T-Mobile-UScellular Order* at 16, paras. 24-25 (declining requests to consolidate review of multiple transactions involving the acquisition of spectrum from UScellular); *AT&T-Qualcomm Order*, 26 FCC Rcd at 17622, para. 80 (declining requests to consolidate multiple AT&T transactions to acquire lower 700 MHz spectrum).

³¹ FTC and AT&T *Ex Parte* Letter at 2 ("Neither Reply Commenter has provided any compelling reason why the Commission should not follow its usual policy of considering individual applications separately.").

³² See 47 CFR § 1.925(b)(3) (referring to "application to the *instant case*" and "factual circumstances of the *instant case*" in the waiver request standard) (emphasis added).

³³ NCTA Informal Comments at 1, 4; Public Knowledge et al. Informal Comments at 1-2, 4.

³⁴ See, e.g., *Applications of AT&T Inc. and Centennial Communications Corp. for Consent to Transfer Control of Licenses, Authorizations, and Spectrum Leasing Arrangements*, WT Docket No. 08-246, Memorandum Opinion and Order, 24 FCC Rcd 13915, 13972, para. 141 (2009) (concluding that proposed conditions prohibiting handset arrangements were not narrowly tailored to prevent a transaction-specific harm, but were broader industry issues that were more appropriate for a Commission rulemaking proceeding); see also FTC and AT&T *Ex Parte* Letter at 2. AT&T previously filed a Petition for Rulemaking urging the Commission to adopt a mid-band spectrum screen, and WTB and the Office of Economics and Analytics (OEA) sought comment on that petition and the Commission's mobile spectrum holding policies generally. See *Wireless Telecommunications Bureau and Office of Economics and Analytics Seek Comment on AT&T Petition for Rulemaking and Mobile Spectrum Holding Policies*, WT Docket No. 23-319, RM-11966, Public Notice, DA 23-891 (WTB/OEA Sept. 22, 2023). We are not precluded from taking action on the proposed transaction while that proceeding remains pending.

screen or enhanced factor review. In addition, we find that the transaction is likely to result in public interest benefits, including through the deployment of 5G service and improved service and coverage in the markets at issue. Accordingly, we find that the proposed transaction would serve the public interest, convenience, and necessity.

13. *Record.* The Applicants assert that the proposed transaction will not result in competitive harm because the leases would not meaningfully reduce competition and would not “cause an overall aggregation that would pose an anticompetitive risk.”³⁵ Specifically, the Applicants explain that there will continue to be numerous licensed providers in the relevant markets that will provide effective competitive constraints.³⁶ As explained above, the Commenters advocate for consolidated review of the pending AT&T transactions. However, they have not filed petitions to deny the transaction, and they do not point to any specific harms that would result from this transaction or otherwise offer any transaction-specific basis for denying the transaction. With respect to competitive harms, Public Knowledge et al. only raise generalized concerns about spectrum concentration among the three nationwide competitors and “whether AT&T’s series of acquisitions . . . is, on the whole, promoting or inhibiting robust competition for 5G mobile broadband services.”³⁷

14. *Discussion.* We find that the record does not provide any basis for denying the proposed transaction. The proposed transaction does not trigger the Commission’s initial spectrum screen³⁸ or enhanced factor review.³⁹ Although the proposed transaction would result in both Applicants exceeding the temporary 3.45 GHz spectrum aggregation limit, as we address below, allowing them to do so would serve the public interest, and nothing in the record points to particular harm with respect to the 3.45 GHz spectrum aggregation. Further, as the Applicants have demonstrated, there are other competitors present in the markets at issue, and the record does not provide any evidence that the proposed long-term *de facto* transfer leasing arrangements would allow either Applicant to foreclose entry, raise rivals’ costs, or otherwise harm the public interest in the relevant markets.⁴⁰ In addition, the proposed leasing

³⁵ PIS at 4.

³⁶ PIS at 5; PIS Exh. 4, Comp. Showing.

³⁷ See Public Knowledge et al. Informal Comments at 2.

³⁸ To help identify those local markets in which competitive concerns are more likely, initially we apply a two-part screen. The first part of the screen is based on the size of the post-transaction Herfindahl-Hirschman Index (HHI) and the change in the HHI, but because the instant transaction does not result in the acquisition of wireless business units and customers, we do not apply the HHI screen. See, e.g., *Applications of T-Mobile License LLC, Nextel West Corp. and LB License Co, LLC for License Assignment, Application of T-Mobile License LLC, Nextel West Corp. and Channel 51 License Company LLC for License Assignment*, ULS File Nos. 0010168412, 0010168420, 0010168439, Memorandum Opinion and Order, 38 FCC Rcd 12150, 12165, paras. 36-37 (WTB/OEA 2023). The second part of the screen, which is applied on a county-by-county basis, identifies those local markets where an entity would hold approximately one-third or more of the total spectrum suitable and available for the provision of mobile telephony/broadband services post-transaction. *Id.* The total amount of spectrum that is currently considered suitable and available for the provision of mobile telephony/broadband services in areas excluding Hawaii, Alaska, and the territories is 1,123 megahertz, resulting in an associated spectrum screen trigger of 385 megahertz. *Communications Marketplace Report*, GN Docket No. 24-119, 2024 Communications Marketplace Report, 39 FCC Rcd 14116, 14173-74, paras. 69-70 & n.189, Fig. II.B.11 (2024). The Applicants demonstrate that the proposed transaction would not cause either Applicant to exceed the spectrum screen in the relevant markets. PIS at 2, 4-5 & n.14; PIS Exhs. 3A, FTC Spectrum Aggregation & 3B, AT&T Spectrum Aggregation.

³⁹ The Commission applies enhanced factor review where a transferee would increase its below-1-GHz spectrum holdings so as to hold approximately one-third or more of such spectrum post-transaction. *T-Mobile-UScellular Order* at 24-25, para. 41; *Mobile Spectrum Holdings Report and Order*, 29 FCC Rcd at 6240, paras. 286-88. The Applicants demonstrate that the proposed transaction does not trigger enhanced factor review. See PIS at 2, 4-5 & n.14; PIS Exhs. 3A, FTC Spectrum Aggregation & 3B, AT&T Spectrum Aggregation.

⁴⁰ PIS at 5; PIS Exh. 4, Comp. Showing; see also *Applications of T-Mobile US, Inc., and Sprint Corporation for Consent to Transfer Control of Licenses and Authorizations Applications of American H Block Wireless L.L.C.*,

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arrangements have specific terms, and we would have an opportunity to reevaluate—and mitigate as necessary—should any competitive concerns arise at the end of the leasing period. Moreover, the Commission retains the right to terminate the leases at any time should it determine that the arrangement raises competitive or public interest concerns.⁴¹ Thus, we find the likelihood of competitive harm for the proposed leasing arrangements is low.

15. We also find that the Applicants have demonstrated that there are potential public interest benefits of the proposed transaction. As explained above, the Applicants explain that the proposed transaction would result in “offering improved and more robust services,” “preserv[ing] and enhanc[ing] competition,” “expedit[ing] the deployment of advanced services,” and “enabl[ing] deployment of spectrum that would otherwise lie fallow.”⁴² The Commenters do not challenge these claimed public interest benefits. Accordingly, we find that the Applicants have demonstrated that the proposed transaction will benefit the public interest, convenience, and necessity, including through enhanced competition and improved service and network coverage.⁴³

C. Waiver of the Time-Limited Aggregation Limit for 3.45 GHz Spectrum

16. We find that waiving the time-limited 40 megahertz aggregation limit for 3.45 GHz spectrum is warranted given the unique circumstances present here. As explained below, strict adherence to the aggregation limit would not serve the public interest given that the aggregation limit has largely served its intended purpose and is set to expire in four and a half months, and both Applicants will be able to put the spectrum to immediate use in their respective service areas.

17. Section 1.925 of the Commission’s rules states that the Commission may grant a waiver when either “[t]he underlying purpose of the rule(s) would not be served or would be frustrated by application to the instant case, and . . . grant of the requested waiver would be in the public interest,” or “[i]n view of unique or unusual factual circumstances of the instant case, application of the rule(s) would be inequitable, unduly burdensome or contrary to the public interest, or the applicant has no reasonable alternative.”⁴⁴

18. Under section 27.1606(a) of the Commission’s rules, 3.45 GHz spectrum licensees are subject to a time-limited aggregation limit of up to 40 megahertz of 3450-3550 MHz band licenses at any given time for four years after the close of Auction 110.⁴⁵ This time-limited aggregation limit automatically expires on January 4, 2026.⁴⁶ The pre-auction four-year aggregation limit on 3.45 GHz spectrum was largely intended to provide greater certainty and predictability on the licenses that bidders

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DBSD Corporation, Gamma Acquisition L.L.C., and Manifest Wireless L.L.C. for Extension of Time, WT Docket No. 18-197, Memorandum Opinion and Order, Declaratory Ruling, and Order of Proposed Modification, 34 FCC Rcd 10578, 10617-18, para. 94 (2019) (“When considering the potential competitive effects of spectrum aggregation resulting from a proposed transaction, the Commission has considered whether there would be an increased likelihood that rival service providers or potential entrants would be foreclosed from expanding capacity, deploying mobile broadband technologies, or entering the market, and also whether rivals’ costs would be increased to the extent that they would be less likely to be able to compete robustly.”).

⁴¹ 47 CFR § 1.9020(g).

⁴² PIS at 2-3, 5-6.

⁴³ PIS at 2-3, 5-6.

⁴⁴ 47 CFR § 1.925(b)(3)(i)-(ii).

⁴⁵ 47 CFR § 27.1606(a); *see also 3.45 GHz Order*, 36 FCC Rcd at 6022-23, 6025, paras. 102, 106.

⁴⁶ *See Auction of Flexible-Use Service Licenses in the 3.45-3.55 GHz Band Closes, Winning Bidders Announced for Auction 110*, AU Docket No. 21-62, Public Notice, 37 FCC Rcd 308, 308, para. 1 (OEA/WTB 2022) (*Auction 110 Winning Bidders Public Notice*) (announcing January 4, 2022 as the end date of the auction).

could win and retain and to increase opportunities for smaller carriers to compete, thereby encouraging greater participation by a wider variety of bidders.⁴⁷

19. *Record.* The Applicants explain that a waiver of section 27.1606(a) of the Commission's rules is necessary for the proposed transaction to proceed before the aggregation limit automatically expires, and that the waiver will allow them to "expedite the deployment of advanced services and enable deployment of spectrum that would otherwise lie fallow."⁴⁸ According to the Applicants, FTC obtained 3.45 GHz spectrum in Auction 110 to cover its entire service area, but a portion of this spectrum is outside of FTC's service area because the PEA borders "do not align with the FTC service area."⁴⁹ The Applicants explain that the proposed leasing arrangement will enable FTC to focus its resources on its own service area and avoid the need to divert resources to satisfy performance requirements in the areas within its PEA licenses that are outside its service area.⁵⁰ These representations suggest that the portions of its 3.45 GHz licenses that FTC holds outside of its service area may not be in use or are being underused today. FTC also explains that waiving the aggregation limit would allow it to have sufficient spectrum to "offer improved services and be a more effective competitor to the nationwide providers" within its service area.⁵¹ AT&T indicates that it is "best positioned to rapidly deploy FTC's 3.45 GHz spectrum for advanced services" in the areas covered by that spectrum.⁵² AT&T also explains that its mid-band spectrum holdings lag behind competitors T-Mobile and Verizon in the markets where AT&T seeks to lease 3.45 GHz spectrum from FTC and that currently AT&T's "only realistic catch-up opportunities" for mid-band spectrum in these markets "lie in the 3.45 GHz spectrum band" as the other competitors holding unpaired mid-band spectrum in these markets are "extremely unlikely to sell or lease their licenses."⁵³ As noted above, in their Informal Comments, Public Knowledge and OTI raise only general concerns that "the public interest benefits" of spectrum caps "are lost if the Commission readily agrees to waivers that promote the further consolidation of a three-carrier market."⁵⁴

20. *Discussion.* Based on our careful consideration of the record, we find that based on the unique circumstances present here, strict adherence to the aggregation limit would not serve the public interest.⁵⁵ The aggregation limit has largely already served its intended purposes and is set to

⁴⁷ 3.45 GHz Order, 36 FCC Rcd at 6024-25, paras. 104-106.

⁴⁸ PIS at 6.

⁴⁹ PIS at 3; *see also id.* at 6.

⁵⁰ PIS at 7; *see also* PIS at 3 (stating that the proposed leases would "enable FTC to offer advanced services to its subscribers and focus its resources on the FTC Service Area."); *id.* ("a lease is the most effective means for FTC to offer competitive mid-band services within its service area without diverting resources outside its service area.").

⁵¹ PIS at 9.

⁵² PIS at 4; *see also id.* at 7-8; PIS Exh. 3B, AT&T Spectrum Aggregation.

⁵³ PIS at 11; *see also id.* at 9-12.

⁵⁴ Public Knowledge et al. Informal Comments at 2; *see also* Public Knowledge et al. AT&T-UScellular Informal Objection at 13 ("To preserve the public interest, the Commission must not waive section 27.1606 of its rules."); *id.* at 14 ("The Commission must not waive this to allow AT&T to aggregate spectrum that harms competition and the public interest.").

⁵⁵ We have previously granted waivers of the six-year prohibition on assigning or leasing 600 MHz spectrum that would cause an acquiring entity or lessee to hold an attributable interest in one-third or more of the total suitable and available spectrum below 1 GHz and a waiver of the freeze on 900 MHz spectrum applications. *See, e.g., Evergy Kansas Central, Inc., Evergy Metro Inc, and Evergy Missouri, Inc., Request for Waiver of 900 MHz Application Freeze*, WT Docket No. 23-307, Order, 39 FCC Rcd 6667, 6671-72, paras. 14-15 (WTB 2024) (waiving the freeze on 900 MHz applications finding that the underlying purpose of the 900 MHz freeze would not be served where there has been significant progress towards a complete transition to 900 MHz in the relevant area and finding that the waiver was in the public interest); ParkerB.com Wireless L.L.C. and T-Mobile License LLC, ULS File No. 0009217476 (granted Dec. 29, 2020) (granting long-term *de facto* transfer leasing arrangement where the parties

(continued....)

automatically expire in approximately four and a half months.⁵⁶ In addition, the Applicants seek to swap spectrum in their respective service areas to put the spectrum to better use—FTC intends to use the spectrum it seeks to lease from AT&T within FTC’s service area, and AT&T is ready to provide service with the spectrum it seeks to lease from FTC that is outside FTC’s service area. Given these unique circumstances, waiving the aggregation limit is in the public interest because it would facilitate the immediate use of this spectrum before the aggregation limit automatically expires. It is not in the public interest for the spectrum at issue to be unused or underutilized for the limited remaining duration of the aggregation limit—the time value of putting this mid-band spectrum to use in the near term under the instant transaction outweighs any value of strictly adhering to the aggregation limit. We further note that the Commenters have not offered any transaction-specific reasons to deny the waiver.

21. For the reasons set forth above, we consent to the proposed long-term *de facto* spectrum leasing arrangements and waive the 3.45 GHz spectrum aggregation limit under section 27.1606 of our rules.

V. ORDERING CLAUSES

22. Accordingly, having reviewed the applications and record in this matter, IT IS ORDERED that, pursuant to sections 4(i-j), 303(r), 309, and 310(d) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i-j), 303(r), 309, 310(d), and section § 1.9030 of the Commission’s rules, 47 CFR § 1.9030, the applications for consent for the long-term *de facto* transfer spectrum leasing arrangements filed by AT&T Mobility Spectrum, LLC and FTC Management Group, Inc. ARE GRANTED.

23. IT IS FURTHER ORDERED that, pursuant to sections 4(i) and (j) of the Communications Act of 1934 as amended, 47 U.S.C. §§ 154(i), 154(j) and section 1.925 of the Commission’s rules, 47 CFR § 1.925, the waiver requests of AT&T Mobility Spectrum, LLC and FTC Management Group, Inc. concerning the 3.45 GHz aggregation limit under section 27.1606(a) of the Commission’s rules, 47 CFR § 27.1606(a), ARE GRANTED to the extent described herein.

24. IT IS FURTHER ORDERED that this Memorandum Opinion and Order SHALL BE EFFECTIVE upon release. Petitions for Reconsideration under section 1.106 of the Commission’s Rules, 47 CFR § 1.106, may be filed within thirty days of the date of release of this Memorandum Opinion and Order.

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requested a waiver of the six-year prohibition on assigning or leasing 600 MHz spectrum); Nova Wireless LLC and USCOC of Greater Iowa, LLC, ULS File No. 0009593749 (consented Sept. 30, 2022) (spectrum assignment transaction where the parties requested a waiver of the six-year prohibition on assigning or leasing 600 MHz spectrum); Spectrum Financial Partners, LLC and Sagebrush Cellular, Inc., ULS File No. 0009600177 (consented Feb. 14, 2022) (same); Smith Bagley, Inc. and AST Telecom, LLC d/b/a Bluesky, ULS File No. 0009107973 (consented Dec. 21, 2020) (same).

⁵⁶ As the Applicants note, in Auction 110, 23 of 33 qualified bidders won spectrum licenses. PIS at 6 & n.23 (citing to FCC, *Auction 110 Fact Sheet*, <https://www.fcc.gov/auction/110> (last visited Aug. 20, 2025)). Winning bidders in Auction 110 included multiple providers that received small or rural bidding credits. *Auction 110 Winning Bidders Public Notice*, 37 FCC Rcd at 320, Attach. A, Bidder Summary (WTB/OEA 2022).

25. This action is taken under delegated authority pursuant to sections 0.131 and 0.331 of the Commission's rules, 47 CFR §§ 0.131, 0.331.

FEDERAL COMMUNICATIONS COMMISSION

Joel Taubenblatt
Chief, Wireless Telecommunications Bureau