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December 30, 2013

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PUBLIC SERVICE  
COMMISSION

Mr. Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40602-0615

Re: Notice of AT&T Inc.'s Proposed Acquisition of Leap Wireless  
International, Inc.

Dear Mr. Derouen:

Pursuant to the Commission's January 8, 1998 Order in Administrative Case No. 370,<sup>1</sup> AT&T Inc. ("AT&T") and Leap Wireless International, Inc. ("Leap") notify the Commission that they have entered into a Stock Purchase Agreement whereby AT&T will acquire all of the issued and outstanding capital stock of Leap. Once all closing conditions are satisfied or waived, Leap will become a direct subsidiary of AT&T. This will make Cricket Communications, Inc. ("Cricket"), Leap's wireless subsidiary operating in Kentucky (and other states), an indirect subsidiary of AT&T.

As AT&T and Leap demonstrated in their filings with the FCC,<sup>2</sup> the proposed transaction serves the public interest. Combining Leap's established Cricket brand, spectrum, customer base, distribution network, and experience selling prepaid/no-contract service with AT&T's nationwide 4G LTE/HSPA+ network, suite of advanced devices and services, and financial resources, will bring consumers a compelling, nationwide, facilities-based alternative for a full range of prepaid/no-contract services. This will include low-cost, value-priced products as well as higher-end, data-oriented products. Existing Leap customers will benefit from access to a more robust national network and a broader array of services. The combined company will offer Leap customers access to AT&T's nationwide network footprint, superior choice in handsets, more robust data services, and Wi-Fi hotspots across the country. At the same time, AT&T will honor the rate plans of existing Leap customers. For

<sup>1</sup> This Order explains that there is "no need for the Commission to approve" the transfer of wireless operations pursuant to KRS 278.010(4) and (5), and it provides that "wireless carriers need only supply a letter to the Commission describing the transfer . . ." See Order, *Exemptions for Providers of Local Exchange Service Other than Incumbent Local Exchange Carriers*, Administrative Case No. 370 at 2 (Jan. 8, 1998).

<sup>2</sup> See, e.g., ULS File No. 0005860676, Lead Application (filed Aug. 1, 2013), available at <http://wireless2.fcc.gov/ULSApp/ApplicationSearch/applMain.jsp?applID=7710783>; Amended Application (filed Nov. 1, 2013) available at <http://wireless2.fcc.gov/ULSApp/ApplicationSearch/applMain.jsp?applID=7838547>.



new customers, the combined company will continue to offer competitive rate plans that appeal to value-conscious customers, including the option of choosing low-cost devices and low-cost services.

If you need any more information, please let me know.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Tony Taylor", with a long horizontal flourish extending to the right.

Tony Taylor