

TESTIMONY OF T-MOBILE BEFORE THE 35TH LEGISLATURE OF THE VIRGIN ISLANDS COMMITTEE ON HOUSING, TRANSPORTATION, & TELECOMMUNICATIONS April 24, 2023

Good morning, Mr. Chairman, members of the 35th Legislature's Committee on Housing, Transportation & Telecommunications, senators, legislative staff, ladies and gentlemen. T-Mobile appreciates the opportunity to appear before this Committee to discuss the current status and the future of telecommunications in the Territory as well as other topics.

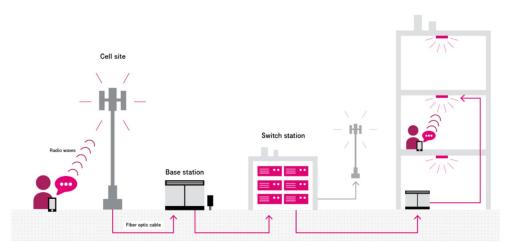
We want to take this opportunity to introduce the T-Mobile team appearing today. Mr. Dan Leary, Director of State Legislative Affairs, Ms. Ileann Cañellas, Managing Corporate Counsel, Mr. Cesar Correa, Compliance Manager and Mr. Mark Hodge, Legal and Government Affairs Advisor.

Resulting from the merger of T-Mobile and Sprint, T-Mobile extended its operation to the Territory, including its mobile network and two stores, located in St Thomas and St Croix. and its subsidiaries, including the entity operating in USVI. T-Mobile has been working to seamlessly integrate USVI operations into T-Mobile. Last year we successfully launched the T-Mobile brand in the territory, bringing top quality wireless service, competitive rate plans and best in class customer service to Virgin Islanders.

I. <u>The status of 5G and wired broadband implementation and coverage.</u>

T-Mobile offers wireless services for both consumers and businesses through our retail and other channels across the nation, including the USVI. This means that backhaul for T-Mobile is provided by third party vendors, like for example VIYA. It takes a network with numerous components working in-concert to transmit data from one device to another. The process where base station equipment at our site sends traffic to the core telecommunications network over landlines or microwave transmissions is called backhaul. Traffic continues to move via switches within public telephone network to the final antenna site. The terminating site then transmits to the receiving device.





T-Mobile has the most awarded 5G network in the country. As per an independent thirdparty report published by Ookla[®], T-Mobile is the fastest overall wireless provider in the U.S., with the most consistent speeds. In addition, T-Mobile ranks #1 for fastest median 5G download speeds, and it has the most available 5G network in the country. This is the experience T-Mobile aims to provide nationwide, and we continue to work tirelessly to offer a similar experience everywhere, including the USVI.

T-Mobile is investing in the USVI and installing a wireless infrastructure to accommodate growing consumer demand across the USVI. The goal is to improve speeds, coverage, and quality. This investment includes new updates to wireless towers, antennas, and small cells to transmit 5G wireless signals and form the backbone of next-generation networks. Faster, more responsive, and able to connect more devices, 5G will unlock innovation and investment. 5G will bring a wide range of economic and social benefits to the USVI, including creating new jobs in technology and access to health care and education—issues and opportunities that are often underserved in smaller communities.

II. <u>The status of the 3G phaseout, present infrastructure projects, and plans for future</u> <u>development.</u>

As the wireless industry evolves to 5G, older technologies like Sprint's 3G CDMA networks have been retired. T-Mobile retired our 3G CDMA and UMTS networks to free up resources and spectrum that will help us strengthen our entire network and move all customers to more advanced technologies like LTE, 4G, and 5G networks providing a more feature-rich experience for customers. T-Mobile has been diligently working with our customers to ensure that they have the most up to date technology and to that end has run numerous promotions that allow customers to upgrade their phones in some cases for free so they can best utilize this technology. As a result of T-Mobile's aggressive campaign to modernize the wireless service in the USVI, the



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vast majority of T-Mobile customers now have 5G compatible phones. To further maintain connectivity, T-Mobile utilizes 600MHz, low band spectrum technology on its cell sites for better indoor coverage and longer range outdoor coverage.

In terms of coverage, T-Mobile has expanded coverage in areas who had been identified as having issues. In addition, T-Mobile is currently working on two (2) new cell sites on St. Thomas and one (1) on St. John, with all new and existing cell sites maintaining high-capacity backhaul. T-Mobile has also invested in excess of \$585,000.00 to update and upgrade its retail location on St. Thomas and plans for similar major renovations of its St. Croix retail location in 2023. Both retail locations are set up as Emergency Hubs and are equipped with all necessary items to support store personnel to assist customers after a catastrophic event.

Not only is T-Mobile investing in its infrastructure, it is investing in customer service. There is now a T-Mobile certified technician based on St. Thomas to ensure an available and qualified person can address any issues with our system in a timely manner. Further, to support our technician and customers, T-Mobile has established a warehouse on St. Thomas with the necessary parts to repair the system to ensure that any necessary repairs are made quickly and properly to ensure as few service interruption for our customers as possible. Likewise, T-Mobile has expanded the customer service hours to start at 6:00 a.m. and stays open and available to our customers until 12:00 a.m. and has engaged bi-lingual customer service representatives to better assist our customers.

We are happy to report that one hundred percent (100%) of our cell sites have battery backup banks and greater than ninety percent (90%) have generators as redundancy in case of a power outage. T-Mobile is committed to safeguarding the interests of our customers, employees, and stakeholders in the event of an emergency or significant business disruption. As a result, T-Mobile maintains an enterprise-wide Business Continuity Program designed to provide effective responses to a wide variety of disruptive events.

T-Mobile considers the full range of natural and man-made hazards that could impact employees, customers, operations, and assets across the country. The Technology Team conducts ongoing site threat assessments, in an effort to identify potential impacts on critical sites and properties to plan for threats accordingly. When it comes to active disasters or outages, T-Mobile has a long history of moving quickly and efficiently in emergency situations to ensure our customers can stay connected when they need it the most. Every day, thousands of T-Mobile associates are always dedicated and focused on keeping our customer connections strong and available. We understand the importance of reliable communications and connectivity during critical events.

Even when there's no active disaster or outage, we're working behind the scenes to make sure that our network is operating at optimal levels for ever-changing demands. We regularly



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test and drill our emergency response teams across the nation to be able to help us stay ahead of any situation that arises.

We maintain an organized and integrated suite of disaster plans and procedures. T-Mobile has made a significant investment in our network's redundancy, reliability, and resiliency. For times when impacts are unavoidable, we have a fleet of rapid response equipment (Generators, COWs & Satellite technology) situated across the country to facilitate expeditious recovery. These multi-layered investments are designed to deliver best-in-class service continuity.

III. <u>Customer Obsessed</u>

In T-Mobile, we are customer obsessed. That's what inspires us and drives us to look for new ways to keep our customers seamlessly connected to what they love. In 2014, we became "The Uncarrier," a business model based on listening to the customer and addressing the industry pain-points.

Our Customer Service, which we call Care, has been consistently recognized for its superior service by entities such as JD Power. Back in 2018 we launched our Team of Experts, where dedicated, highly-trained individuals handle a wide range of topics, sometimes working with specialists including local retail and engineering to solve even the most complex issues.

Our approach is customer centric, where Retail stores, Engineering and Care report to the same organization. We can identify customer pain points and provide a resolution faster. Care has tech agents that can evaluate technical impacting issues and escalate with Engineering resources, as needed.

IV. Our Employees are the backbone of our company

T-Mobile prides itself on ensuring that our training and benefits packages are unrivaled. We currently have retail employees with benefits packages that can include health insurance, 401k retirement savings plan with employer matching, restricted stock options, stock grants, tuition reimbursement, generous paid time off, including maternal and paternal leave, adoption and surrogacy benefits and additional voluntary benefits. We are also happy to announce that in the next weeks several new positions will be posted.

V. <u>Call Before You Dig (Act No. 7798)</u>

T-Mobile does not own or maintain any fiber optics in the USVI as T-Mobile utilizes existing middle-mile networks maintained by the network owners, but it has been impacted by fiber cuts due to poor coordination.





VI. <u>Cybersecurity</u>

At T-Mobile, we work hard to keep our subscribers' information safe with state-of-the-art cybersecurity technology, rigorous monitoring and response operations, and strict compliance to global industry standards.

Like any corporation, T-Mobile isn't immune to criminal attacks. As the privacy and security landscape rapidly shifts, standards are continually evolving. We're committed to meeting those standards and being transparent about them. We believe that customers deserve to know how their data is used, how they can control it, and what we're doing to protect it.

Due to increasing challenges and impacts of cybersecurity incidents, T-Mobile has acknowledged the need of enhanced knowledge and increased cybersecurity awareness across the enterprise, expanding its Cybersecurity teams and resources and taking every opportunity to promote education internally and with its subscribers.

5G is the most secure mobile network to date. Compared with earlier mobile-network technologies, 5G brings a range of security improvements. GSMA, a global industry organization representing mobile network operators and telecom suppliers, refers to 5G as "secure by design." That description reflects a series of principles applied during the concept, design, and development stages to build security into 5G networks. This security-oriented approach helps make cybersecurity contextual and even predictive—characteristics that help to anticipate and close off potential vulnerabilities.

The security advantages are greatest with what's called 5G Standalone (5G SA), which requires that mobile devices and network infrastructure equipment support 5G specifications. By comparison, 5G Non-Standalone (5G NSA) is overlaid on an existing 4G network, only providing higher bandwidth locally where it's available.

T-Mobile launched the world's <u>first nationwide 5G Standalone network</u> in 2020. As 5G continues to evolve and improve, we're committed to ensuring that our customers receive the fastest, most secure 5G service and can benefit from the most up-to-date cybersecurity best practices.

We look forward to continuing to work in developing our network and customer base in the Territory.

