



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
445 12th STREET S.W.
WASHINGTON D.C. 20554

News media information 202-418-0500
Internet: <http://www.fcc.gov> (or <ftp.fcc.gov>)
TTY (202) 418-2555

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Actions Taken Under Cable Landing License Act

Section 1.767(a) Cable Landing Licenses, Modifications, and Assignments or Transfers of Control of Interests in Cable Landing Licenses (47 C.F.R. § 1.767(a))

By the Chief, Telecommunications and Analysis Division, International Bureau:

Pursuant to An Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39 (Cable Landing License Act), Executive Order No. 10530, Exec. Ord. No. 10530 reprinted as amended in 3 U.S.C. § 301, and section 1.767 of the Commission's rules, 47 C.F.R. § 1.767, the following applications ARE GRANTED. These grants of authority are taken under section 0.261 of the Commission's rules, 47 C.F.R. § 0.261. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, may be filed within 30 days of the date of this public notice.

These applications have been coordinated with the Department of State and other Executive Branch agencies pursuant to section 1.767(b) of the Commission's rules, 47 C.F.R. § 1.767(b), and consistent with procedures established with the Department of State. See Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Report and Order, 16 FCC Rcd 22167, 22192-93, paras. 51-52 (2001) (Submarine Cable Landing License Report and Order); Streamlined Procedures for Executive Branch Review of Submarine Cable Landing License Requests, State Department Media Note (Revised) (rel. Dec. 20, 2001) available at <http://2001-2009.state.gov/r/pa/prs/ps/2001/6951.htm>.

This public notice serves as each cable landing licensee's Cable Landing License, or modification thereto, pursuant to the Cable Landing License Act and sections 1.767 and 1.768 of the Commission's rules. Cable landing licensees should review carefully the terms and conditions of their licenses. Failure to comply with these terms and conditions or relevant Commission rules and policies could result in fines or forfeitures.

Modification

Grant of Authority

Date of Action: 03/03/2020

Application filed by Telxius Cable USA, Inc. (Telxius USA), Telxius Cable Puerto Rico, Inc. (Telxius Puerto Rico), and Telxius Cable America, S.A. (Telxius America) (together, the "Applicants") for authority to modify the cable landing license for the South America-1 submarine cable system (SAM-1 cable), SCL-LIC-20000204-00003, SCL-MOD-20061207-00012, SCL-MOD-20180605-00016, SCL-MOD-20180905-00032, to authorize segments of the SAM-1 cable connecting Punta Carnero, Ecuador, and Mancora, Peru (SAM-1 Ecuador and Peru Spurs). Applicants were granted Special Temporary Authority and authorized by the Commission for the Ecuador and Peru segments of the cable. See File No. SCL-STA-20190826-00029. Applicants filed a supplement on January 18, 2020.

The Commission granted a cable landing license for the SAM-1 cable in 2000 and subsequently modified that cable landing license in 2006 to authorize the extension of SAM-1 to Colombia, and in 2019 to authorize a segment to the Dominican Republic. See Telefonica SAM USA, Inc. and Telefonica SAM de Puerto Rico, Inc., Cable Landing License, 15 FCC Rcd 14915 (IB 2000); SCL-MOD-20061207-00012, Actions Taken Under Cable Landing License Act, Public Notice, 22 FCC Rcd. 6630 (IB 2007); SCL-MOD-20180905-00032, Actions Taken Under Cable Landing License Act, Public Notice, DA 19-1272 (IB rel. Dec. 16, 2019). Upon review of the licensing history of the cable, the Applicants discovered that no request had been filed with the Commission seeking to modify the SAM-1 cable landing license to add the segments connecting Punta Canero, Ecuador, and Mancora, Peru, which were constructed in 2006 and 2007 and entered commercial service on October 31, 2007.

The SAM-1 Cable is a non-common carrier cable system that is approximately 25,000 kilometers in length and connects Boca Raton, Florida; San Juan, Puerto Rico; Las Toninas, Argentina; Fortaleza, Rio de Janeiro, Salvador, and Santos, Brazil; Arica and Valparaiso, Chile; Barranquilla, Colombia; Punta Carnero, Ecuador; Puerto Barrios and Puerto San Jose, Guatemala; and Lurin and Mancora, Peru. The SAM-1 cable has up to four fiber pairs per segment, with each fiber pair having a current design capacity of 19.2 Terra bits per second (Tbps) per fiber pair.

The facilities connecting the SAM-1 system to Punta Carnero, Ecuador, and Mancora, Peru, consist of three segments. Segment M1 connects Branching Unit 3 on the original SAM-1 system to Branching Unit 3A, off the coast of Ecuador. It has a length of 680 kilometers and has two fiber pairs. Segment M2 connects Branching Unit 3A to a new landing point at Punta Carnero, Ecuador, with the cable landing station located inland at Salinas, Ecuador. It has a length of 112 kilometers and has two fiber pairs. Segment M3 connects Branching Unit 3A to a beach manhole located at Mancora, Peru. It has a length of 226 kilometers and has two fiber pairs. The current design capacity of all fiber pairs of Segments M1, M2, and M3 is 4.8 Tbps. The other segments of SAM-1 remain unchanged.

Telxius America owns Segment M1 and those portions of Segments M2 and M3 beyond the territorial seas of Ecuador and Peru. Telxius Cable Ecuador, S.A. (Telxius Ecuador) owns that portion of Segment M2 in the Ecuadorian territorial sea extending seaward from Punta Canero, as well as the cable landing station at Salinas, Ecuador, which was constructed in 2007. Telxius Cable Peru, S.A.C. (Telxius Peru) owns that portion of Segment M3 in the Peruvian territorial sea extending from Mancora, Peru. Telefonica del Peru, S.A.C. (Telefonica Peru) owns and operates the cable landing station at Mancora, Peru. Ownership of SAM-1's other segments remains unchanged.

Telxius USA will continue to own and control the cable landing station in Boca Raton, Florida and that portion of the SAM-1 system's wet segment in the U.S. territorial sea extending from Boca Raton. Telxius Puerto Rico will continue to own and control the cable landing station in San Juan, Puerto Rico and that portion of the SAM-1 system's wet segment in the U.S. territorial sea extending from San Juan. Telxius America will continue to own and control that portion of the SAM-1's wet segment in international waters.

Telxius USA, a Florida company, Telxius Puerto Rico, a Puerto Rico company, and Telxius America, a Uruguay company, are majority-owned, indirect subsidiaries of Telefonica S.A. (Telefonica Parent), whose shares are publicly-traded on the Spanish electronic trading system and listed on the London, Buenos Aires, Lima, and New York stock exchanges.

The following individuals and entities will have a ten-percent-or-greater direct or indirect interest in Telxius USA and Telxius Puerto Rico: (1) Telxius Cable America, S.A. (Telxius America), a Uruguay company (100% voting and equity); (2) Telxius Telecom S.A.U. (Telxius Parent), a Spain company (100% voting and equity interest in Telxius America); (3) Pontel Participaciones, S.L. (Pontel), a Spain company (60% voting and equity interest in Telxius Parent); (4) Telefonica Parent, a Spain company (83.5% voting and equity interest in Pontel); (5) Taurus Bidco S.a.r.l. (KKR Bidco), a Luxembourg company (40% voting and equity interest in Telxius Parent, and certain negative control rights as a result of investments by KKR Bidco in Telxius Parent); (6) Taurus Midco S.a.r.l. (KKR Midco), a Luxembourg company (100% voting and equity interest in KKR Bidco); (7) Taurus Topco S.a.r.l. (KKR Topco), a Luxembourg company (100% voting and equity interest in KKR Midco); and (8) KKR Taurus Aggregator L.P., a Canada company (100% voting and equity interest in KKR Topco).

The principal direct and indirect voting and equity interests in KKR Taurus Aggregator L.P. are held by and through the following entities: (1) KKR Taurus Aggregator GP Limited, a Cayman Islands company (general partner of and 100% voting and a less-than-1-percent equity interest in KKR Taurus Aggregator L.P.); (2) KKR Global Infrastructure Investors II L.P., a Cayman Islands company (sole shareholder of and 100% voting and equity interest in KKR Taurus Aggregator GP Limited, and limited partner of and 26.41% equity interest (no direct voting) in KKR Taurus Aggregator L.P.); (3) KKR Taurus Co-Invest L.P., a Canada company (limited partner of and 44.97% equity interest (no voting) in KKR Taurus Aggregator L.P.); (4) KKR Associates Infrastructure II L.P., a Cayman Islands company (general partner of and 100% voting and 5% equity interest in KKR Global Infrastructure Investors II L.P.); (5) KKR Infrastructure II Limited, a Cayman Islands company (general partner of and 100% voting and 99% equity interest in KKR Associates Infrastructure II L.P.); (6) KKR Financial Holdings LLC, a Delaware company (50% voting interest in, and a non-fixed economic interest based on the investment returns allocable to KKR Associates Infrastructure II L.P. as the general partner of KKR Global Infrastructure Investors II L.P.); (7) KKR Fund Holdings L.P., a Cayman Islands company (50% voting interest in, and a non-fixed economic interest based on the investment returns allocable to KKR Associates Infrastructure II L.P. as the general partner of KKR Global Infrastructure Investors II L.P.; KKR Fund Holdings L.P. also holds a 100% voting and equity interest in KKR Financial Holdings LLC); (8) KKR Fund Holdings GP Limited, a Cayman Islands company (general partner of and 100% voting interest (no equity) in KKR Fund Holdings L.P.); (9) KKR Group Holdings Corp., a Cayman Islands company (sole shareholder of and 100% voting and economic interest in KKR Fund Holdings GP Limited; general partner and limited partner of, and 63.3% equity interest in KKR Fund Holdings L.P.); (10) KKR & Co. Inc., a Delaware company (100% voting and equity interest in KKR Group Holdings Corp.); and (11) KKR Management LLC (KKR Management), a Delaware company (100% voting interest (no equity) in KKR & Co. Inc.). No entity holds a 10-percent-or-greater direct or indirect equity

— interest in the Applicants through either KKR Global Infrastructure Investors II L.P. or KKR Taurus Co-Invest L.P. The equity interests in the Applicants that are held through KKR Bidco are predominantly by investment funds, all of which are limited partnerships organized under the laws of Canada, the Cayman Islands, and England and Wales. Telxius USA and Telxius Puerto Rico have no other 10-percent-or-greater direct or indirect interest holders. —

Applicants are affiliated with a foreign carrier that is presumed to have market power in Argentina, Brazil, Chile, Colombia and Peru. Telxius USA, Telxius Puerto Rico, and Telxius America shall comply with the reporting requirements in section 1.767(l), 47 CFR §1.767(l), for the U.S.-Argentina, U.S.-Brazil, U.S.-Chile, U.S.-Colombia and U.S.-Peru routes.

Applicants shall comply with the routine conditions set out in section 1.767(g) of the Commission's rules, 47 CFR § 1.767(g).

Telxius Cable USA, Inc. made commitments regarding potential national security, law enforcement and public safety issues related to the SAM-1 cable in a December 4, 2019 Letter of Assurances from Guillermo Canete, President, Telxius Cable USA, Inc. to Assistant Secretary for Border, Immigration, and Trade, Office of Policy, Department of Homeland Security (2019 LOA). Applicants request that the Commission condition grant of this modification request on compliance with the 2019 LOA. Accordingly, grant of this application is conditioned on the continued compliance by Telxius Cable USA, Inc. with the commitments made in the 2019 LOA. A failure to comply and/or remain in compliance with any of these commitments and undertakings shall constitute a failure to meet a condition of the cable landing license and thus grounds for declaring the license terminated without further action on the part of the Commission. Failure to meet a condition of this authorization may also result in monetary sanctions or other enforcement action by the Commission. A copy of the 2019 LOA is publicly available and may be viewed on the FCC website through the International Bureau Filing System (IBFS) by searching for SCL-MOD-20190826-00028 and accessing "Other filings related to this application" from the Document Viewing area.

Modification

Grant of Authority

Date of Action: 03/03/2020

Application for authority to modify the cable landing license for the Curie submarine cable system (Curie system), SCL-LIC-20181008-00034, held by GU Holdings Inc. (GU Holdings), to include a new landing point in Panama City, Panama. The Curie system connects Los Angeles, California, and Valparaiso, Chile. It was licensed on September 20, 2019. See Actions Taken Under Cable Landing License Act, File No. SCL-LIC-20181008-00034, Public Notice, Report No. SCL-00252, 34 FCC Rcd 8628 (IB 2019). The cable has not been placed into commercial service yet. GU Holdings filed a supplement on January 14, 2020.

The Curie system is a non-common carrier cable system. The Main Trunk extends 10,476 kilometers between Los Angeles, California, and Valparaiso, Chile. It has three existing stubbed branches off the Main Trunk, each 10 kilometers in length, that point towards cable landing sites at Mexico (Mazatlan), Panama (Panama City), and Peru (Lurin). The Main Trunk and each stubbed branch consist of four fiber pairs, with each fiber pair having a total design capacity of 18 Terabits per second (Tb/s) (total of 72 Tb/s). The U.S. cable landing station at Los Angeles, California (LA4 Station) is owned by Equinix, Inc. (Equinix) and controlled by GU Holdings, and the cable station located in Chile is owned by Century Link Chile S.A. and controlled by Inversiones y Servicios Dataluna Limitada (Dataluna). GU Holdings holds 100% of the voting and equity interests in that portion of Curie in U.S. territorial waters, Google Infrastructure Bermuda Limited (GIB) holds 100% of the voting and equity interests in that portion of Curie in international waters, and Dataluna holds 100% of the voting and equity interests in that portion of Curie in Chilean territorial waters. GIB and Dataluna are affiliated companies of GU Holdings.

The Curie system will extend to Panama by connecting a new cable landing station at Panama City, Panama, to the previously installed stubbed branch (Panama Branch). The Panama Branch will be approximately 1,073 kilometers in length and consist of four fiber pairs with a total design capacity of 18 Tb/s per fiber pair (total of 72 Tb/s). GU Holdings' affiliates will own and control the Panama Branch as follows: (1) Google Singapore Pte. Ltd. will hold a 100% equity and voting interest in that portion of the Panama Branch in international waters; and (2) Google Infraestructura de Panama S.A. (GIP) will hold a 100% equity and voting interest in that portion of the Panama Branch in Panama territorial waters. TI Sparkle Panama S.A. will own and control the cable landing station at Panama City, Panama.

GU Holdings states that the expansion of telecommunications services to Panama will provide new and significant replacement capacity on the U.S.-Panama route and provide geographically diverse capacity. Since most cables connecting Panama to the U.S. land on the east coast (Maya-1, ARCOS-1, and PCCS), Applicant states that the addition of the Panama branch will make Curie only the second cable to directly connect Panama to the west coast of the United States. The other, the Pan-American Crossing cable, was constructed nearly 20 years ago.

GU Holdings, a Delaware company, is an indirect, majority-owned subsidiary of Google LLC (Google), a Delaware company. The 10-percent-or-greater direct or indirect interest holders of GU Holdings are: (1) Google International LLC (Google International) (100% voting and equity interest); (2) Google LLC (97% voting and equity interest in Google International); (3) XXVI Holdings Inc., a Delaware company (100% voting and equity interest in Google LLC); (4) Alphabet Inc. (Alphabet), a Delaware company (99% voting and equity interest in XXVI Holdings Inc.); (5) Mr. Larry Page, a U.S. citizen and CEO of Alphabet (26.1% voting interest in Alphabet through a 42.9% equity interest held in Alphabet's Class B common stock); and (6) Mr. Sergey Brin, a U.S. citizen and President of Alphabet (25.2% voting interest in Alphabet through a 41.3% equity interest held in Alphabet's Class B common stock). Alphabet's shares are publicly traded on the NASDAQ stock market. No other entity or individuals holds a 10-percent-or-greater voting or equity interest in Alphabet or GU Holdings.

GU Holdings Inc. shall comply with the routine conditions set out in section 1.767(g) of the Commission's rules, 47 CFR § 1.767(g).

GU Holdings Inc. made commitments regarding potential national security, law enforcement and public safety issues related to the Curie system in a September 19, 2019 Letter of Assurances from Austin Schlick, President, GU Holdings, Inc. to the Assistant Secretary for Border, Immigration and Trade, Office of Policy, Department of Homeland Security (2019 LOA). GU Holdings commits to apply to the proposed Panama branch the commitments and obligations that it agreed to in the 2019 LOA. Accordingly, grant of this application is conditioned on the continued compliance by GU Holdings Inc. with the commitments made in the 2019 LOA. A failure to comply and/or remain in compliance with any of these commitments and undertakings shall constitute a failure to meet a condition of the cable landing license and thus grounds for declaring the license terminated without further action on the part of the Commission. Failure to meet a condition of this authorization may also result in monetary sanctions or other enforcement action by the Commission. A copy of the 2019 LOA is publicly available and may be viewed on the FCC's website through the International Bureau Filing System (IBFS) by searching for SCL-MOD-20191223-00039 and accessing the "Other Filings related to this application" from the Document Viewing Area.