



Federal Communications Commission
Washington, D.C. 20554

June 22, 2020

DA 20-651

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CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Re: Comment Cycle Established, Application of GU Holdings, Inc., Edge Cable Holdings USA, LLC, and Pacific Light Data Communication Co. Ltd. For a License to Construct, Land, and Operate an Undersea Fiber Optic Cable Connecting the United States, Hong Kong, Taiwan, and the Philippines (Pacific Light Cable Network (PLCN));

File Nos. SCL-LIC-20170421-00012, SCL-AMD 20171227-00025, SCL-STA-20180907-00033. SCL-STA-20190327-00011, SCL-STA-20190906-00032, SCL-STA-20200129-00006, SCL-STA-20200313-00014, SCL-STA-20200402-00015

Dear Messrs./Meses. Schlick, Ravelo, and Tsang:

On April 21, 2017, GU Holdings, Inc. (GU Holdings),¹ Edge Cable Holdings USA, LLC (Edge USA),² and Pacific Light Data Communication Co. Ltd. (PLDC) (together, Applicants) filed the above referenced application for a license to construct, land, and operate an undersea fiber optic cable connecting the United States, Hong Kong, Taiwan, and the Philippines – the Pacific Light Cable Network (PLCN) – pursuant to the Cable Landing License Act of 1921 and the Commission’s rules.³

¹ GU Holdings is an indirect, wholly owned subsidiary of Google Inc.

² Edge USA is a wholly owned subsidiary of Facebook, Inc.

³ Cable Landing License Act of 1921, 47 U.S.C. §§ 34-39; Exec. Ord. No. 10530 § 5(a) (May 10, 1954), reprinted as amended in 3 U.S.C. § 301; 47 CFR §1.767.

On June 17, 2020, the National Telecommunications and Information Administration (NTIA), on behalf of the Executive Branch of the United States Government (Executive Branch agencies), filed a recommendation for a partial denial and partial grant of the PLCN cable landing license application.⁴ The Executive Branch agencies⁵ recommend that the Commission partially deny the license application “with respect to PLCN’s connection to Hong Kong and with respect to PLCN’s foreign owners, Hong Kong-based [PLDC] and China-based ultimate parent entity Dr. Peng Telecom & Media Group Co., Ltd [Dr. Peng Group].”⁶ The Executive Branch agencies recommend that the Commission partially grant the license application “for PLCN’s U.S. owners and for PLCN’s connections between the United States, Taiwan, and the Philippines, if prior to the Commission issuing an order, PLCN’s U.S. owners reach final agreements with the Departments of Justice (DOJ), Homeland Security (DHS), and Defense (DOD) on specific mitigation measures that address the Executive Branch’s national security concerns relevant to those portions of the application.”⁷

The Executive Branch agencies contend that it is “not in the national security or law enforcement interest of the United States to approve the commercial operation of cables that land directly in Chinese territory, where the government of the People’s Republic of China (PRC) has demonstrated the intent to acquire U.S. persons’ data to harm U.S. national security.”⁸ The agencies also raise concerns about the ownership of PLCN by PLDC and the Dr. Peng Group, “including Dr. Peng’s support for PRC intelligence and security services under PRC law, questions about Dr. Peng’s past compliance with U.S. laws when acquiring U.S. telecommunications assets, and [PLDC’s] connections to PRC state-owned carrier China Unicom.”⁹

GU Holdings, Edge USA, and PLDC may file an Opposition to the NTIA Recommendation no later than **Thursday, August 6, 2020**. The Opposition should be filed electronically in the above referenced files via IBFS. The Opposition must also be served on NTIA. NTIA will have until **Tuesday, September 8, 2020**, to file a Reply to the Opposition.

⁴ Executive Branch Recommendation for a Partial Denial and Partial Grant of the Application for a Submarine Cable Landing License for the Pacific Light Cable Network, File Nos. SCL-LIC-20170421-00012, SCL-AMD-20171227-00025 (June 17, 2020) (NTIA Recommendation) at 1. The NTIA Recommendation is available via the International Bureau Filing System (IBFS) by searching for SCL-LIC-20170421-00012 and accessing “Other filings related to this application” from the Document Viewing Area. The NTIA Recommendation indicates that a copy of the public inspection version of the Executive Branch Recommendation and exhibits was served via electronic mail on the parties listed on the Certificate of Service. *Id.* at 58-59. Additionally, the NTIA Recommendation states that those parties on the Certificate of Service denoted with an asterisk received a document describing the specific information withheld from public inspection for that party as well as the specific exhibits containing that party’s business confidential information. *Id.*

⁵ The interested Executive Branch agencies for purposes of the recommendation include the Committee Members and Committee Advisors in Executive Order 13913. *Id.* at 1, n.1 (citing Establishing the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector, 85 Fed. Reg. 19643, 19643-44, para. 3 (Apr. 4, 2020)).

⁶ NTIA Recommendation) at 1.

⁷ *Id.* at 1.

⁸ *Id.* at 1-2.

⁹ *Id.* at 2.

If you have any questions or need additional information, please contact me at (202) 418-0574 or by email at Denise.Coca@fcc.gov or Jodi Cooper, Attorney, at (202) 418-2064 or by email at Jodi.Cooper@fcc.gov.

Sincerely,



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