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Report No. SCL-00181NS

Friday April 22, 2016

Non-Streamlined Submarine Cable Landing License Applications Accepted For Filing

Unless otherwise specified, the following procedures apply to the applications listed below:

The applications listed below have been found, upon initial review, to be acceptable for filing. These applications are not subject to the streamlined processing procedures set forth in Section 1.767 of the Commission's rules, 47 C.F.R. § 1.767.

Unless otherwise specified, interested parties may file comments with respect to these applications within 28 days of the date of this public notice. We request that such comments refer to the application file number shown below.

Unless otherwise specified, ex parte communications between outside parties and Commission staff concerning these applications are permitted subject to the Commission's rules for "permit-but-disclose proceedings." See 47 C.F.R. § 1.1206.

Copies of all applications listed here are available for public inspection in the FCC Reference and Information Center, located in room CY-A257 at the Portals 2 building, 445 12th Street SW, Washington DC 20554. The center can be contacted at (202) 418-0270. People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty). All applications listed are subject to further consideration and review, and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations, and other requirements.

Quintillion Subsea Operations, LLC

SCL-LIC-20160325-00009

Submarine Cable Landing License

Application filed by Quintillion Subsea Operations, LLC (Quintillion or Applicant) for a license to construct, land and operate a non-common carrier fiber-optic submarine cable network, wholly within the United States, extending between Nome, Alaska and Prudhoe Bay, Alaska (Quintillion System). Quintillion intends to seek authorization in the future to extend the cable system to international points.

The Quintillion System will total 1,176 miles in length. The Quintillion System will be a high capacity digital fiber-optic cable system comprised of three fiber pairs and six cable landing station sites. Each fiber pair will have an initial capacity of 10 terabits per second (Tb/s), and two of the fiber pairs will be used to operate on each segment and provide redundancy between the six cable landing sites. The third fiber pair is reserved for future use in the near future to monitor and status and condition of certain fiber pairs. Construction is scheduled to begin in April 2016 and the Applicant expects the cable to enter into commercial service in the first calendar quarter of 2017.

The Quintillion System will be deployed as a trunk and branch configuration and consist of eleven segments, with each segment designed to initially carry up to 100 wavelengths at 100 Gigabits per second (Gb/s). The Quintillion System, along with associated cable landing stations, will consist of the following: (1) Segment 1 will connect Quintillion's planned cable landing station at Prudhoe Bay, Alaska, to the first Branching Unit (BU1), located off the coast of Alaska north of Oliktok Point, Alaska, (2) Segment 2 will connect BU1 to Branching Unit 2 (BU2), located off the coast of Alaska northwest of Barrow, Alaska, (3) Segment 3 will connect BU2 to Quintillion's planned cable landing station at Barrow, Alaska, (4) Segment 4 will connect BU2 to Branching Unit 3 (BU3), located off the coast of Alaska northwest of Wainwright, Alaska, (5) Segment 5 will connect BU3 to Quintillion's planned cable landing station at Wainwright, Alaska, (6) Segment 6 will connect BU3 to Branching Unit 4 (BU4), located off the coast of Alaska southwest of Point Hope, Alaska, (7) Segment 7 will connect BU4 to Quintillion's planned cable landing station at Point Hope, Alaska, (8) Segment 9 will connect BU4 to Branching Unit 5 (BU5), located off the coast of Alaska south of Point Hope and northwest of Kotzebue, Alaska, (9) Segment 9 will connect BU5 to an existing cable landing station at Kotzebue, Alaska, (10) Segment 10 will connect BU5 to Branching Unit 6 (BU6), located off the coast of Alaska west of Nome, Alaska, and (11) Segment 11 will connect BU6 to an existing cable landing station at Nome, Alaska.

For cable landing station buildings located at Barrow, Point Hope, and Wainwright, Alaska, Quintillion will enter into long-term leases with an Alaska Based real estate developer. At Prudhoe Bay, Quintillion will own the cable landing station, but the building will be located on land leased by Conoco Phillips from the State of Alaska. The Kotzebue and Nome cable landing station equipment will be collocated in leased spaces within Central Office buildings owned by OTZ Telephone Cooperative and TelAlaska, respectively. Quintillion will have full and exclusive access to its cable landing station equipment in each of its buildings, and will own, operate, and control all of the equipment at each of its cable landing stations. Certain operations of the landing stations may be performed under Quintillion's control through a third party Network Operations Center (NOC) service network. The six cable landing sites will be backhauled to Prudhoe Bay where the initial power source for the Quintillion System will be located. The Quintillion System will interface with a broadband terrestrial fiber system extending from Prudhoe Bay, Alaska, to Fairbanks, Alaska, which, in turn, connects to existing third-party networks in Anchorage, Alaska and Seattle, Washington.

Quintillion, a Delaware limited liability company, will own and control all portions of the Quintillion System including the portion of the cable located in territory subject to the jurisdiction of the United States, U.S. territorial waters, and outside of the territory subject to U.S. jurisdiction.

The Applicant proposes to operate the Quintillion System on a non-common carrier basis. Quintillion states that the cable system will provide coastal communities of north and northwest Alaska much needed additional transmission facilities to existing mobile and fixed wireless, and cable service platforms, thereby providing redundancy in communications paths and exerting downward pressure on service rates. Quintillion also states that the cable system will benefit the people of the Artic by stimulating resource development, promoting infrastructure to support Artic and national security, and creating demand for direct, secure, low latency telecommunications routes that will allow local, tribal, state, and federal government agencies to deliver services, including tele-medicine and digital learning, more efficiently and effectively. The Applicant further states that it will not offer capacity to the public indifferently, but rather provide available capacity to third parties based on individually tailored agreements.

Quintillion is a direct, wholly-owned subsidiary of Quintillion Subsea Holdings, LLC (Quintillion Subsea Holdings), a Delaware limited liability company, which, in turn, is 95% owned, on a direct basis, by Cooper Investment Fund LLC (Cooper Fund), a Delaware limited liability company whose manager, CIP Manager LLC (CIP Manager) has a 2% direct ownership interest in, and sole control over, Cooper Find's operations. The remaining 98% direct interest in the Cooper Fund is held as a passive equity investment by AI CIP Holdings LLC (AI CIP), a Delaware limited liability company, which is wholly owned by AI International Investments LLC (AI International), a Delaware limited liability company. GPTC, LLC, a Delaware company, has a 70% ownership interest in AI International and CT/FT Holdings LLC (CT/FT Holdings), a Delaware company, holds the other 30%. The equity interest in the Cooper Fund is ultimately held, through a series of intermediate trust funds and Delaware holding companies, by The Phoenix Charitable Trust, a trust formed under the laws of Bermuda whose trustees are Mr. Alex Blavatnik, a U.S. citizen, and Mr. Lincoln Benet, a citizen of the United States and the United Kingdom. Apart from Quintillion Subsea Holdings, the Cooper Fund, and CIP Manager, none of the other equity holders is authorized to make any decisions regarding, or exercise voting control over, the management and operations of Quintillion.

Quintillion Subseas Holdings exercises direct voting control through its Board of Managers (QSH Board), and the majority of the QSH Board is appointed by the Cooper Fund whose authority is vested in its manager, CIP Manager, which has 100% indirect voting control over Quintillion Subseas Holdings. CIP Manager is held, directly, by the following four members: (1) CL2 Holdings, LLC (CL2 Holdings), a Delaware limited liability company (74.67% equity and voting interest), (2) Mr. Matthew Boyer, a U.S. citizen (11.66% equity and voting interest), (3) Mr. Mitchell Taylor, a U.S. citizen (11.66% equity and voting interest), and (4) Mr. Adam Murphy, a U.S. citizen (2% equity and voting interest). Two members of CL2 Holdings, each hold an indirect voting control share in Quintillion which exceeds 10%. Mr. Stephen Cooper, a U.S. citizen, holds 76.93% equity and voting interest and Mr. Leonardo LoBiondo, a U.S. citizen, holds a 23.07% equity and voting interest in CL2 Holdings. There are no other individual or entity that holds a 10% or greater direct or indirect voting or equity interest in Quintillion.

Applicant agrees to abide by the routine conditions specified in section 1.767(g) of the Commission's rules, 47 C.F.R. § 1.767(g).

REMINDER:

Applicants must certify that neither the applicant nor any party to the application is subject to a denial of federal benefits by federal and/or state courts under authority granted in 21 U.S.C. § 862. See 47 C.F.R. §§ 1.2001–.2003.

An updated version of Section 1.767 of the rules, and other related sections, is available at http://www.fcc.gov/ib/pd/pf/telecomrules.html