



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
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Tuesday September 4, 2018

**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.

Submarine Cable Landing License

Application filed by AT&T Corp. (AT&T) on behalf of the Taino-Carib Consortium for a license to renew the authority for the Taino-Carib Cable System for an additional 25-year term. The Taino-Carib cable system was originally licensed in 1992. See SCL-LIC-19920107-00005 (Old File No. SCL-92-002); Telefonica Larga Distancia De Puerto Rico, et al., Cable Landing License, 7 FCC Rcd 4275 (CCB 1992). Taino-Carib, which commenced service on January 1, 1993, is a common carrier fiber-optic submarine cable system that links Puerto Rico with the U.S. Virgin Islands and the British Virgin Islands (Taino-Carib cable system). AT&T has been granted Special Temporary Authority to allow the continued operation of the Taino-Carib submarine cable pending Commission action on the renewal application. See File Nos. SCL-STA-20180119-00001 and SCL-STA-20180629-00017. AT&T filed supplements to the Application on August 24, 2018 and August 30, 2018.

The Taino-Carib Consortium is comprised of 21 members, of which seven (7) members are applicants to the renewal application: (1) AT&T Corp.; (2) Cable & Wireless (BVI) Limited (C&W BVI); (3) MCI International, Inc. (MCI); (4) Sprint Communications Company L.P. (Sprint Communications); (5) Telefonica Larga Distancia de Puerto Rico, Inc. (TLD of PR); (6) Prepa Networks, LLC (Prepa Networks); and (7) Antelecom N.V. (Antelecom) (collectively, Applicants).

The Taino-Carib cable system consists of six fiber pairs, utilizes repeaterless technology, and is 130 kilometers in length. The cable system capacity has been upgraded multiple times between 2000 and 2016, and currently provides more than 650 Gbps of cumulative available capacity and has a current cumulative design capacity of 2.4 terabits per second (Tbps). The United States terminal points currently operate at up to 1.2 Tbps of cumulative capacity. The cable system capacity has been upgraded multiple times between 2000 and 2016, and Applicants state that the cable system will be further upgraded in 2018 to 1.17 Tbps of cumulative equipped capacity, using new technology that will increase the cumulative design capacity to 48 Tbps and upgrade the United States terminal points to operate at up to 24 Tbps of cumulative capacity.

Applicants state that the license renewal will allow the continued operation of an upgraded network that will increase facilities-based competition on the U.S.-Caribbean, U.S.-Central America, and U.S.-South American routes (Americas 1 & 2, Columbus-2, Eastern Caribbean Fiber System, ARCOS, and Pan Am cables). The updated system will provide a robust platform to support increased growth of broadband capacity that will continue to help meet the demand for voice, data, and Internet traffic on routes between Puerto Rico, the U.S. Virgin Islands and the British Virgin Islands, and the U.S. Mainland, other Caribbean islands, and Central and South America. Further, Applicants that given the massive damage to Puerto Rico and the U.S. Virgin Islands caused by Hurricane Maria, it is particularly important to maintain reliable communications facilities serving those regions.

The Taino-Carib cable system consists of four segments. Segment 1 connects a cable landing station located at Miramar, Puerto Rico to the Branching Unit. Segment 2 connects a cable landing station located at Isla Verde, Puerto Rico to the Branching Unit. Segment 3 comprises the submarine cable from the Branching Unit to the existing cable landing station located at Magens Bay, St. Thomas, and Segment 4 extends from the Magens Bay cable landing station to the landing station located at Tortola, British Virgin Islands. Operations at the landing station in Isla Verde, Puerto Rico, are currently under transition to a new cable landing station in Isla Verde.

The cable system and segments will be owned and controlled as follows:

AT&T Corp. will have a 48.39526% voting and equity interest in the Taino-Carib system and hold voting and equity interests in Segment 1 (88.78242%), Segment 2 (67.52527%), Segment 3 (79.52871%), and Segment 4 (12.14842%).

Antelecom will have a 4.10483% voting and equity interest in the Taino-Carib system and hold voting and equity interests in Segment 1 (1.71070%), Segment 2 (6.34534%), Segment 3 (3.72826%), and Segment 4 (9.87325%).

C&W BVI will have a 14.80817% voting and equity interest in the Taino-Carib system and hold voting and equity interests in Segment 1 (6.57424%), Segment 2 (16.92892%), Segment 3 (11.08186%), and Segment 4 (72.75170%).

MCI will have a 10.41681% voting and equity interest in the Taino-Carib system and hold voting and equity interests in Segment 1 (0.84608%), Segment 2 (4.35438%), Segment 3 (2.37332%), and Segment 4 (1.64368%).

Prepa Networks will have a 0.10329% voting and equity interest in the Taino-Carib system and hold voting and equity interests in Segment 1 (0.00323%), Segment 2 (0.00%), Segment 3 (0.00182%), and Segment 4 (0.00224%).

Sprint Communications will have a 6.55303% voting and equity interest in the Taino-Carib system and hold voting and equity interests in Segment 1 (0.05162%), Segment 2 (4.47155%), Segment 3 (1.97572%), and Segment 4 (0.93381%).

TLD of PR will have a 5.70462% voting and equity interest in the Taino-Carib system and hold voting and equity interests in Segment 1 (0.00%), Segment 2 (0.24900%), Segment 3 (0.10840%), and Segment 4 (0.06046%).

All ownership shares in Segments 1, 2, and 3 are within U.S. territorial waters, and the ownership shares in the portion of Segment 4 that are inside, and outside U.S. territorial waters are the same. Applicant notes that the ownership and voting interests may change as a result of consortium parties exercising their transfer or withdrawal rights and that supplements will be filed as necessary to update the application to reflect these changes.

The ownership and control of the cable landing stations are as follows: (1) AT&T of Puerto Rico (AT&T PR), an indirect subsidiary of AT&T Corp., owns the cable landing station at Miramar, San Juan, Puerto Rico and AT&T Corp. will continue to retain operational authority over the Miramar landing facilities; (2) Prepa Networks owns and operates the cable landing station located at Isla Verde, Carolina, Puerto Rico; (3) AT&T of the Virgin Islands, Inc. (AT&T VI), an indirect subsidiary of AT&T Corp., owns the cable landing station at Magens Bay, St. Thomas, Virgin Islands and AT&T Corp. will continue to retain operational authority over the Magens Bay landing facilities; and (4) C&W BVI owns and operates the cable landing station at Tortola, British Virgin Islands. The Taino-Carib parties jointly own landing station equipment, including submarine line terminal equipment, add/drop multiplexer equipment, and optical distribution frames, which collectively provide the interface between the submersible cable and each party's terrestrial network. Each landing party owns the building housing the landing station, its own network protection equipment and digital cross connects, and its share of jointly-owned facilities.

—Applicants requests a waiver of section 1.767(h)(1) of the Commission's rules, which requires that "any entity that owns or controls a cable landing station in the United States" shall be applicants for, and licensees on, a cable landing license." 47 C.F.R. § 1.767(h)(1). According to the Applicants, AT&T PR and AT&T VI will have no ability to affect significantly the operation of the Taino-Carib, and inclusion of AT&T PR and AT&T VI as joint applicants is not necessary to ensure compliance by the Applicants collectively with the Cable Landing License Act, the Commission's cable landing license rules, or the terms of the cable landing license. AT&T PR and AT&T VI, Inc. are 59.10% owned indirect subsidiaries of AT&T Corp., one of the Applicants for this authorization, and wholly owned indirect subsidiaries of AT&T Inc., the 100% parent of AT&T Corp. According to the Applicants, all personnel who operate these two landing stations are supervised, directly or indirectly, by AT&T Corp. personnel. AT&T Corp. has and will retain operational authority over the Miramar, Puerto Rico and Magens Bay, Virgin Islands cable landing facilities and will continue to provide direction to AT&T PR and AT&T VI in all matters relating to Taino-Carib.

The Applicant proposes to continue to operate the cable system on a common carrier basis. See ITC-214-19920103-00125 (Old File No. ITC-92-106); Telefonica Larga Distancia De Puerto Rico, et al., Cable Landing License, 7 FCC Rcd 4266 (CCB 1992).

AT&T Corp., a New York company, is a direct, wholly-owned subsidiary of AT&T, Inc., a Delaware company whose shares are publicly traded and widely held on the U.S. stock market. No other person or entity holds a ten percent or greater direct or indirect voting or equity interest in AT&T Corp.

C&W BVI is incorporated under the laws of the British Virgin Islands. The ten percent or greater direct and indirect interest holders in C&W BVI are (1) Cable & Wireless (West Indies) Limited, an English company (100% direct voting and equity interest); (2) CWI Group Limited, an English company (100% indirect voting and equity interest); (3) Sable Holding Limited, an English company (100% indirect voting and equity interest); (4) Cable & Wireless Limited, an English company (100% indirect voting and equity interest); (5) Cable & Wireless Communications Limited, an English company (100% indirect voting and equity interest); (6) LGE Coral Holdco Ltd., an English company (100% indirect voting and equity interest); (7) Liberty CWC Holdings Limited, a Barbados company (100% indirect voting and equity interest); (8) LiLAC Services Ltd., a Bermuda company (100% indirect voting and equity interest); and (9) Liberty Latin America Ltd., a Bermuda company (100% indirect voting and equity interest). The following persons and/or entities hold 10% or greater ownership interests in Liberty Latin America: (1) Mr. John C. Malone, a U.S. citizen (25.5% voting and equity interest); and (2) Genesis Asset Managers, a Delaware company (11.5% voting and equity interest). No other person or entity will hold a ten percent or greater direct or indirect equity or voting interest in Liberty Latin America or C&W BVI.

MCII, a Delaware company, is an indirect, wholly-owned subsidiary of Verizon Communications Inc. (Verizon), a U.S. publicly traded company. The ten percent or greater direct and indirect interest holders in MCII are: (1) Verizon Business Network Services, Inc., a U.S. company (100% direct voting and equity interest); (2) MCI Communications Corporation, a U.S. company (100% indirect voting and equity interest); (3) Verizon Business Global LLC, a U.S. company (100% indirect voting and equity interest); and (4) Verizon (100% indirect voting and equity interest). No other person or entity will hold a ten percent or greater direct or indirect equity or voting interest in MCII or Verizon.

Sprint Communications, a Delaware company, is an indirect, wholly-owned subsidiary of Sprint Corporation (Sprint), a U.S. company. The ten percent or greater direct and indirect interest holders in Sprint Communications are: (1) Sprint Corporation, a U.S. company (100% indirect voting and equity interest); (2) Starburst I, Inc., a U.S. company (77% indirect voting and equity interest); (3) Softbank Group Capital Limited, a United Kingdom company (100% indirect voting and equity interest); (4) Softbank Group Corp., a Japan company (100% indirect voting and equity interest); and (5) Mr. Masayoshi Son, a Japanese citizen and Chairman and CEO of Softbank Group Corp. (21% indirect voting and equity interest). Sprint Corporation Board of Directors and SoftBank Group Corp. Board of Directors hold controlling interests in Sprint Corporation and SoftBank Group Corp., respectively. Additionally, Galaxy Investment Holdings, Inc., a U.S. company, owns approximately 7.86% of Sprint Corporation and is a wholly-owned indirect subsidiary of SoftBank Group Corp., bringing SoftBank Group Corp.'s beneficial ownership of Sprint Corporation to approximately 84.86%. No other person or entity will hold a ten percent or greater direct or indirect equity or voting interest in Sprint Communications.

TLD of PR, a Puerto Rico company, is 100% owned and controlled by Telefonica Internacional Holding B.V., a Netherlands company which is ultimately owned and controlled by Telefonica S.A., a publicly traded Spanish company. No other person or entity will hold a ten percent or greater direct or indirect equity or voting interest in TLD of PR or Telefonica S.A.

Prepa Networks, a Delaware company, is 100% owned and controlled, on a direct basis, by Prepa Holdings, LLC, a Delaware company, which, in turn, is wholly-owned by the Puerto Rico Electric Power Authority (PREPA), the state-owned and controlled public electric utility company. No other person or entity will hold a ten percent or greater direct or indirect equity or voting interest in Prepa Networks or PREPA.

Antelecom, a Curacao company, is wholly-owned, on a direct basis, by United Telecommunication Services N.V., a Curacao company. The State of Curacao holds a 87.5% direct ownership interest in United Telecommunications Services N.V. The State of Saint Maarten holds a 12.5% direct ownership interest in United Telecommunications Services N.V. No other person or entity will hold a ten percent or greater direct or indirect equity or voting interest in Antelecom or United Telecommunications Services N.V.

All Applicants agree to accept and abide by the routine conditions specified in section 1.767(g)(1)-(14) of the Commission's rules, 47 C.F.R. §1.767(g)(1)-(14).

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.

By this notice, we inform the public that submarine cable landing license applications that are part of larger transactions involving multiple Commission licenses or authorizations may involve "extraordinary circumstances" as referenced in Review of Commission Consideration of Applications under the Cable Landing License Act, Report and Order, 16 FCC Rcd 22167 (2001) and Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891 (1997), paras. 327-28, Order on Reconsideration, 15 FCC Rcd 18158 (2000). Additionally, extraordinary circumstances result where Executive Branch agencies petition the Commission to defer action on an application pending the resolution of potential national security, law enforcement, foreign policy and trade policy issues. Accordingly, these applications may not be acted on within the 90-day review period that the Commission has established as the period of time normally required to reach a decision on non-streamlined cable landing licenses. This notice shall serve as public notice to applicants that, in these circumstances, additional time may be required for Commission review and final action. No additional formal public notice will be provided routinely with respect to specific applications in the event that the applicable review period extends beyond 90 days.