PUBLIC NOTICE
FEDERAL COMMUNICATIONS COMMISSION
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Friday August 13, 2021

Report No. SCL-00328NS

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. Pursuant to the Submarine Cable Landing License Act, 47 U.S.C. §§ 34-39, and Executive Order No. 10530, reprinted as amended in 3 U.S.C. § 301, each applicant seeks: (a) the grant of a cable landing license; (b) the modification of a cable landing license; and/or (c) the assignment or transfer of control of an interest in a submarine cable landing license. These applications are not subject to the streamlined processing procedures set forth in Section 1.767 of the Commission's rules, 47 CFR § 1.767.

Unless otherwise specified, filings relating to these applications must be received within 14 days of this notice. 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 CFR § 1.1206.

These applications are being coordinated with the Department of State and other Executive Branch agencies pursuant to section 1.767(b) of the Commission's rules, 47 CFR §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 Red 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.

Pursuant to its decision in Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, FCC 01-332, 16 FCC Red 22167 (2001), and section 1.767 of the rules, the Commission will take action upon these applications within ninety (90) days after release of this public notice, unless it determines that additional time is needed.

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), 1-888-835-5322 (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.
Amendment filed by Edge Cable Holdings USA, LLC (Edge USA) and Amazon Data Services, Inc. (ADSI, and with Edge USA, the Applicants) to the application filed by Edge USA, China Mobile International Limited (CMI), and ADSI for a license to land and operate within the United States the CAP-1 cable system, a non-common carrier fiber-optic submarine cable system connecting Grover Beach, California and Pagudpud, Philippines. See Non-Streamlined Submarine Cable Landing License Applications Accepted for Filing, File No. SCL-LIC-20200910-00044, Public Notice, Report No. SCL-00284NS (IB, rel. Sept. 30, 2020) (Application PN).

Applicants request to amend the application to remove CMI as an applicant for the CAP-1 cable system. Pursuant to an August 8, 2021, agreement, CMI agreed to transfer to Edge Network Services Limited (Edge), an affiliate of Edge USA, and to ADSI all rights, title, and interests in relation to the facilities between the Grover Beach, California landing point and the reconfiguration demarcation point off the coast of the Philippines. According to Applicants, Edge will then transfer to Edge USA all of its rights, title, and interests in relation to the facilities in U.S. territory. Edge and ADSI agreed to assume all obligations and liabilities in relation to the facilities between the Grover Beach, California landing point and the reconfiguration demarcation point off the coast of the Philippines. The transfer will be effective upon agreement with the system supplier, NEC Corporation of America, with whom the Applicants and CMI have already commenced discussions. After the transfer, CMI will not be a party to the CAP-1 joint build agreement or supply contract and will hold no voting or participation rights in the CAP-1 system.

With the removal of CMI as an applicant/licensee, the ownership and control of CAP-1 system's wet segment and common infrastructure will be as follows: (1) Edge USA will hold a 83.3333% voting and equity interest in the portion within U.S. territory; (2) Edge will hold a 83.3333% voting and equity interest in the portion beyond U.S. territory, including Philippines territory; and (3) ADSI will hold a 16.6667% voting and equity interest in all portions of the cable. Applicants state that Edge is not required to be an applicant for the cable landing license under the Commission's rules, 47 CFR § 1.767(h)(2), because it will not use the U.S. end points of the CAP-1 cable system.

All other aspects of the cable and the application for a landing license remain the same. Applicants intend to operate the cable on a non-common carrier basis. Edge USA will control, under a contract with PC Landing Corp., the existing Grover Beach cable landing station which is owned and operated by PC Landing Corp., and (2) Edge will control the cable station in the Philippines, with ownership of the Philippine cable station to be provided to the Commission when determined. Applicants seek a waiver of 1.767(h)(1) of the Commission's rules, stating that PC Landing Corp. will have no ability to affect significantly the operation of the CAP-1 cable system. See Application PN. Applicants agree to accept and abide by the routine conditions specified in section 1.767(g) of the Commission's rules, 47 C.F.R. §1.767(g).

The Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Committee) is currently conducting its initial 120-day review of the application for any national security or law enforcement concerns. See Non-Streamlined Submarine Cable Landing License Applications Accepted for Filing, File No. SCL-LIC-20200910-00044, Public Notice, Report No. SCL-00322NS (IB, rel. July 16, 2021).

INFORMATIVE

SCL-STA-20210310-00017 Edge Cable Holdings USA, LLC

On March 10, 2021, Edge Cable Holdings USA, LLC (Edge USA), China Mobile International Limited (CMI), and Amazon Data Services, Inc. (ADSI) filed a request for special temporary authority (STA) to continue to be allowed to construct, connect, and test at their own risk those portions of the CAP-1 cable system in U.S. territory while the Commission considers the application for a cable landing license for the cable, SCL-LIC-20200910-00044. On August 9, 2021, Edge USA requested to amend the application for the CAP-1 cable system to remove CMI as an applicant/licensee, see SCL-AMD-20210809-00032, and notified the Commission that CMI is no longer participating in the construction, ownership, and operation of the CAP-1 cable system, which will now be constructed, owned, and operated by Edge USA and its affiliates and ADSI.

The Chair of the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Committee) has requested that the Commission defer action on the request for special temporary authority for the construction of the CAP-1 cable system while the Committee reviews the application for any national security and law enforcement concerns. See Non-Streamlined Submarine Cable Landing License Applications Accepted for Filing, File No. SCL-STA-20210310-00017, Public Notice, Report No. SCL-00317NS (IB, rel. April 29, 2021).
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 CFR §§ 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.