



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
45 L STREET NE
WASHINGTON D.C. 20554

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

Report No. SCL-00405NS

Friday February 10, 2023

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 Rcd 22167, 22192-93, paras. 51-52 (2001) (Submarine Cable Landing License Report and Order); Commission Announces Department of State's Revised Procedures for its Consideration of Submarine Cable Landing License Applications, IB Docket No. 16-155, Public Notice, DA 22-435 (rel. Apr. 19, 2022).

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 Rcd 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.

Submarine Cable Landing License

Seren Juno Network Co., Ltd. (Seren Juno) and Seren Juno Network America, Inc. (Seren Juno America) (together, Applicants) have filed an application for a license to land and operate within United States territory a non-common carrier private fiber-optic submarine cable network connecting Grover Beach, California; Harbour Pointe, Washington; and Shima and Minamiboso, Japan. The system will be known as the JUNO submarine cable system (JUNO cable). The Applicants filed a supplement on January 24, 2023.

The JUNO cable will be a high-fiber-count system deploying space division multiplexing technology across a main trunk and two branching segments. The Applicants state that the main trunk, which will connect Minamiboso, Japan with Grover Beach, California, will have 20 fiber pairs, each having a design capacity of approximately 18 terabits per second (Tb/s) using current technology, and a length of approximately 9,356 kilometers. The Applicants state that the Shima Branch will connect Shima, Japan with a branching unit on the main trunk. The Shima Branch will have 14 fiber pairs, each having a design capacity of approximately 18 Tb/s using current technology, and a length of approximately 904 kilometers. The Applicants state that the Washington Branch will connect Harbour Pointe, Washington with a branching unit on the main trunk. The Washington Branch will have 14 fiber pairs, each having a design capacity of approximately 18 Tb/s using current technology, and a length of approximately 1,450 kilometers. The Applicants state that they have not yet decided on the initial lit capacity of the system.

The Applicants state that the JUNO cable system will increase competition on the U.S.-Japan route and enhance the service quality, redundancy, and resiliency of communications on U.S.-Asia Pacific routes. The Applicants say that for these reasons, grant of the application is in the public interest. The Applicants expect the JUNO cable to commence commercial service during the fourth quarter of 2024.

The Applicants state that Seren Juno America will own 100% of JUNO's segments in U.S. territory and that Seren Juno will own 100% of JUNO's segments in international waters and 100% of JUNO's segments in Japanese territory. The Applicants state that the JUNO cable will land at existing cable landing stations in Grover Beach, CA and Harbour Pointe, Washington, both of which are owned by PC Landing Corp. The Applicants also state that Seren Juno America will have control of the JUNO facilities in Grover Beach and Harbour Pointe. The Applicants state the JUNO cable will land at existing cable landing stations in Shima and Minamiboso, Japan. PC1J K.K. owns the Shima cable landing station, where the JUNO facilities will be controlled by Seren Juno. NTT Ltd Japan Corporation owns the Minamiboso cable station, where the JUNO facilities will also be controlled by Seren Juno.

The Applicants request a waiver of section 1.767(h)(1) of the Commission's rules so that PC Landing Corp. (owner of the Grover Beach and Harbour Pointe cable landing stations) need not be a joint applicant for the JUNO cable landing license. Section 1.767(h)(1) requires that "applicants for, and licensees on, a cable landing license" must include "[a]ny entity that owns or controls a cable landing station in the United States." 47 CFR § 1.767(h)(1). According to the Applicants, PC Landing Corp. will not have any ability to significantly affect the JUNO cable system's operation. Specifically, the Applicants say that Seren Juno America will contract with PC Landing Corp. for the Grover Beach and Harbour Pointe landings for the provision of certain limited services that would not provide PC Landing Corp. with any ability to affect significantly the JUNO system's operation. The Applicants say that Seren Juno America will enter into long-term leases with PC Landing Corp. for colocation space for power feed equipment, will retain operational authority over the JUNO system landing facilities, and provide direction to PC Landing Corp. in all matters relating to the JUNO system. The Applicants also state that they will ensure that the landing station lease agreements have initial terms, with extension options at the sole discretion of the Applicants, for a total of 25 years each, coextensive with the term of the cable landing license.

The Applicants propose to operate the JUNO cable on a non-common carrier basis. The Applicants state that they and their affiliates will make capacity available to third parties pursuant to individually-negotiated IRUs and capacity leases, the terms of which they say will vary depending on the characteristics and needs of the particular capacity purchaser. The Applicants say that the existence of competing facilities providing U.S.-Japan connectivity ensures that the JUNO cable would not function as a bottleneck facility on those routes. The Applicants contend that the JUNO cable would instead enhance competition and serve the public interest by competing with other submarine cable systems on the U.S.-Japan route, such as the FASTER, Japan-U.S. Cable Network, JUPITER, PC-1, New Cross Pacific, TGN Pacific, Trans-Pacific Express, and Unity systems and the planned Echo system.

Seren Juno America, a Delaware entity, is a direct, wholly-owned subsidiary of Seren Juno, a Japanese entity. The Applicants state that no single entity controls Seren Juno.

The direct owners of Seren Juno are: (1) Mitsui & Co., Ltd. (Mitsui), a Japanese entity (37.5% equity and 47.5% voting); (2) NTT Ltd. Japan Corporation (NTT LJ), a Japanese entity (33.5% equity and 42.4% voting); (3) PC Landing Corp. (PC Landing), a Delaware entity (4% equity and 5.1% voting); and, (4) JAML One Capital, L.P. (JAML OC), a Cayman Islands entity (25% equity and 5% voting).

JAML OC is a wholly owned subsidiary of JA Mitsui Leasing, Ltd. (JAML), a Japanese entity. Mitsui holds 41.7% equity 31.4% voting interests in JAML. The Applicants state that Mitsui's shares are traded publicly on several Japanese stock exchanges and are widely held, and that Mitsui has no controlling shareholder. The Applicants state that no one holds a 10% or greater indirect interest in Seren Juno or Seren Juno America through Mitsui or JAML.

PC Landing is a wholly owned subsidiary of NTT America, Inc., a Delaware entity. NTT Americas and NTT LJ are both wholly owned subsidiaries of NTT Ltd., a United Kingdom entity, which in turn is a wholly owned subsidiary of NTT DATA Inc., a Japanese entity. NTT DATA Corporation, a Japanese entity, holds 55% equity and voting interests in NTT DATA, Inc. Nippon Telegraph and Telephone Corporation (NTT Parent), a Japanese entity, holds 54.2% equity and voting interests in NTT DATA Corporation and 45% equity and voting interests in NTT DATA Inc. Applicants say that NTT Data Corporation is publicly traded on the Tokyo stock exchange and other than NTT Parent, no NTT Data Corporation shareholder holds a 10% or greater indirect interest in Seren Juno or Seren Juno America. The Japanese government's Ministry of Finance holds 35.59% equity and voting interests in NTT Parent. The Applicants state that NTT Parent is publicly traded on the Tokyo stock exchange and has no controlling shareholder, and other than the Ministry of Finance, no NTT Parent shareholder holds a 10% or greater indirect interest in Seren Juno or Seren Juno America.

—

The Applicants agree to abide by the routine conditions specified in section 1.767(g) of the Commission's rules. 47 CFR § 1.767(g).

Pursuant to Commission practice, the application is being referred to the relevant Executive Branch agencies for their views on any national security, law enforcement, foreign policy or trade policy concerns related to the foreign ownership of Seren Juno and Seren Juno America.

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.