



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
445 12th STREET S.W.
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-00220S

Friday August 10, 2018

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 and subject to the streamlined processing procedures set forth in section 1.767 of the Commission's rules, 47 C.F.R. § 1.767. 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 licensee; (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.

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 forty-five (45) days after release of this public notice, unless upon further examination an application is deemed ineligible for streamlined processing.

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. Filings relating to this application must be received within 14 days of this notice. Such filings will not necessarily result in an application being deemed ineligible for streamlined processing.

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.

Modification

Application filed by ARCOS-1 USA, Inc. (ARCOS) and A.SurNet, Inc. (ASN, together with ARCOS, the "Applicants") for authority to modify the cable landing license for the ARCOS-1 submarine cable system (ARCOS-1 Cable) - SCL-LIC-19981222-00032, SCL-MOD-20010302-00007, and SCL-MOD-20020701-00056 - to include a new landing point in Cuba. Applicants filed supplements to the application on July 23 and August 9, 2018.

The ARCOS-1 Cable is a non-common carrier cable system that is approximately 8,700 kilometers in length and currently has 26 segments connecting 23 landing points located in fourteen (14) countries: the continental United States, the Bahamas, the Turks and Caicos Islands, the Dominican Republic, Puerto Rico, Curacao, Venezuela, Colombia, Panama, Costa Rica, Nicaragua, Honduras, Guatemala, Belize, and Mexico. The United States landing points are located in North Miami Beach, Florida, and Isla Verde, Puerto Rico. The cable system has twelve (12) fiber pairs on repeaterless segments and three (3) fiber pairs on repeated segments, with 450 Gigabits per second (Gbps) current lit capacity and a current end of life capacity of 8.4 Terabits per second (Tbps).

The ARCOS-1 Cable is owned by a consortium. ARCOS-1 and ASN and their affiliates hold 96% of the voting and ownership interests in the cable, with the remaining ownership held by 18 international carriers, each with nominal ownership interests. ASN owns and operates the ARCOS-1 Cable's landing station in North Miami Beach, Florida.

The ARCOS-1 Cable will extend to Cuba by constructing a branch from an existing branching unit of the ARCOS-1 Cable that lies approximately 56 kilometers off the coast of Cuba to a beach manhole in Cojimar, Cuba. The new branch, designated as SEGMENT 26, will then extend through a cable land route to an existing cable station in Cojimar, Cuba. SEGMENT 26 will consist of two fiber pairs and will have an initial capacity of 100 Gigabits per second (Gbps) and planned capacity of 1.6 Tbps.

Applicants state that the expansion of telecommunications services to Cuba is consistent with U.S. policy and will provide U.S. carriers the ability to transmit traffic directly to Cuba and for international traffic to transit through the United States. The ARCOS-1 Cable will permit additional connections between Cuba and the Internet backbone, increasing the means through which Cubans on the island can communicate with the United States and the rest of the world, promoting the freer flow of information to the Cuban people.

ARCOS-1 and ASN and their affiliates will own 96% of the capacity on SEGMENT 26 of the ARCOS-1 Cable, with the remaining four percent of the capacity to be offered to the 18 ARCOS-1 consortium members corresponding to the percentage commensurate with their ownership interests in the cable system.

Applicants' intermediate parent company, Columbus Networks Limited (CNL), or a wholly-owned and controlled subsidiary of CNL, will be the landing party in Cojimar, Cuba. The cable landing station in Cuba and the duct (cable land route) from the beach manhole to the Cojimar, Cuba cable landing station is owned by Empresa de Telecomunicaciones de Cuba S.A. (ETECSA), the incumbent, state-owned telecommunications provider in Cuba. The physical cable inside the duct will be owned by CNL or an affiliate of CNL. ETECSA will provide the Cuban cable landing station with updated telecommunications equipment to operate SEGMENT 26, and ETECSA will acquire an indefeasible right of use (IRU) on some capacity on SEGMENT 26 from CNL. Neither CNL nor its subsidiaries are, or will become, a licensed telecommunications carrier in Cuba. Construction of SEGMENT 26 will be completed by CNL using an international submarine cable supplier.

ASN, a Delaware company, is a wholly-owned direct subsidiary of ARCOS, also a Delaware company. The following individuals and entities will have a ten-percent-or-greater direct or indirect interest in ARCOS and ASN: (1) Columbus New Cayman Limited, a Cayman Islands company (100% direct voting and equity interest in ARCOS and 100% indirect voting and equity interest in ASN); (2) Columbus Networks, Limited, a Barbados company (100% indirect voting and equity interest in ARCOS and ASN); (3) Columbus TTNW Holdings, a Barbados company (100% indirect voting and equity interest in ARCOS and ASN); (4) Columbus International Inc., a Barbados company (100% indirect voting and equity interest in ARCOS and ASN); (5) Sable Holding Limited (Sable Holding), an England company (100% indirect voting and equity interest in ARCOS and ASN); (6) Cable & Wireless Limited (CWL), an England company (100% indirect voting and equity interest in ARCOS and ASN); (7) Cable & Wireless Communications Limited (CWCL), an England company (100% indirect voting and equity interest in ARCOS and ASN); (8) LGE Coral Holdco (LGE Coral), an England company (100% indirect voting and equity interest in ARCOS and ASN); (9) Liberty CWC Holdings Limited (Liberty CWC Holdings), a Barbados company (100% indirect voting and equity interest in ARCOS and ASN); (10) LILAC Services Ltd. (LILAC Services), a Bermuda company (100% indirect voting and equity interest in ARCOS and ASN); and (11) Liberty Latin America Ltd. (Liberty Latin America), a Bermuda company (100% indirect voting and equity interest in ARCOS and ASN). John Malone, a U.S. citizen, holds a 25.5% voting interest in Liberty Latin America and Genesis Asset Managers, a Delaware company, holds an 11.5% voting interest in Liberty Latin America. No other individual or entity will hold a ten-percent-or-greater direct or indirect equity or voting interest in Liberty Latin America, ASN, or ARCOS.

ARCOS and ASN agree to accept and abide by the reporting requirements set out in section 1.767(g) of the Commission's rules, 47 CFR § 1.767(g).

Applicants agree to accept and abide by the reporting requirements set out in section 1.767(l) of the rules, 47 CFR § 1.767(l), for the U.S.-Bahamas route.

ARCOS-1 and ASN state that they will continue to abide by the commitments contained in a September 11, 2015 Letter of Assurances (LOA) regarding the ARCOS-1 Cable to Assistant Secretary for International Affairs and Chief Diplomatic Officer, Office of Policy, Department of Homeland Security, as amended on November 3, 2016. A copy of the LOA is publicly available and may be viewed on the FCC's website through the International Bureau Filing System (IBFS) by searching for SCL-SCL-T/C-20151130-00035 and accessing the "Other Filings related to this application" from the Document Viewing Area.

REMINDERS:

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 C.F.R. §§ 1.2001-1.2003.

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.