



PUBLIC NOTICE

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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 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.

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.

Submarine Cable Landing License

Application filed by GU Holdings Inc. (GU Holdings) for a license to construct, land, and operate a non-common carrier fiber-optic submarine cable system connecting Los Angeles, California and Valparaiso, Chile. The cable system is provisionally referred to as "Curie," but the name may change before the cable is put into service. GU Holdings intends to commence commercial operation of the system by July 2019.

The cable system will consist of the main trunk from Los Angeles, California, to Valparaiso, Chile (Main Trunk) and three stubbed branches. The first stubbed branch will point towards Mazatlán, Mexico, the second towards Panama City, Panama, and the third towards Lurín, Peru. All three stubbed branches will be on the high seas. The Main Trunk will have a total length of 10,476 kilometers and will consist of four fiber pairs. The stubbed branches will each have a total length of 10 kilometers and consist of four fiber pairs. Each fiber pair will have a total design capacity of 18 Tb/s (for a total of 72 Tb/s for the system as a whole). Currently, there are no specific plans to build out of the stubbed branches.

The system will provide capacity to connect GU Holdings' affiliates' data centers and points of presence in the United States and South America. GU Holdings states that the grant of the license will serve the public interest, convenience and necessity because the system will provide new and replacement capacity on U.S.-South American routes, where demand has substantially increased in recent years. Further, GU Holdings states that this system will be would be the first cable to directly connect South America to the West Coast of the United States, ultimately strengthening the capacity of U.S.-South American telecommunications.

GU Holdings and its affiliates - Google Infrastructure Bermuda Limited (GIB) and Inversiones y Servicios Dataluna Limitada (Dataluna) - will hold 100% of the participation (i.e. economic) and voting interests in the system's Main Trunk and stubbed branches. GU Holdings will own 100% participation and voting interest in the portion of the Main Trunk in the U.S. territory. GIB will own 100% participation and voting interest in the portion of the Main Trunk in international waters. Dataluna will own 100% participation and voting interest in the portion of the Main Trunk in Chilean territory. GIB will hold 100% participation and voting interest in each of the three stubbed branches. GU Holdings states that under section 1.767(h)(2) of the Commission's rules, 47 CFR § 1.767(h)(2), GIB and Dataluna are not required to be applicants for the cable landing license since neither will use the U.S. end points of the system.

The system will use an existing cable landing station in Los Angeles, California (the LA4 Station), which is owned by Equinix, Inc. (Equinix) and controlled by GU Holdings. The system will also use an existing cable landing station, in Valparaiso, Chile (the Century Link Station), which is owned by Century Link Chile S.A. and controlled by Dataluna.

GU Holdings 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 CFR § 1.767(h)(1). According to GU Holdings, although Equinix owns the LA4 Station it will have no independent ability to affect the system's operation and consequently Equinix need not be an applicant/licensee for the cable system. GU Holdings states that Equinix will provide certain limited services that will not provide Equinix with any ability to affect significantly the system's operation. GU Holdings intends to contract with Equinix for the right to use collocation space in the LA4 Station for system equipment, including terminal equipment and power feed equipment. GU Holdings also intends to contract with Equinix for certain operation and maintenance services at LA4. The agreement with Equinix will have a term of 20 years and, at the sole discretion of GU Holdings, may be extended for additional term of 10 years. GU Holdings thus argues that it will retain operational authority over the landing at the LA4 Station and provide direction to Equinix in all matters relating to the system.

GU Holdings proposes to operate the system on a non-common carrier basis. GU Holdings states that it intends to use the system capacity as an input for services offered by its affiliates or by providing bulk capacity to wholesale and enterprise customers on particularized terms and agreements pursuant to individual negotiations. GU Holdings will not sell capacity indifferently to the user public. It states that the system capacity will either be used by GU Holdings and its affiliates to meet their own internal needs for bandwidth or made available to third parties pursuant to individually negotiated indefeasible rights of use and capacity leases, the terms which will vary depending on the characteristics and needs of the particular capacity purchase. GU Holdings further states that while providing substantial additional capacity on the U.S.-Chile route, the system will compete with a number of existing and proposed cable systems. In addition to competing with cable systems directly serving Chile, GU Holdings states that there are cable systems between the United States and Brazil with terrestrial connectivity onto Chile. GU Holdings contends that these alternative facilities providing U.S.-Chile connectivity are sufficient to preclude the system from being a bottleneck facility on that route.

GU Holdings, a Delaware corporation, is a wholly-owned subsidiary of Google International LLC. Google LLC holds a 100% interest in Google International (97% direct and 3% through its wholly owned subsidiary, YouTube, LLC). Google LLC is wholly owned by XXVI Holdings Inc., which in turn is wholly owned by Alphabet Inc. All of these entities are organized in the state of Delaware. According to GU Holdings, the following persons (all U.S. citizens) have a 10% or greater voting or equity interest in Alphabet Inc. as of March 29, 2018: Larry Page (42.5% of Class B common stock, giving him a 25.9% voting interest); and Sergey Brin (41.1% of Class B common stock, giving him a 25.1% voting interest). No other individual or entity has ten percent or greater direct or indirect voting or equity interest in GU Holdings.

GU Holdings certifies that it accepts and will abide by the routine conditions specified in section 1.767(g) of the Commission's rules, 47 § CFR 1.767(g).

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 be removed from streamlined processing and 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.