PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
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Friday September 4, 2020

Report No. SCL-00281S

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.
The system will consist of three segments: (1) Segment 1.1 will connect Lynn, Massachusetts with a branching unit in the Atlantic Ocean between the United Kingdom and France with 16 fiber pairs, each having a design capacity of 20.1 terabits per second (Tbps) and using current technology and a length of 5,276 kilometers; (2) Segment 1.2 will connect Bude, United Kingdom with the branching unit with 12 fiber pairs, each having a design capacity of 20.1 Tbps and using current technology and a length of 645 kilometers; and (3) Segment 1.3 will connect Le Porge, France with the branching unit with 12 fiber pairs, each having a design capacity of 20.1 Tbps and using current technology and a length of 871 kilometers. Applicants have yet to decide on the initial lit capacity of the system. Applicants assert the system will provide new and replacement capacity on U.S.-Western Europe routes and will enhance geographic diversity and network resilience. Applicants intend to commence commercial operation of the cable system in the first calendar quarter of 2022.

The economic and voting interests in the U.S. territory portion of the system will be held 81.25% by Edge USA and 6.25% each by Aqua Comms America, Microsoft Infrastructure, and CWAS. Edge Network Services Limited (Edge Network) will hold 83.33% of economic and voting interests in the U.K. territory portion of the system, and Aqua Comms (UK) Limited and Apollo Limited will each hold 8.8% of the remaining interests. Orange S.A. will hold 100% of the economic and voting interests in the French territory portion of the system. Applicants state that Edge Network, Aqua Comms (UK) Limited, Microsoft Ireland Operations Limited, and Orange S.A. are not required to be applicants for the cable landing license under the Commission's rules, 47 CFR § 1.767(h)(2), as none of them will use the U.S. end points of the Amitié cable system.

The cable stations for the Amitié cable system will be located in Lynn, Massachusetts, Bude, United Kingdom, and Le Porge, France. The system will utilize an existing cable station in Lynn, Massachusetts, which is owned by GTT Americas LLC (GTT) and operated by Edge USA. The system will also utilize an existing cable landing station in Bude, United Kingdom, which is owned and operated by Apollo Limited. The cable station in Le Porge, France will be newly constructed and will be owned and operated by Orange S.A.

Applicants request a waiver of section 1.767(h)(1) so that GTT need not be a joint applicant for the Amitié cable landing license. Section 1.767(h)(1) 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 Applicants, although GTT is the owner of the Lynn, Massachusetts cable landing station, it need not be a joint applicant for the Amitié cable landing license as GTT will not have ability to significantly affect the operation of the system under a contract Edge USA will enter into with GTT. Applicants state that Edge USA will also enter into long-term leases for colocation space for power feed equipment for the Lynn cable landing station. Edge USA, therefore, will retain operational authority over the Amitié system landing facilities and provide direction to GTT in all matters relating to the Amitié cable system. According to Applicants, Edge USA will ensure that all indefeasible rights to use (IRUs) and lease agreements have initial terms, with extension options at Edge USA's sole discretion, for a total of 25 years each, coextensive with the term of the cable landing license.

Applicants propose to operate the Amitié system on a non-common carrier basis. Applicants state that they will not sell the system capacity indiscriminately to the user public. Applicants state that for Edge USA and its affiliates, the system will provide capacity to support Facebook's global platform to connect its users, points of presence, and data centers. For Microsoft infrastructure and its affiliates, Applicants assert that the system will provide capacity to support Microsoft's cloud services and connect its data centers and points of presence. Applicants also state that the system will provide capacity to support the worldwide capacity business of Aqua Comms Americas, Aqua Comms Ireland, CWAS, and their respective affiliates in Europe and the Americas, offering bulk capacity to particular carrier, enterprise, and government customers pursuant to individually-negotiate IRUs and capacity leases, the terms of which will vary depending on the characteristics and needs of the particular capacity purchaser. Applicants also assert that the Amitié system will enhance competition on the U.S.-UK, U.S.-France, and broader U.S.-Western Europe routes by competing directly with existing Apollo, Atlantic Crossing-1, FLAG Atlantic-1, GGT Atlantic/GTT Express, TAT-14, TGN Atlantic, TGN Western Europe, Yellow, AE Connect-1, Columbus-III, Havfrue, and Marea systems, as well as the planned Dunant system. In addition, Applicants state that the existence of ample competing submarine cable facilities providing U.S.-U.K., U.S.-France, and U.S.-Western Europe connectivity ensures that the Amitié system would not function as a bottleneck facility on those routes.

Edge USA, a Delaware limited liability company, is a wholly owned direct subsidiary of Facebook, Inc. (Facebook), a Delaware corporation that is publicly traded on the NASDAQ Stock Market. CZI Holdings, LLC (CZI), in turns, holds 12.62% of equity and 50.77% of voting interests in Facebook. Mark Zuckerberg, a U.S. citizen who serves as Chairman and CEO of Facebook, owns all of the member interest of CZI. He also holds approximately 13.43% of equity and 58.84% of voting interests in Facebook that include a 50.77% voting interest for shares he holds directly or controls through CZI and a 6.8% voting interest that he has authority to vote pursuant to voting agreements with Dustin Moskovitz as Trustee of The Dustin Moskovitz 2008 Annuity Trust dated March 10, 2008 and as Trustee of The Dustin A. Moskovitz Trust dated December 27, 2005. No other individual or entity has 10% or greater direct or indirect voting or equity interest in Facebook.

Aqua Comms Americas, a Delaware corporation, is a wholly owned, direct subsidiary of America Europe Connect Limited (AEC2), an Irish entity. AEC2, in turn, is a wholly owned, direct subsidiary of Aqua Comms Connect Limited (Aqua Comms Connect), an Irish entity, which also directly, wholly owns Aqua Comms Ireland, an Ireland limited company. Aqua Comms Connect is a wholly owned, direct subsidiary of Aqua Comms Designated Activity Company (Aqua Comms Parent), an Ireland entity. Aqua Ventures Limited (Aqua Ventures), a Jersey entity, holds 51% of voting and equity interests in Aqua Comms Parent. Aqua Ventures is wholly owned by The 2013 Bake Family Trust, a trust organized in Bailiwick of Jersey, of which Dominon Fiduciary Trust Limited, a Bailiwick of Jersey entity, serves as the trustee of The Bake Family Trust. Christopher Paul Bake, a Netherlands citizen, and his family are the beneficiaries of The 2013 Family Trust. The remaining equity and voting interests in Aqua Comms Parent are held 19.6% by Pangea Two Acquisition Holdings XV, LLC (Pangea Holdings), a Delaware entity, 8.8% by Pangea Two Acquisition Holdings Parallel XV, LLC (Pangea Holdings Parallel), also a Delaware entity, and 13.8% by Irish Strategic Investment Fund of the National Treasury Management Agency, which is an Ireland sovereign development fund controlled and managed by the Government of Ireland. Pangea Two LP (Pangea Holdings LP), a Delaware entity, is the sole member of Pangea Holdings, whereas Pangea Two Parallel, LP (Pangea Holdings Parallel), a Delaware entity, is the sole member of Pangea Holdings Parallel. Pangea Two GP, LP (Pangea
Two GP), a Delaware entity, is the general partner for both Pangaea Two and Pangaea Parallel. Pangaea Two Admin GP, LLC (Pangaea Two Admin), a Cayman Islands entity, is the general partner of Pangaea Two GP, and the managing member of Pangaea Two Admin is Cartesian Capital Group, LLC (Cartesian Capital), Delaware entity, which is controlled by Peter M. Yu, a U.S. citizen, with equity and voting interests between 50% and 74% in Cartesian Capital.

CWAS, a Delaware corporation, is a wholly owned, indirect subsidiary of Vodafone Group Plc (Vodafone Parent), a U.K. company that is publicly traded on the London Stock Exchange, through a several intermediary U.K.-organized corporate entities. As of January 1, 2020, no individual or entity hold 10% or greater direct or indirect voting or equity interest in Vodafone Parent.

Microsoft Infrastructure, a Washington limited liability company, is a wholly owned, direct subsidiary of Microsoft Corporation, also a Washington corporation. Microsoft Corporation is a publicly traded company on the NASDAQ Stock Market, and as of January 1, 2020, it has no 10% or greater direct or indirect shareholders.

Applicants certify that they accept and will abide by the routine conditions set forth in Section 1.767(g) of the Commission's rules, 47 C.F.R. § 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 the Applicants.

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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 Red 22167 (2001) and Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Report and Order and Order on Reconsideration, 12 FCC Red 23891 (1997), paras. 327-28, Order on Reconsideration, 15 FCC Red 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.