Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C.

In the Matter of

GLOBE TELECOM, INC.,
GTI CORPORATION,
HAWAIIAN TELCOM SERVICES COMPANY, INC.
RAM TELECOM INTERNATIONAL, INC.
TELEGUAM HOLDINGS, LLC, d/b/a
GTA TELEGUAM,
PT TELEKOMUNIKASI INDONESIA INTERNATIONAL,
AND
TELEKOMUNIKASI INDONESIA INTERNATIONAL
(USA) INC.,

Application for a License to Land and Operate
a Private Fiber-Optic Cable System Connecting
Indonesia, the Philippines, Guam, Hawaii, and
California,

THE SOUTHEAST ASIA-US (“SEA-US”) SYSTEM

File No. SCL-LIC-2015-__________

JOINT APPLICATION FOR CABLE LANDING LICENSE—
STREAMLINED PROCESSING REQUESTED

system. The Applicants will operate the SEA-US system on a non-common-carrier basis by using capacity for their own internal needs and by providing bulk capacity to customers on particularized terms and conditions pursuant to individualized negotiations. The existence of robust competition and ample competing facilities on the domestic and international routes to be served by the SEA-US system obviates any need for common-carrier regulation on public-interest grounds.

The Applicants intend to commence commercial operation of the SEA-US system in the fourth calendar quarter of 2016. The Applicants therefore view timely grant of a cable landing license by the Commission no later than summer 2016 of paramount importance.

An expeditious grant of this application will significantly advance the public interest. First, by routing south of the Philippines, the SEA-US system will avoid the disaster-prone Luzon Strait between the northern Philippines and Taiwan and the coastal areas of Japan, which suffer from frequent earthquakes and typhoons that cause submarine landslides and have damaged submarine cables serving those routes.1 By routing far south of these areas, the SEA-

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US system will provide a geographically-diverse route for U.S.-Philippines and U.S.-Indonesia traffic and thereby enhance the continuity of communications between the United States and Southeast Asia. Second, the SEA-US system will enhance competition on the U.S.-Philippines and U.S.-Indonesia routes, competing vigorously with other carriers and consortia that have a well-established presence on these routes. Third, the SEA-US system will help to satisfy burgeoning demand for international connectivity in Indonesia and the Philippines, using best-in-class 100 gigabit technology for the first time on those routes. Fourth, the SEA-US system will enhance the position of Guam and Hawaii as hubs for connectivity across the four regions of Asia, Japan, Australia/New Zealand, and the United States, and support additional economic activity in Guam and Hawaii.

The Applicants request streamlined processing for this application, as it raises no competition or other public-interest concerns. Globe and GTI each request streamlined processing pursuant to 47 C.F.R. § 1.767(k)(2). GTA, HTSC, and RTI each request streamlined processing pursuant to 47 C.F.R. § 1.767(k)(1). Telin and Telkom USA each request streamlined processing pursuant to 47 C.F.R. § 1.767(k)(3).

I. COMPLIANCE WITH 47 C.F.R. § 1.767

A. Information Required by 47 C.F.R. § 1.767(a)(1)-(a)(3), (a)(8), and (g)

The Applicants provide company-specific responses to and certifications for 47 C.F.R. § 1.767(a)(1)-(a)(3), (a)(8), and (g) in the following appendices:

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• Appendix A: Globe Telecom, Inc. (“Globe”)
• Appendix B: GTI Corporation (“GTI”)
• Appendix C: Hawaiian Telcom Services Company, Inc. (“HTSC”)
• Appendix D: RAM Telecom International, Inc. (“RTI”)
• Appendix E: TeleGuam Holdings, LLC d/b/a GTA TeleGuam (“GTA”)
• Appendix F: PT Telekomunikasi Indonesia International (“Telin”)
• Appendix G: Telekomunikasi Indonesia International (USA) Inc. (“Telkom USA”)

B. System Description

SEA-US will consist of two subsystems and six segments totaling 15,000 kilometers in length:

• SEA-US-West, connecting Indonesia, the Philippines, and Guam:
  
  o **Segment 1**: connecting Telin’s new cable landing station at Kauditan, Indonesia with Branch Unit 1, located off the coast of the Philippines;

  o **Segment 2**: connecting Branch Unit 1 with Globe’s new cable landing station at Davao, the Philippines;

  o **Segment 3**: connecting Branch Unit 1 with GTA’s new cable landing station at Piti, Guam; and

• SEA-US-East, connecting Guam, Hawaii, and California:

  o **Segment 4**: connecting GTA’s new cable landing station at Piti, Guam, with Branch Unit 2, located off the coast of Oahu, Hawaii;

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See 47 C.F.R. § 1.767(a)(4).
Segment 5: connecting Branch Unit 2 with HTSC’s existing inter-island cable landing station at Makaha, Hawaii, which will be augmented for the SEA-US Hawaii landing; and

Segment 6: connecting Branch Unit 2 with a cable landing station at Hermosa Beach, California, to be controlled and operated jointly by GTI, RTI, and Telkom USA.

The SEA-US system will consist of two optical fiber pairs on each segment, with an initial configuration capacity of 1.6 terabits per second (Tb/s) and a total design capacity of 20 Tb/s using 100 gigabit wavelength technology. The Applicants expect the SEA-US system to enter into commercial service in the fourth calendar quarter of 2016. In Appendix H, the Applicants provide a map showing the route and landing points of the system.

The SEA-US system will also include two branching units (each owned in equal half-shares by GTI and Telin) that may be used for future connection to separate systems linking the Republic of Palau and the island of Yap in the Federated States of Micronesia. Any such systems would be owned and operated separately from the SEA-US-system and located wholly outside U.S. territory, and they are therefore beyond the scope of the Cable Landing License Act. The owners of such systems, if constructed, could require their own separate authority.

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4 See Actions Taken Under the Cable Landing License Act, Public Notice, 24 FCC Rcd. 7828 (2009) (finding that spurs connecting the Federated States of Micronesia and the Republic of the Marshall Islands to branching units on the HANTRU-1 system but to be owned and operated separately by other parties unrelated to the HANTRU-1 owners were not part of the HANTRU-1 system or subject to licensing under the Cable Landing License Act); Actions Taken Under the Cable Landing License Act, Public Notice, 24 FCC Rcd. 13,880 (2009) (modifying the cable landing license for the PPC-1 system to exclude from the license’s scope a spur connecting a branching unit to Papua New Guinea that was to a party unrelated to the PPC-1 owners).
under 47 U.S.C. § 214 and 47 C.F.R. § 63.18(e), to the extent those owners use such facilities in part to provide telecommunications services to or from the United States.

C. Landing Points

The Applicants provide specific landing point information (including geographic coordinates and street addresses, where available, for beach manholes and cable landing stations) in the following appendices:

- Appendix I: Kauditan, Indonesia
- Appendix J: Davao, Philippines
- Appendix K: Piti, Guam
- Appendix L: Makaha, Hawaii
- Appendix M: Hermosa Beach, California

Where submarine line terminating equipment (“SLTE”) will not be located in the cable landing station, the parties have also indicated the location of the SLTE in these appendices.

D. Regulatory Classification

The Applicants will operate the SEA-US system on a non-common-carrier basis. Non-common-carrier classification of the proposed system is consistent with established Commission policy and judicial precedent, and will advance the public interest.

First, the Commission should not subject the SEA-US system to common-carrier regulation because SEA-US will not operate on a common-carrier basis as defined in NARUC I.7

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5 See 47 C.F.R. § 1.767(a)(5).
6 See id. § 1.767(a)(6).
7 See Nat’l Ass’n of Regulatory Utility Comm’rs v. FCC, 525 F.2d 630, 642 (D.C. Cir. 1976) (“NARUC I”) (stating that the court must inquire “whether there are reasons implicit in the nature of [the] operations to expect an indifferent holding out to the eligible user public”), cert. denied, 425 U.S. 992 (1976); see also Virgin Islands Tel. Corp. v. FCC, 198 F.3d 921
The courts have stated that “[t]he primary sine qua non of common carrier status is a quasi-public character, which arises out of the undertaking ‘to carry for all people indifferently.’” On SEA-US, however, the Applicants will not sell capacity indifferently to the user public. Instead, the Applicants will sell bulk capacity to particular users—including carriers, Internet service providers, enterprises, and non-profit and educational institutions—pursuant to individually-negotiated indefeasible rights of use (“IRUs”) and capacity leases, the terms of which will vary depending on the characteristics and needs of the particular capacity purchaser. The Commission has consistently found that such offerings do not make an applicant a common carrier.

Second, the Commission should not subject the SEA-US system to common-carrier regulation because there is no legal compulsion or other public-interest reason for the Applicants to operate SEA-US in such a manner. Under the NARUC I test, the Commission must determine whether the public interest requires common-carrier operation of the cable system.

Traditionally, the Commission has focused on whether the applicant has sufficient market power

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8 Nat’l Ass’n of Regulatory Utility Comm’rs v. FCC, 533 F.2d 601, 608 (D.C. Cir. 1976) (quoting Semon v. Royal Indemnity Co., 279 F.2d 737, 739 (5th Cir. 1960)).

9 See AT&T Corp. et al., Cable Landing License, 13 FCC Rcd. 16,232, 16,238 (Int’l Bur. 1998) (finding that individualized decisions concerning the sale or lease of capacity on the China-U.S. Cable Network would not constitute the effective provision of a service to the public so as to make the applicant a common carrier); AT&T Submarine Systems, Inc., 11 FCC Rcd. 14,885, 14,904 ¶ 64 (Int’l Bur. 1996) (“St. Thomas-St. Croix Cable Order”) (finding that an “offer of access, nondiscriminatory terms and conditions and market pricing of IRUs does not rise to the level of an ‘indiscriminate’ offering” so as to constitute common carriage), aff’d 13 FCC Rcd. 21,585 (1998), aff’d sub nom. Virgin Islands Telephone Corp. v. FCC, 198 F.3d 921 (D.C. Cir. 1999).

10 NARUC I, 525 F.2d at 642 (stating that the court must inquire “whether there will be any legal compulsion . . . to serve [the public] indifferently”).
to warrant common carrier regulation,\textsuperscript{11} although the Commission “is not limited to that reasoning” and has looked more broadly to determine whether common-carrier licensing is in the public interest.\textsuperscript{12} The SEA-US system poses no such competitive or other public-interest concerns.

The SEA-US system will enhance competition by competing vigorously with other submarine cable systems on all of the domestic and international routes it will serve.

Domestically, the SEA-US system will compete as follows:

- On the California-Hawaii route, SEA-US will compete directly with the Asia-America Gateway, Japan-U.S., and Southern Cross systems.
- On the Hawaii-Guam route, SEA-US will compete directly with the Asia-America Gateway system.
- On the California-Guam route, SEA-US will compete directly with the Asia-America Gateway and China-U.S systems. On the broader Guam-U.S. west coast route, the SEA-US system will also compete with the TGN-Pacific system (which connects Oregon and California to Guam via Japan).

On international routes, the SEA-US system will compete as follows:

\textsuperscript{11} See St. Thomas-St. Croix Cable Order, 11 FCC Rcd. at 14,893 ¶ 30.

\textsuperscript{12} See AT&T Corp. et al., Cable Landing License, 14 FCC Rcd. 13,066, 13,080 ¶ 39 (2000) (stating that “[a]lthough this public interest analysis has generally focused on the availability of alternative facilities, we are not limited to that reasoning”); Australia-Japan Cable (Guam) Limited, Cable Landing License, 15 FCC Rcd. 24,057, 24,062 ¶ 13 (Int’l Bur. 2000) (stating that “[t]his public interest analysis generally has focused on whether an applicant will be able to exercise market power because of the lack of alternative facilities, although the Commission has not limited itself to that reasoning”); Telefonica SAM USA, Inc. et al., Cable Landing License, 15 FCC Rcd. 14,915, 14,920 ¶ 11 (Int’l Bur. 2000) (stating that “[t]his public interest analysis has focused on the availability of alternative facilities, although the Commission has stated it is not limited to that reasoning”).
• On the U.S.-Philippines route, SEA-US will compete with the Asia-America Gateway system. It will also compete with a variety of systems that connect the Philippines with China, Japan, Korea, and Taiwan (including the APCN-2, EAC-C2C, SEA-MEWE-3, and/or Southeast Asia-Japan systems), with onward connectivity to the United States (using the China U.S., TGN Pacific, Trans-Pacific Express, and/or Unity systems or the planned FASTER or New Cross Pacific systems).

• On the U.S.-Indonesia route, SEA-US will compete with a variety of systems that connect various parts of Indonesia with Singapore (including the Batam-Dumai-Melaka, Batam-Singapore, JAKABARE, Jakarta-Bangka-Bintan-Batam-Singapore, JaKa2LaDeMa, JASUKA, Matrix, MIC-1, PGASCOM, and/or SEA-MEWE-3 systems and the planned APX-West, Australia-Singapore, and SEA-MEWE-5 systems), with onward connectivity directly to the United States (using Asia-America Gateway) and also via China, Hong Kong, Japan, Korea, Malaysia, the Philippines, and Taiwan (using the Asia Submarine-cable Express, EAC-C2C, SEA-MEWE-3, Southeast Asia-Japan, and/or TGN Intra-Asia systems, or the planned Asia Pacific Gateway system), with further connectivity to the United States (using the Asia-America Gateway, China U.S., TGN Pacific, Trans-Pacific Express, and/or Unity systems or the planned FASTER or New Cross Pacific systems).

The Commission has previously found that it “can rely upon both existing and planned facilities/services in making competitive assessments”¹³ and that facilities need not be identical in order to offer pro-competitive benefits.¹⁴ The existence of ample competing submarine cable

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¹⁴  St. Thomas-St. Croix Cable Order, 11 FCC Rcd. at 14,898 ¶ 44 (stating that “requiring current identical substitute common carrier facilities before non-common carrier facilities
facilities providing U.S.-Indonesia and U.S.-Philippines connectivity ensures that SEA-US would not function as a bottleneck facility on those routes. The Applicants’ intended operation of the SEA-US system is therefore consistent with the Commission’s long-standing policy to encourage competition through private submarine cable transmissions, pursuant to which the Commission has granted numerous cable landing licenses.\textsuperscript{15}

In addition to offering additional competition on domestic and international routes, the SEA-US system will further benefit the public interest for the reasons noted in the introductory section above. \textit{First}, the SEA-US system will provide a geographically-diverse route for U.S.-Philippines and U.S.-Indonesia traffic, avoiding the disaster-prone Luzon Strait between the northern Philippines and Taiwan and coastal areas of Japan, thereby enhancing the continuity of communications between the United States and Southeast Asia. \textit{Second}, the SEA-US system will help to satisfy burgeoning demand for international connectivity in Indonesia and the Philippines, using best-in-class 100 gigabit technology for the first time on those routes. \textit{Third}, the SEA-US system will strengthen the position of Guam and Hawaii as hubs for connectivity across the four regions of Asia, Japan, Australia/New Zealand and the United States and support additional economic activity in Guam and Hawaii.

\textbf{E. Cable Ownership Information}\textsuperscript{16}

The ownership of SEA-US differs according to subsystem, segment, and cable landing station. The Applicants own the SEA-US-West subsystem (including Segments 1, 2, and 3

\textsuperscript{15} See \textit{Tel-Optik Ltd.}, Memorandum Opinion and Order, 100 FCC.2d 1033, 1041 (1985).

\textsuperscript{16} See 47 C.F.R. § 1.767(a)(7).
connecting Indonesia, the Philippines, and Guam) and the SEA-US-East subsystem (including Segments 4, 5, and 6 connecting Guam, Hawaii, and California), as indicated in Table 1 below:

**TABLE 1:**
OWNERSHIP INTERESTS IN SEA-US BY SEGMENT

<table>
<thead>
<tr>
<th>CONSORTIUM MEMBER</th>
<th>SEA-US-WEST</th>
<th>SEA-US EAST</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S1</td>
<td>S2</td>
</tr>
<tr>
<td>Globe</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td>GTI</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>HTSC</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>RTI</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>GTA</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Telin</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>Telkom USA</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

The cable landing stations at which the SEA-US system will land are owned and controlled as indicated in Table 2 below:

**TABLE 2:**
OWNERSHIP OF CABLE LANDING STATIONS

<table>
<thead>
<tr>
<th>CABLE LANDING STATION</th>
<th>OWNER/CONTROLLING PARTY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kauditan, Indonesia</td>
<td>Telin</td>
</tr>
<tr>
<td>Davao, Philippines</td>
<td>Globe</td>
</tr>
<tr>
<td>Piti, Guam</td>
<td>GTA</td>
</tr>
<tr>
<td>Makaha, Hawaii</td>
<td>HTSC</td>
</tr>
<tr>
<td>Hermosa Beach, California</td>
<td>GTI, RTI, and Telkom USA jointly</td>
</tr>
</tbody>
</table>

The relationships among the SEA-US owners and landing parties are governed by the SEA-US Construction and Maintenance Agreement.
F. Certification Regarding Service to Executive Branch Agencies\textsuperscript{17}

The Applicants have sent a complete copy of this application to the U.S. Departments of State, Commerce, and Defense. The Applicants’ counsel has certified such service in the certificate of service attached to this application.

II. REQUEST FOR STREAMLINED PROCESSING

This application qualifies for streamlined processing, as each of the Applicants qualifies for such processing pursuant to 47 C.F.R. § 1.767(k)(1), (2), or (3). As explained in Appendices A and B respectively, Globe and GTI each request streamlined processing pursuant to 47 C.F.R. § 1.767(k)(2), as neither is or is affiliated with a foreign carrier with market power in the Philippines or Indonesia, the two foreign countries in which the SEA-US system will land. As explained in Appendices C, D, and E respectively, HTSC, RTI, and GTA each request streamlined processing pursuant to 47 C.F.R. § 1.767(k)(1), as none is or is affiliated with a foreign carrier in the Philippines or Indonesia. As explained in Appendices F and G respectively, Telin and Telkom USA each request streamlined processing pursuant to 47 C.F.R. § 1.767(k)(3), as each is or is affiliated with a foreign carrier with a 50-percent-or-greater share of the international-transport or local-access market in Indonesia. Telin and Telkom USA each certify that Indonesia is a member country of the World Trade Organization and that they agree to accept and abide by the reporting requirements set forth in 47 C.F.R. § 1.767(l).

By the signatures in the appendices, each Applicant certifies that it is not required to submit a consistency certification to any state or territory pursuant to Section 1456(c)(3)(A) of the Coastal Zone Management Act, codified at 16 U.S.C. § 1456(c)(3)(A). The U.S. states and

\textsuperscript{17} See id. § 1.767(j).
territory in which SEA-US will land—California, Guam, and Hawaii—do not list, and have never proposed to list, a cable landing license as a federal activity requiring a consistency certification.\textsuperscript{18}

CONCLUSION

For the foregoing reasons, the Commission should expeditiously grant this cable landing license application pursuant to streamlined processing.

Respectfully submitted,

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Counsel for the Applicants

26 June 2015

Attachments
CERTIFICATE OF SERVICE

I, Kent Bressie, hereby certify that consistent with 47 C.F.R. § 1.767(j), I have served copies of the foregoing application for a cable landing license for the SEA-US submarine cable system, by hand delivery or electronic mail this 26th day of June, 2015, to the following:

Ambassador Daniel Sepulveda  
U.S. Coordinator and Deputy Assistant Secretary of State  
Int’l Communications & Information Policy  
Bureau of Economic and Business Affairs  
U.S. DEPARTMENT OF STATE  
EB/CIP : Room 4634  
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Kent Bressie
LIST OF APPENDICES

Appendix A:  Globe Telecom Information Responsive to 47 C.F.R. § 1.767(a)(1)-(a)(3), (a)(8), and (g)

Appendix B:  GTI Corporation Information Responsive to 47 C.F.R. § 1.767(a)(1)-(a)(3), (a)(8), and (g)

Appendix C:  Hawaiian Telcom Services Company, Inc. Information Responsive to 47 C.F.R. § 1.767(a)(1)-(a)(3), (a)(8), and (g)

Appendix D:  RAM Telecom International, Inc. Information Responsive to 47 C.F.R. § 1.767(a)(1)-(a)(3), (a)(8), and (g)

Appendix E:  TeleGuam Holdings, LLC d/b/a GTA TeleGuam Information Responsive to 47 C.F.R. § 1.767(a)(1)-(a)(3), (a)(8), and (g)

Appendix F:  PT Telekomunikasi Indonesia International Information Responsive to 47 C.F.R. § 1.767(a)(1)-(a)(3), (a)(8), and (g)

Appendix G:  Telekomunikasi Indonesia International (USA) Inc. Information Responsive to 47 C.F.R. § 1.767(a)(1)-(a)(3), (a)(8), and (g)

Appendix H:  Route Map for the SEA-US System

Appendix I:  Specific Landing Point Information for Kauditan, Indonesia

Appendix J:  Specific Landing Point Information for Davao, Philippines

Appendix K:  Specific Landing Point Information for Piti, Guam

Appendix L:  Specific Landing Point Information for Makaha, Hawaii

Appendix M:  Specific Landing Point Information for Hermosa Beach, California