## Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C.

In the Matter of

Level 3 Communications, LLC, Level 3 International, Inc., Global Crossing Americas Solutions, Inc., and Global Crossing North America, Inc. Petitioners,

Joint Petition for Declaratory Ruling to be Reclassified as Non-Dominant on the U.S.-Singapore Route File No. ISP-PDR-20140707-\_\_\_\_ FCN-NEW-20120615-00006 FCN-NEW-20120615-00007 FCN-NEW-20120615-00008 FCN-NEW-20120615-00010

# JOINT PETITION FOR DECLARATORY RULING

Pursuant to 47 C.F.R. §§ 63.10 and 63.13, Level 3 Communications, LLC ("Level 3 LLC," FRN 0008085136), Level 3 International, Inc. ("Level 3 International," FRN 0005835715), Global Crossing Americas Solutions, Inc. ("GCAS," FRN 0003755709), and Global Crossing North America, Inc. ("GCNA," FRN 0007039811) (collectively with Level 3 LLC, Level 3 International, and GCAS, "Level 3 International Carriers"), jointly petition the Commission for reclassification as non-dominant on the U.S.-Singapore route, as they are no longer affiliated with a foreign carrier with market power in Singapore.

#### I. Background

The Level 3 International Carriers agreed to classification as dominant on the U.S. Singapore route in 2012, when STT Crossing Ltd ("STT Crossing"), one of the indirect shareholders of their indirect parent company Level 3 Communications, Inc. ("Level 3 Parent"), increased its shareholdings in Level 3 Parent above the 25-percent threshold used by the Commission to identify affiliated carriers.<sup>1</sup> STT Crossing is indirectly owned and controlled by Temasek Holdings (Private) Limited ("Temasek"), which also holds an indirect, controlling interest in Singapore Telecommunications Ltd ("SingTel"), which the Commission presumes to have market power in Singapore.<sup>2</sup>

Since the Level 3 International Carriers filed their foreign carrier affiliation notifications in 2012, however, Level 3 Parent has issued additional shares that have diluted the shareholdings of existing shareholders, including STT Crossing. The most recent ownership disclosure filed with the U.S. Securities and Exchange Commission shows that STT Crossing's aggregate shareholdings in Level 3 Parent no longer exceed the 25-percent threshold for affiliation.<sup>3</sup> As noted in the applications filed simultaneously with the Commission seeking consent to Level 3 Parent's acquisition of tw telecom, inc. ("TWT Parent"),<sup>4</sup> Level 3 Parent's issuance of approximately 98 million additional shares as partial consideration for its acquisition of TWT

<sup>&</sup>lt;sup>1</sup> See Foreign Carrier Affiliation Notification, Public Notice, 27 FCC Rcd. 15,196 (2012); FCC File Nos. FCN-NEW-20120615-00006, FCN-NEW-20120615-00007, FCN-NEW-20120615-00008, and FCN-NEW-20120615-00010.

<sup>&</sup>lt;sup>2</sup> See International Bureau Revises and Reissues the Commission's List of Foreign Telecommunications Carriers that Are Presumed to Possess Market Power in Foreign Telecommunications Markets, Public Notice, 22 FCC Rcd. 945, 947 (Int'l Bur. 2007).

<sup>&</sup>lt;sup>3</sup> Level 3 Communications, Inc. Schedule 13-D, at 5 (filed June 17, 2014) (disclosing that STT Crossing beneficially owns in aggregate 23.4 percent of Level 3 Parent's issued and outstanding shares), attached as Exhibit 1 to this petition.

<sup>&</sup>lt;sup>4</sup> See Consolidated Application of and tw telecom inc. and Level 3 Communications, Inc., to Transfer Control of Authority to Provide Global Facilities-Based and Global Resale International Telecommunications Services and of Domestic Common Carrier Transmission Lines Pursuant to Section 214 of the Communications Act of 1934, as Amended, WC Docket No. 14-\_\_\_, FCC File No. ITC-T/C-20140707-\_\_\_\_ (filed July 7, 2014); Application of tw telecom inc., tw telecom of hawaii, l.p., and Level 3 Communications, Inc., to Transfer Control of a Joint Interest in the Cable Landing License for the Hawaiian Islands Fiber Network Pursuant to the Cable Landing License Act of 1921, as Amended, FCC File No. SCL-T/C-20140707-\_\_\_\_ (filed July 7, 2014).

Parent will further dilute STT Crossing's shareholdings in Level 3 Parent, to approximately 16.3 percent, far below the Commission's threshold for affiliation.

# II. Request for Reclassification

The Level 3 International Carriers request that the Commission reclassify them as nondominant on the U.S.-Singapore route on the grounds that they are no longer affiliated with SingTel or any other foreign carrier presumed to have market power in Singapore. The Level 3 International Carriers qualify for presumptive non-dominant treatment for the provision of services on the U.S.-Singapore route because each "has no affiliation with, and that itself is not, a foreign carrier in [Singapore] to which it provides service (i.e., a destination country) shall presumptively be considered non-dominant for the provision of international communications services on that route."<sup>5</sup> The indirect relationships between the Level 3 International Carriers and SingTel no longer satisfy the Commission's longstanding definition of affiliation, as Temasek, the party indirectly controlling SingTel, no longer holds a greater-than-25-percent interest in any of the Level 3 International Carriers.<sup>6</sup>

The Level 3 International Carriers request that the Commission act on this petition concurrently with the applications filed in connection with Level 3 Parent's acquisition of tw telecom inc. and that such reclassification be effective upon consummation of that acquisition.

<sup>&</sup>lt;sup>5</sup> 47 C.F.R. § 63.10(a)(1).

<sup>&</sup>lt;sup>6</sup> See id. § 63.09(e) (stating that "two entities are *affiliated* with each other if one of them, or an entity that controls one of them, directly or indirectly owns more than 25 percent of the capital stock of, or controls, the other one. Also, a U.S. carrier is *affiliated* with two or more foreign carriers if the foreign carriers, or entities that control them, together directly or indirectly own more than 25 percent of the capital stock of, or control, the U.S. carrier and those foreign carriers are parties to, or the beneficiaries of, a contractual relation (e.g., a joint venture or market alliance) affecting the provision or marketing of international basic telecommunications services in the United States.").

# CONCLUSION

The Level 3 International Carriers respectfully request that the Commission grant this

petition to reclassify them as non-dominant on the U.S.-Singapore route.

Respectfully submitted,

Level 3 Communications, LLC Level 3 International, Inc. Global Crossing Americas Solutions, Inc. Global Crossing North America, Inc.

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7 July 2014

Attachment