

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of

COMSAT CORPORATION File No. I-T-C-94-272

Application for Authority Pursuant to
Section 214 of the Communications Act
of 1934, as amended, to Provide Satellite
Services for the Provision of Public
Switched and Private Line Services
Between the United States and Cuba

**MEMORANDUM OPINION, ORDER AND
AUTHORIZATION**

Adopted: July 29, 1994; Released: August 12, 1994

By the Chief, International Facilities Division:

1. The Commission has under consideration the above-captioned uncontested application, filed by COMSAT Corporation, through its COMSAT World Systems business unit ("COMSAT"), seeking authority pursuant to Section 214 of the Communications Act of 1934, as amended, to provide satellite services for the provision of public switched and private line services between the United States and Cuba. Specifically, COMSAT requests blanket authority to provide the space segment services required by those U.S. carriers authorized by the Commission to provide public switched voice and data, and private line services between the United States and Cuba via INTELSAT satellites located at 325.5⁰, 329⁰, 332.5⁰ and 335.5⁰ East Longitude.

2. In a letter dated July 22, 1993, the U.S. Department of State informed the Commission of the Executive Branch's general policy guidelines ("Policy Guidelines") for implementation of the telecommunications provisions of the Cuban Democracy Act, 22 U.S.C. §6004(e) (1993), which provides that "telecommunication services between the United States and Cuba shall be permitted."¹ Among the policy guidelines are the following requirements: 1) the proposals must have the potential to be operational within a year; 2) settlements must not be more favorable to Cuba than the current 50/50 split of the \$1.20 per minute accounting rate; 3) proposals must be limited to equipment and services necessary to deliver a signal to Cuba; 4) proposals must utilize modes of communications already in place between the U.S. and Cuba; and 5) carriers shall

report the number of circuits activated by facility on June 30 and December 31 of each year and on the one-year anniversary of the notification by the Commission in the Federal Register.

3. To the extent that the Policy Guidelines apply to COMSAT, we find that COMSAT's proposal is in compliance. As the U.S. Signatory to INTELSAT, COMSAT provides space segment capacity pursuant to tariffs filed with the Commission. Because COMSAT provides only the U.S. half-circuit of INTELSAT space segment to U.S. carriers and authorized users for transmission to Cuba, COMSAT is not engaged in the settlements process or in any other financial transactions with Cuba. Therefore, provisions in the Policy Guidelines relating to settlements and blocked accounts are not applicable to COMSAT. With respect to the requirement that proposals have the potential to be operational within a year and utilize facilities already in place, COMSAT states that INTELSAT spacecraft in the Atlantic Ocean Region are capable of providing service using existing INTELSAT satellites. Finally, although the Policy Guidelines state that circuits to Cuba are to be specifically authorized, this provision applies to COMSAT's carrier customers, which must obtain operating agreements with Cuba and participate in settlements, unlike COMSAT which only will provide the U.S. half-circuit. Therefore, the Commission will monitor the number of circuits and the financial transactions involving Cuba through our authorization of COMSAT's U.S. carrier customers.

4. Pursuant to the Policy Guidelines, the Commission recently authorized IDB WorldCom Services, Inc. ("IDB") to provide direct telex services, and Sprint Communications Company ("Sprint") to provide direct packet data services, to Cuba using facilities leased from COMSAT.² The Commission also has pending applications from five U.S. carriers to provide switched voice and private line services to Cuba also using facilities leased from COMSAT.³ In view of the Commission's grant of authority to IDB and Sprint to provide direct telex and data service between the United States and Cuba using facilities leased from COMSAT, we find that the present and future public convenience and necessity will be served by a grant of COMSAT's application to provide space segment capacity to IDB and Sprint. We also find the public interest would be served by granting COMSAT's request for blanket authority to provide space segment services to any carrier once it is authorized by the Commission to provide public switched voice, data and/or private line services between the United States and Cuba.⁴ We will limit, however, COMSAT to providing to carriers only the type and amount of space segment that the carrier is specifically authorized by the Commission to use. Therefore, for the reasons discussed above, we conclude that grant of COMSAT's application will promote the goals of the Cuban Democracy Act regarding telecommunications between the United States and Cuba as implemented in the Policy Guidelines.

¹ Letter dated July 22, 1993, from Richard C. Beaird, Acting U.S. Coordinator and Director, Bureau of International Communications and Information Policy, U.S. Department of State to FCC Chairman James H. Quello.

² *IDB WorldCom Services, Inc.*, File No. I-T-C-94-211, 9 FCC Rcd 1865 (1994); *Sprint Communications Company, L.P.*, File No. I-T-C-94-238, DA 94-636, released June 22, 1994.

³ The following U.S. carriers have applications pending with the Commission to provide direct switched voice and private

line services to Cuba: WilTel International, Inc. (File No. I-T-C-94-227); MCI Telecommunications Corp. (File No. I-T-C-94-228); LDDS Communications, Inc. (File No. I-T-C-94-229); Sprint Communications Company L.P. (File No. I-T-C-94-247) and IDB WorldCom Services, Inc. (File No. I-T-C-94-260).

⁴ Authorizing COMSAT blanket authority to provide service to any carrier authorized by the Commission will ensure that COMSAT is able to accommodate service requests without delay.

5. Accordingly, pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, IT IS ORDERED that the application of COMSAT Corporation, File No. I-T-C-94-272, IS GRANTED and COMSAT is authorized to:

- a. provide SCPC capacity (one 9.6 kbps analog circuit) to IDB between a Standard A earth station at Roaring Creek, Pennsylvania and the INTELSAT AOR satellite located at 325.5⁰ E.L., connecting with a matching half-circuit furnished by IDB's correspondent in Cuba, for the provision of direct telex service between the U.S. and Cuba;
- b. provide one 2-Mbps digital satellite circuit to Sprint between the Orion international Standard A earth station located at Shenandoah, Virginia and the INTELSAT AOR satellite located at 335⁰ E.L. connecting with matching half-circuits furnished by Sprint's correspondent in Cuba, for the provision of direct packet data service between the U.S. and Cuba; and
- c. provide appropriate space segment capacity via INTELSAT satellites located at 325.5⁰, 329⁰, 332.5⁰ and 335.5⁰ E.L. to any U.S. carrier authorized by the Commission to acquire such capacity from COMSAT for the provision of public switched voice and data, and private line telecommunications services between the U.S. and Cuba.

6. IT IS FURTHER ORDERED, pursuant to Section 203 of the Communications Act, 47 U.S.C. § 203, and Part 61 of the Commission's Rules, 47 C.F.R. Part 61, that COMSAT shall file and have in effect a tariff for the services authorized in this order before offering services to authorized U.S. carriers.

7. This order is issued under Section 0.291 of the Commission's Rules and is effective upon adoption. Petitions for reconsideration under Section 1.106 or applications for review under Section 1.115 of the Commission's Rules may be filed within 30 days of public notice of this order (see Section 1.4(b)(2)).

FEDERAL COMMUNICATIONS COMMISSION

George S. Li
Chief, International Facilities Division
Common Carrier Bureau