

March 19, 2010

BY ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Office des Postes et Télécommunications de Polynésie française;
File Nos. SCL-LIC-20081008-00017 and ITC-214-20081008-00453

Dear Ms. Dortch:

Through its counsel, l'Office des Postes et Télécommunications de Polynésie française ("OPT") urges the Commission to expedite its consideration of OPT's applications for a cable landing license, Section 214 authority, and a related waiver for the Honotua undersea cable system, which will provide critical connectivity between the United States and French Polynesia. These applications were filed with the Commission on September 29, 2008, and amended on May 18, 2009, to address issues previously discussed with International Bureau staff. The amended applications were placed on Public Notice on July 2, 2009, and no objections or other comments were filed in response. The Commission has since received letters of support from OPT customers and commercial partners.¹

On December 14, 2009, OPT received Special Temporary Authority ("STA") under the Cable Landing License Act and Section 214 of the Communications Act of 1934, as amended, to allow timely completion of marine installation in the U.S. territorial sea and technical testing of the system. Marine installation on the Hawaii end was completed on March 4th, 2010, and Honotua is scheduled to enter into service by the beginning of July 2010.

¹ See Letter from Jeremy Amen, CEO, Wavecom Solutions, to FCC Secretary Marlene H. Dortch, File Nos. SCL-LIC-20081008-00017 and ITC-214-20081008-00453 (filed Jan. 27, 2010); Letter from Philip L. Spector, Executive VP, Business Development, and General Counsel, Intelsat, Ltd., to FCC Secretary Marlene H. Dortch, File Nos. SCL-LIC-20081008-00017 and ITC-214-20081008-00453 (filed Feb. 4, 2010).

We are now in the second half of March, and Team Telecom has advised that it will not share a draft security agreement with OPT unless and until the FCC issues a final order on OPT's waiver request. Consequently, only upon grant of the waiver can OPT commence negotiations with Team Telecom regarding the security agreement, which must be executed and filed with a petition to adopt with conditions before the Commission will issue the underlying authorizations, given DHS's deferral request and the Commission's policy of deference to the Executive Branch on matters of national security and law enforcement.²

For Honotua to enter into service in a timely matter, it is therefore critical that OPT receive grants of the relevant licenses and waiver no later than the end of March 2010. These authorizations will provide the legal certainty necessary for OPT to conclude related commercial and financial arrangements. OPT's failure to receive timely authorizations would result in a number of harms.

First, without timely fiber-optic connectivity via Honotua, OPT would incur substantial costs in trying to meet capacity needs through satellite circuits. OPT's current cost per year just for Internet connectivity is around US\$ 7.6 million per year for 575 Mbps inbound/200 Mbps outbound. The combined needs of residential, business (including hotel), education, research, and government users are estimated at 2 Gbps duplex as of June 2010. If OPT were to use satellite circuits to achieve 2 Gbps duplex connectivity, it would cost more than US\$ 40 million per year, as compared with US\$ 13 million with undersea fiber-optic connectivity via Honotua. These costs would adversely impact users and depress broadband penetration in French Polynesia.

Second, without timely fiber-optic connectivity via Honotua, OPT would not be able to provide broadband based services and applications for all of its customers. Even assuming that satellites could meet capacity demands—which OPT believes unlikely, given that OPT is using nearly all of the available capacity on satellites covering French Polynesia—satellites cannot provide low-latency connectivity necessary for many broadband applications, including distance learning or telemedicine. These technical limitations would also adversely impact users and depress broadband penetration in French Polynesia.

² See Letter from Greg Pinto to FCC Secretary Marlene H. Dortch, File Nos. SCL-LIC-20081008-00017 and ITC-214-20081008-00453 (filed Aug. 28, 2009) (requesting that the FCC defer action on the underlying applications pending action on the waiver request); *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Report and Order*, 12 FCC Rcd. 23,891, 23,914 ¶ 63 (1997) (stating that the Commission “will continue to accord deference to the expertise of Executive Branch agencies in identifying and interpreting issues of concern related to national security, law enforcement, and foreign policy that are relevant to an application pending before us.”).

Third, without timely fiber-optic connectivity via Honotua, many of OPT's related projects would be stymied. These include OPT's development of:

- A VSAT network serving the people of outlying islands as a complement to Honotua, including substantial long-term capacity commitments with satellite operators;
- A US\$ 40 million third-generation mobile network, which will rely on Honotua for mobile broadband applications;
- And a US\$ 10 million video head-end platform, which will rely on Honotua for improved video services in French Polynesia.

To prevent these harms, OPT respectfully requests that the Commission proceed to act expeditiously on the underlying applications and waiver request.

Should you have any questions or require further information, please contact the undersigned.

Respectfully submitted,

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