## September 20, 2021

## Via ECFS and IBFS

Marlene H. Dortch Secretary Federal Communications Commission 45 L Street, N.E. Washington, DC 20554

Re: Supplement to Joint Application of Lumen Technologies, Inc., Transferor, and Patagonia Holdco LLC, Transferee

WC Docket No. 21-340; IBFS File Nos. ITC-T/C-20210820-00121, ITC-T/C-20210824-00124, SCL-T/C-20210821-00035, ITC-214-20210824-00125

Dear Ms. Dortch:

Pursuant to discussion with Federal Communications Commission ("Commission") staff following the submission of the above-referenced Joint Application ("Application"), Lumen Technologies, Inc. ("Lumen") and Patagonia Holdco LLC ("Patagonia Holdco" and, with Lumen, the "Applicants")¹ submit this letter to provide (i) additional information regarding the *de minimis* market overlap between Global Crossing Americas Solutions, LLC ("GCAS"), CenturyLink Latin American Solutions, LLC ("CLAS"), and Level 3 Communications St. Croix, Inc. ("Level 3 St. Croix" and together with GCAS and CLAS, the "Lumen LatAm Entities"), and ExteNet Systems, Inc. and its subsidiaries (collectively, "ExteNet") and Radiate Holdings, L.P. ("Radiate" and, together with ExteNet, the "Stonepeak Affiliates") and (ii) information regarding the IBFS File Number of the international Section 214 authorization held by Level 3 Communications, LLC ("Level 3 Communications"), the direct parent of CLAS, that is used by CLAS to provide international telecommunications services.

## (i) <u>Description of *De Minimis* Mar</u>ket Overlap

As described more fully in the Application, Lumen and Patagonia Holdco have entered into an agreement pursuant to which Patagonia Holdco will purchase Lumen's Latin American business. Accordingly, the majority of the Lumen assets being transferred to Patagonia Holdco are held by non-domestic entities operating outside of the Commission's jurisdiction. As detailed below, with respect to those entities that are subject to the Commission's jurisdiction, there will be no material impact to competition as a result of the Proposed Transaction.

<sup>&</sup>lt;sup>1</sup> As explained in Section 1.C of the Application, Patagonia Holdco is ultimately owned and controlled by Stonepeak Patagonia Holdings LLC and Stonepeak Patagonia Intermediate Holdings LP (collectively "Stonepeak").

<u>The Caribbean</u>: There is no competitive overlap in the Caribbean (including Puerto Rico and the United States Virgin Islands) between the Lumen LatAm Entities and the Stonepeak Affiliates. This is because, although the Lumen LatAm Entities provide service in the Caribbean, neither of the Stonepeak Affiliates currently provides any services in the Caribbean.<sup>2</sup>

The Contiguous United States: Of the Lumen LatAm Entities, only GCAS and CLAS provide services in the contiguous 48 states in addition to providing service in the Caribbean, and only GCAS provides facilities-based service.<sup>3</sup> More specifically, upon closing, GCAS will own or control the following facilities to provide international transport services: (a) a cable landing station in Hollywood, Florida and space in cable landing stations in Shirley, New York and Grover Beach, California, (b) submarine cables that land at those stations (Mid-Atlantic Crossing in New York and Florida, Pan American Crossing in California), and (c) terrestrial circuits to Mexico originating in McAllen, Texas; Laredo, Texas; and San Diego, California. At closing, GCAS will also be able to provide facilities-based transport services between the Hollywood, Florida and Grover Beach, California cable landing stations to proximate Equinix facilities in Miami and San Jose and Los Angeles respectively.

The Stonepeak Affiliates do not provide facilities-based service in competition with these services:

- ExteNet currently offers facilities-based service in only two of the above geographic areas: San Diego, California and McAllen, Texas. In these markets, ExteNet currently provides wholesale services, consisting primarily of outdoor DAS/Small Cell networks and domestic dark fiber and domestic transport service; ExteNet does not currently provide international transport services in these areas.<sup>4</sup>
- One of the Radiate Operating Companies currently provides facilities-based services in Grover Beach, California. Radiate's core markets are residential and business broadband, video, and telecommunications services delivered to the end user; Radiate does not provide facilities-based international transport services out of Grover Beach, California, whether directly or through Grover Beach in or out of the data centers in San Jose or Los Angeles.<sup>5</sup>

<sup>&</sup>lt;sup>2</sup> ExteNet currently resells non-facilities based international circuits to Australia, Brazil, Germany, Canada, Singapore, Taiwan, Japan, and the United Kingdom. None of these countries are located in the Caribbean.

<sup>&</sup>lt;sup>3</sup> Level 3 St. Croix does not offer any services in the contiguous 48 states; CLAS offers only non-facilities-based resale services.

<sup>&</sup>lt;sup>4</sup> The services currently provided over the ExteNet facilities are provided through various ExteNet subsidiaries, each of which are certificated in California and Texas.

<sup>&</sup>lt;sup>5</sup> See Supplement to Application, WCB Docket No. 20-407, IBFS File Nos. ITC-T/C-20201202-00196 through -00206, Application of Radiate Holdings, L.P., Transferor, Stonepeak Associates IV LLC, Transferee, and RCN Telecom Services (Lehigh) LLC et al., Authority Holders, For Consent to Transfer Indirect Control of Companies Holding Domestic and International Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended, p. 2 (December 23, 2020) (describing services offered by Radiate). Although Radiate provides some wholesale

Consequently, the Applicants submit that the Proposed Transaction will not have a significant effect on competition in any relevant market.

## (ii) CLAS International 214 Authority

The Application explained that CLAS operates pursuant to the international Section 214 authorization held by its direct parent, Level 3 Communications, LLC.<sup>6</sup> In response to a request from Commission staff, the Applicants clarify that CLAS operates pursuant to the international Section 214 authorization held by Level 3 Communications, LLC (IBFS File No. ITC-214-19971229-00821). Notification pursuant to Section 63.21(h) was provided to the Commission on April 9, 2014.<sup>7</sup>

Kindly direct any questions regarding this Supplement to the undersigned.

Respectfully submitted,

/s/ Wayne D. Johnsen

Wayne D. Johnsen

Kevin G. Rupy

Wiley Rein LLP

1776 K Street NW

Washington, DC 20006

(Tel.) 202-719-7303

wjohnsen@wiley.law

Krupy@wiley.law

Attorneys for

Patagonia Holdco LLC

Dated September 20, 2021

Cc: David Krech

Kim Cook

Jodie May

Dennis Johnson

**Gregory Kwan** 

Adrienne McNeil

/s/ Nicholas Alexander

Nicholas Alexander

Karen L. Milne

Wilkinson, Barker Knauer, LLP

1800 M Street NW, Suite 800N

Washington, D.C. 20036

Tel. (202) 783-4141

Fax (202) 783-5851

nalexander@wbklaw.com

kmilne@wbklaw.com

Attorneys for

Lumen Technologies, Inc.

transport and dark fiber, these are not its core product markets in any jurisdiction, and wholesale revenues account for less than three percent (3%) of the total revenues of Radiate. *Id.*, p. 1.

<sup>&</sup>lt;sup>6</sup> See Application at 5 and 11.

<sup>&</sup>lt;sup>7</sup> At the time, CLAS was named Level 3 Latin American Solutions, LLC.