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

In the Matter of                    )  
                                      )  
AMERICATEL CORP.                    )       File No. SCL-97-001  
                                      )  
AT&T CORP.                            )  
                                      )  
COMMUNICATIONS TELESYSTEMS         )  
INTERNATIONAL DBA WORLD X CHANGE)       )  
                                      )  
DOMTEL COMMUNICATIONS, INC.         )  
                                      )  
MCI INTERNATIONAL, INC.             )  
                                      )  
PACIFIC GATEWAY EXCHANGE)            )  
                                      )  
SPRINT COMMUNICATIONS COMPANY,     )  
LIMITED PARTNERSHIP                 )  
                                      )  
THE ST. THOMAS AND SAN JUAN         )  
TELEPHONE COMPANY, INC.             )  
                                      )  
WORLDCOM, INC.                       )  
                                      )  
Joint application for a license to land and operate         )  
a digital submarine cable system between the                )  
U.S. Virgin Islands, Chile, Peru, Ecuador,                    )  
Panama, Colombia, Venezuela, and Aruba,                    )  
the PAN AMERICAN Cable System       )

#### CABLE LANDING LICENSE

Adopted: January 15, 1998

Released: January 20, 1998

By the Chief, Telecommunications Division:

#### I. Introduction

1. In this Order, we grant the joint application of Americatele Corp. (Americatele), AT&T Corp. (AT&T), Communications Telesystems International dba World X Change (CTS), DOMTEL Communications, Inc. (DOMTEL), MCI International Inc. (MCII), Pacific Gateway Exchange (PGE), Sprint Communications Company, Limited Partnership (Sprint), the St. Thomas and San Juan Telephone Company, Inc. (STSJ), and WorldCom, Inc. (WorldCom) under the Cable Landing License Act for authority to land and operate a digital submarine cable system to be called the PAN AMERICAN Cable System (PAN AMERICAN) extending between the U.S. Virgin Islands, Aruba, Venezuela, Colombia, Panama, Ecuador, Peru and Chile. The cable will be operated on a common carrier basis. We find that the Joint Applicants have provided sufficient information under our rules to comply with the Cable Landing License Act and therefore grant the cable landing license subject to the conditions listed below.

#### II. Application

2. Americatele, DOMTEL, MCII, PGE and WorldCom are corporations organized under the laws of Delaware. AT&T is a corporation organized under the laws of New York. CTS is a corporation organized under the laws of California. STSJ is a corporation organized under the laws of the U.S. Virgin Islands. Sprint is a limited partnership organized under the laws of Delaware. Each of the Joint Applicants is a common carrier subject to the Communications Act of 1934, as

amended.

3. The Joint Applicants propose to land and operate PAN AMERICAN as a common carrier system owned by the Joint Applicants and by entities authorized to land and operate an international submarine fiber optic cable system in Aruba, Venezuela, Colombia, Panama, Ecuador, Peru and Chile. The proposed PAN AMERICAN system will extend between landing points at cable stations in St. Thomas, U.S. Virgin Islands; St. Croix, U.S. Virgin Islands; Baby Beach, Aruba; Punto Fijo, Venezuela; Barranquilla, Colombia; Colon, Panama; Panama City, Panama; Punta Carnero, Ecuador; Lurin, Peru; and Arica, Chile and will be connected with the domestic networks in those countries or territories. The Joint Applicants expect to activate PAN AMERICAN by August 31, 1998.

4. PAN AMERICAN will consist of two working optical fiber pairs operating at 2.5 gigabits per second (Gbps) per pair. Each fiber pair will have a capacity of sixteen 155 megabits per second (Mbits) Basic System Modules (BSM), with each BSM containing 63 Minimum Investment Units (MIUs), for a total capacity, on each fiber pair, of 1008 MIUs. In addition, digital circuit multiplication equipment will be applied to derive nominally five times the original number of voice paths for voice telephone requirements.

5. PAN AMERICAN consists of Rings, Segments, and Subsegments. Segment S will consist of two fiber pairs per Subsegment and include the whole of the submarine cable and associated equipment. Ring 1 will include the following: Segment A, a cable station in St. Thomas, U.S. Virgin Islands; Subsegment SA, a submarine cable including the cable interfaces at Segments A and B; and Segment B-1, a cable station in St. Croix, U.S. Virgin Islands.

6. Ring 2 will include the following: Segment B-2, a cable station in St. Croix, U.S. Virgin Islands; Subsegment S1, a submarine cable linking Segment B-2 to Branching Unit-1 (BU1); Subsegment S2, a submarine cable linking Segment C, a cable station in Baby Beach, Aruba, to BU1; Subsegment S3, a submarine cable linking BU1 to BU2; Subsegment S4, a submarine cable linking Segment D, a cable station in Punto Fijo, Venezuela, to BU2; Subsegment S5, a submarine cable linking BU2 to BU3; Subsegment S6, a submarine cable linking Segment E, a cable station in Barranquilla, Colombia, to BU3; and Subsegment S7a, a submarine cable linking subsegment F7-1, a structure in Colon, Panama, to BU3.

7. Ring 3 will include the following: Subsegment S7b, two contiguously integrated terrestrial fiber pairs linking Subsegment F7-2, a structure located in Colon, Panama, and Segment G-1, a cable station located in Panama City, Panama.

8. Ring 4 will include the following: Subsegment S8, a submarine cable linking Segment G-2, a cable station in Panama City, Panama, to BU4; Subsegment S9, a submarine cable linking Segment H, a cable station location in Punta Carnero, Ecuador, to BU4; Subsegment S10, a submarine cable linking BU4 to BU5; Subsegment S11, a submarine cable linking Segment I, a cable station in Lurin, Peru, to BU5; Subsegment S12, a submarine cable linking Segments J and K, both cable stations in Arica, Chile, to BU5; Subsegment S12a, a submarine cable linking BU5 to the Bifurcation Manhole (BM); Subsegment S12b, a terrestrial fiber optic cable, linking the BM to Segment J; Subsegment S12c, a terrestrial fiber optic cable, linking BM to Segment K; and Subsegment S12d, a terrestrial fiber optic cable linking Segment J to Segment K.

### III. Comments

9. The PAN AMERICAN joint application was placed on public notice on April 25, 1997. No comments were received. Pursuant to Section 1.767(b) of the Commission's rules, the Cable Landing License Act, and Executive Order No. 10530, we informed the Department of State of the application. The Department of State advised the Commission that it has no objection to the issuance of the cable landing license.

### IV. Discussion

10. As required by the Commission's rules, the Joint Applicants have all certified that they have not agreed and will not agree to accept special concessions from any foreign carrier. The Joint Applicants further certify that any affiliated foreign carriers do not have market power or the ability to discriminate against unaffiliated carriers through control of bottleneck services and facilities. MCII notes that British Telecom, a corporation organized under the laws of England and Wales, owns twenty percent of its issued and outstanding Class A common stock. DOMTEL and Americatel are affiliated with carriers in the Dominican Republic and Chile, respectively. Based on their application, however, the Joint Applicants' foreign affiliations do not raise concerns that could persuade us to deny the application under Section 2 of the Cable Landing License Act. The only applicant with an affiliated carrier served by this cable is Americatel, which is affiliated with Entel-Chile. We have previously found that Entel-Chile has no control over bottleneck services or facilities that can be used to discriminate against unaffiliated U.S. carriers bottlenecking traffic in Chile. The other applicants' affiliations are not on any of the routes served by this cable system. Therefore, ownership in this cable system does not give them the ability to discriminate against unaffiliated U.S. carriers.

11. PAN AMERICAN will have two landing points in the United States: in St. Thomas, U.S. Virgin Islands, and St. Croix, U.S. Virgin Islands. Both of those U.S. landing points will be the same as those of the St. Thomas-St. Croix Cable System and are a matter of public record. We find that the application's descriptions of PAN AMERICAN's landing points are sufficient to satisfy the requirement of Section 1.767(a) (5) of the Commission's rules.

12. Based on the information provided by the Joint Applicants and pursuant to the Commission's procedures implementing the National Environmental Policy Act of 1969, we conclude that the grant of the requested authorization would not significantly affect the environment. Consequently, the Joint Applicants are not required to submit an environmental assessment, and this application is categorically excluded from environmental processing.

13. Accordingly, we conclude that U.S. interests under the Cable License Landing Act will be served by grant of the license to the Joint Applicants to land and operate PAN AMERICAN, as

conditioned below.

#### V. Ordering Clauses

14. Consistent with the foregoing, we hereby GRANT AND ISSUE the Joint Applicants a license to land and operate an optical fiber submarine cable system (consisting of two working fiber pairs operating at 2.5 Gbps per pair) extending between landing points at cable stations in St. Thomas, U.S. Virgin Islands; St. Croix, U.S. Virgin Islands; Baby Beach, Aruba; Punto Fijo, Venezuela; Barranquilla, Colombia; Colon, Panama; Panama City, Panama; Punta Carnero, Ecuador; Lurin, Peru; and Arica, Chile under the provisions of the Cable Landing License Act and Executive Order 10530. This grant is subject to all rules and regulations of the Federal Communications Commission; any treaties or conventions relating to communications to which the United States is or may hereafter become a party; any action by the Commission or the Congress of the United States rescinding, changing, modifying or amending any rights accruing to any person hereunder; and the following conditions:

- (1) The location of the cable system within the territorial waters of the United States of America, its territories and possessions, and upon its shore shall be in conformity with plans approved by the Secretary of the Army, and the cables shall be moved or shifted by the Licensees at their expense upon the request of the Secretary of the Army, whenever he or she considers such course necessary in the public interest, for reasons of national defense, or for the maintenance or improvement of harbors for navigational purposes;
- (2) The Licensees shall at all times comply with any requirements of United States government authorities regarding the location and concealment of the cable facilities, buildings, and apparatus for the purpose of protecting and safeguarding the cables from injury or destruction by enemies of the United States of America;
- (3) The Licensees or any persons or companies controlling them, controlled by them, or under direct or indirect common control with them do not enjoy and shall not acquire any right to handle traffic to or from the United States, its territories, or its possessions unless such service be authorized by the Commission pursuant to Section 214 of the Communications Act, as amended;
- (4) The Licensees or any persons or companies controlling them, controlled by them, or under direct or indirect common control with them shall not acquire or enjoy any right for the purpose of handling or interchanging traffic to or from the United States, its territories, or its possessions to land, connect, or operate cables or landlines, to construct or operate radio stations, or to interchange traffic that is denied to any other United States company by reason of any concession, contract, understanding, or working arrangement to which the Licensees or any persons controlling them, controlled by them, or under direct or indirect common control with them are parties;
- (5) Neither this license nor the rights granted herein shall be transferred, assigned, or in any manner either voluntarily or involuntarily disposed of or disposed of indirectly by transfer of control of the Licensees to any persons, unless the Federal Communications Commission shall give prior consent in writing;
- (6) The Commission reserves the right to require the Licensees to file an environmental assessment or environmental impact statement should it determine that the landing of the cables at those locations and construction of necessary cable landing stations would significantly affect the environment within the meaning of Section 1.1307 of the Commission's procedures implementing the National Environmental Policy Act of 1969; this license is subject to modification by the Commission upon its review of any environmental assessment or environmental impact statement that it may require pursuant to its rules;
- (7) The Licensees shall maintain 100-percent ownership in the cable stations in the United States and in the U.S. land portion of the cables from the stations to the U.S. beach joint of the submerged portion of the cables;
- (8) This license is revocable by the Commission after due notice and opportunity for hearing pursuant to section 2 of "An Act Relating to the Landing and Operation of Submarine Cables in the United States," 47 U.S.C. 35, or for failure to comply with the terms of the authorizations;
- (9) The Licensees shall notify the Commission in writing of the date on which the cable is placed in service, and this license shall expire 25 years from such date, unless renewed or extended upon proper application, and, upon expiration of this license, all rights granted under it shall be terminated; and
- (10) The terms and conditions upon which this license is given shall be accepted by the Licensees by filing a letter with the Secretary, Federal Communications Commission, Washington, D.C. 20554 within 30 days of the release of the cable landing license.

15. This Order is issued under Section 0.261 of the Commission's rules, 47 C.F.R. 0.261, and is effective upon release. Petitions for reconsideration under Section 1.106 or applications for review under Section 1.115 of the Commission's rules, 47 C.F.R. 1.106, 1.115, may be filed within 30 days of the date of public notice of this order (see 47 C.F.R. 1.4(b)(2)).

International Bureau

Diane J. Cornell  
Chief, Telecommunications Division