



1776 K STREET NW
WASHINGTON, DC 20006
PHONE 202.719.7000
FAX 202.719.7049

7925 JONES BRANCH DRIVE
McLEAN, VA 22102
PHONE 703.905.2800
FAX 703.905.2820

www.wileyrein.com

Stamp and Return

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MAR 26 2007

Federal Communications Commission
Office of the Secretary

Nancy J. Victory
202.719.7344
nvictory@wileyrein.com

March 26, 2007

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

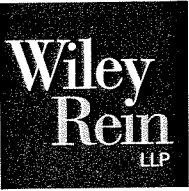
Re: Application of Trans-Pacific Express Cable Network Consortium for
Submarine Cable Landing License; File No. SCL-LIC-20070222-00002

Dear Ms. Dortch:

On behalf of the Applicants, MCI International, Inc. ("Verizon"), by its counsel, hereby provides additional clarifying information with respect to the U.S. landing station functions for the Trans-Pacific Express Cable Network ("TPE"). As the sole U.S. landing party for the TPE cable, Verizon will own and have control of the U.S. end of the cable and all landing station equipment and functions relating to the TPE cable. WCI Cable, Inc. ("WCIC") is selling indefeasible rights of use ("IRUs") in its cable landing building and associated conduit at Nedonna Beach, Oregon to Verizon, as well as acting as a third party maintenance provider of a portion of Verizon's equipment and facilities at the U.S. end of the TPE cable.

Specifically, Verizon will own and control the TPE cable from the U.S. territorial limits (in the Pacific Ocean approximately 12 nautical miles west of the Oregon coast, through the Nedonna Beach facility, to Verizon's Hillsboro operations center (where the TPE cable's terminal equipment will be located). Verizon will also own and control all equipment associated with the landing functions of the cable – the power feed equipment, the submarine line terminal equipment, the system interface equipment, and the optical distribution frame.

WCIC owns and operates an existing cable landing station at Nedonna Beach for its Northstar cable. The Nedonna Beach site is already being used by the landing parties of two other submarine cable systems (Southern Cross and TGN Pacific) and will be the facility through which the TPE cable passes on the way to Verizon's Hillsboro operations center, where all capacity interconnection and backhaul is done. WCIC will lease floor space to Verizon for the TPE cable's power feed equipment (which is owned by Verizon as noted above). WCIC also owns the existing beach manhole and the conduits from the beach through the Nedonna Beach facility. WCIC will sell to Verizon an IRU in the manhole and conduits up to the Hillsboro operations center. As noted above, Verizon will have full



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ownership and control of the fiber passing through these conduits. Through a separate agreement, Verizon has contracted with WCIC for maintenance of the cable in and around the Nedonna Beach facility. However, such maintenance services are solely at the direction and under the supervision of Verizon.

Further, WCIC is not a party to the TPE cable's Construction and Maintenance Agreement and therefore has no rights over the operation or business of the TPE cable. Thus, WCIC could not ensure and certify that the TPE cable is operating consistently with all of the standard conditions of a cable landing station license, such as compliance with requested non-common carrier status. WCIC would also have no ability to respond to law enforcement requests regarding the TPE cable since all of the termination equipment will reside in the Verizon Hillsboro operations center. Thus, requiring WCIC to be a licensee would not accomplish the Commission's intent to "ensure that entities having a significant ability to affect the operation of a cable system are applicants. . . ." *Review of Commission Consideration of Applications under the Cable Landing License Act, Report and Order*, 16 FCC Rcd 22167, ¶ 53 (2001).

The Commission's recent submarine cable licensing orders are consistent with this view. Of the nine submarine cable licenses granted since 2002, when the cable licensing rules last changed, four involved landing station owners who were not parties to the cable or applicants, and who were not required to become licensees of the cable.¹ We found no instance in which the Commission required a cable landing facility owner with WCIC's limited role to become a licensee.


¹ See File No. SCL-LIC-20060413-00004 (FCC granted license to Kodiak-Kenai Cable Company, LLC; three of the U.S. landing stations of the Kodiak Kenai Fiber Link are owned and controlled by third parties who are not licensees on the cable); File No. SCL-LIC-20050418-00010 (FCC granted license to Global Caribbean Network; the Puerto Rico landing station of the Global Caribbean Network cable system appears to be owned and controlled by a third party who is not a licensee on the cable); File No. SCL-LIC-20031209-00033 (FCC granted license to SMITCOMS, Inc.; the U.S. landing station of the SMPR-1 cable system appears to be owned and controlled by a third party who is not a licensee on the cable); File No. SCL-LIC-20031125-00032 (FCC granted license to Antilles Crossing Limited; one of the U.S. landing stations of the Antilles Crossing System appears to be owned and controlled by a third party who is not a licensee on the cable); see also File No. SCL-ASG-20050304-00003 (where Commission authorized the transfer of control of the license for the Trans-Pacific Network without requiring WCIC, the operator of the U.S. landing facility for the cable, to become a licensee on the cable).

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For these reasons, WCIC was not included in the above-captioned application ("Application") as an applicant for the TPE cable. Given WCIC's limited role with respect to the TPE cable, WCIC should not be required to be a licensee. However, to the extent necessary and on behalf of the Applicants, Verizon requests a waiver of Section 1.767(h)(1) of the Commission's rules so that the Application can be processed and granted without WCIC being required to become a licensee for the TPE cable.

Please do not hesitate to contact the undersigned counsel for Verizon should there be any questions regarding the foregoing or should additional information be required.

Respectfully submitted,


Nancy J. Victory

cc: Helen Domenici
Francis Gutierrez
James L. Ball
David Krech