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Marlene H. Dortch Secretary Federal Communications Commission 445 12<sup>th</sup> Street, SW Washington, DC 20554

Re: The Taino-Carib Submarine Cable System Operating between Puerto Rico and St. Thomas in the U.S. Virgin Islands and the British Virgin Islands, File No. SCL-LIC-20180702-00019

## Dear Ms. Dortch:

The Taino-Carib Consortium supplements the above-referenced Application filed on June 29, 2018 to include recent changes in the ownership shares and voting rights that are held by the consortium parties. These changes result from: (1) the completion in October 2018 of the upgrade in capacity described in the Application; and (2) recent transfers of capacity between consortium parties.

The Application noted that the Taino-Carib cable would be "upgraded in 2018 to 1.17 Tbps. of cumulative equipped capacity, using new technology that will increase the cumulative design capacity to 48 Tbps. (and upgrade the United States terminal points to operate at up to 24 Tbps. of cumulative capacity." Because some consortium parties did not participate in the upgrade, this resulted in non-pro-rata increases in the parties' respective levels of investment in the cable and changes in their corresponding ownership shares. These changes did not affect the number or identity of the parties with 5% or greater ownership interests. They also did not result in any change of control of the cable, because no party holds or can hold more than 49% of the voting rights with respect to the submarine cable, with the remaining percentage allocated among the other parties based on their respective levels of investment.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> See Application at 2.

<sup>&</sup>lt;sup>2</sup> The voting right of AT&T, the largest owner with an ownership share of 51.28942%, therefore is limited to 49%. The Commission has previously found that *de jure* control requires possession of more than 50% of the voting rights of a licensee. *See, e.g., Sinclair Broad. Grp.*, Order, 31 FCC Rcd. 8576, 8578, n.5 (2016); *Fox Television Stations, Inc.*, Memorandum Opinion and Order, 10 FCC Rcd. 8452, 8472, ¶ 45 (1995) ("De jure control typically is determined by whether a shareholder owns more than 50 percent of the voting shares of a corporation."). Additionally, none of these changes alter the *de facto* control of the cable, which has remained constant.

In addition to the above changes, several consortium parties listed in the Application have transferred, or are transferring, their interests to other parties. These transfers are from Dominican All America Cables and Radio Inc. and Telecom Italia Sparkle S. p. A. to Prepa Networks, LLC, and from Telefonica de Espana S.A.U. to Servicio Di Telecomunicacion Di Aruba N.V. These transfers also do not affect the number or identity of the parties with 5% or greater ownership interests.

The following charts show the current ownership shares after the changes described above.

The ownership and voting interests of the Taino-Carib Cable System are as follows:

Party	Ownership	Voting
Antelecom N.V.	3.74303%	3.91896%
AT&T Corp.	51.28942%	49.00000%
Cable & Wireless (Barbados) Limited	0.76874%	0.80487%
Cable & Wireless (BVI) Limited	13.68315%	14.32627%
Compania Anonima Nacional Telefonos de Venezuela	0.25509%	0.26708%
Claro S.A.	0.14016%	0.14675%
Compania Dominicana de Telefonos, S.A.	2.38553%	2.49765%
Global Interlink Ltd.	1.00404%	1.05123%
Japan KDDI Corporation	0.01531%	0.01603%
MCI International, Inc.	9.85698%	10.32026%
Orange	1.17922%	1.23465%
Prepa Networks, LLC	1.69436%	1.77399%
Servicio Di Telecomunicacion Di Aruba N.V.	1.32159%	1.38370%
Sprint Communications Company L.P.	6.15350%	6.44272%
Telefonos De Mexico, S.A. De C.V.	0.14813%	0.15509%

Telefonica Larga Distancia De Puerto Rico, Inc.	5.46795%	5.72495%
Telecommunications Services of Trinidad and Tobago Limited	0.85642%	0.89667%
Verizon Hawaii International Inc.	0.03738%	0.03914%

The ownership interests by segment in the cable are as follows:

Party	Segment 1 <sup>3</sup>	Segment 2 <sup>4</sup>	Segment 3 <sup>5</sup>	Segment 4 <sup>6</sup>
Antelecom N.V.	1.71070%	2.56229%	2.26956%	9.87325%
AT&T Corp.	88.78242%	85.18306%	86.42032%	12.14842%
Cable & Wireless (Barbados) Limited	0.01210%	0.00000%	0.00416%	0.59790%
Cable & Wireless (BVI) Limited	6.57424%	6.83602%	6.74603%	72.75170%
Compania Anonima Nacional Telefonos de Venezuela	0.01049%	0.00127%	0.00444%	0.00000%
Claro S.A.	0.00242%	0.00042%	0.00111%	0.00448%
Compania Dominicana de Telefonos, S.A.	0.19196%	0.01986%	0.07902%	0.21498%
Global Interlink Ltd.	1.64295%	0.01098%	0.57197%	0.00448%
Japan KDDI Corporation	0.00081%	0.00000%	0.00028%	0.00000%

<sup>&</sup>lt;sup>3</sup> Segment 1 comprises the submarine cable from the landing station at Miramar, Puerto Rico to the Branching Unit.

 $<sup>^4</sup>$  Segment 2 comprises the submarine cable from the landing station at Isla Verde, Puerto Rico to the Branching Unit.

<sup>&</sup>lt;sup>5</sup> Segment 3 comprises the submarine cable from the Branching Unit to the landing station at Magens Bay, St. Thomas.

<sup>&</sup>lt;sup>6</sup> Segment 4 comprises the submarine cable from the landing station at Magens Bay, St. Thomas to the landing station at Tortola, British Virgin Islands.

MCI International, Inc.	0.84608%	1.75833%	1.44475%	1.64368%
Orange	0.00403%	0.00042%	0.00166%	0.98979%
Prepa Networks, LLC	0.07501%	1.71650%	1.15225%	0.12316%
Servicio Di Telecomunicacion Di Aruba N.V.	0.06372%	0.00253%	0.02357%	0.00000%
Sprint Communications Company L.P.	0.05162%	1.80565%	1.20271%	0.93381%
Telefonos De Mexico, S.A. De C.V.	0.01774%	0.00084%	0.00665%	0.00000%
Telefonica Larga Distancia De Puerto Rico, Inc.	0.00000%	0.10055%	0.06599%	0.06046%
Telecommunications Services of Trinidad and Tobago Limited	0.01371%	0.00042%	0.00499%	0.65389%
Verizon Hawaii International Inc.	0.00000%	0.00084%	0.00055%	0.00000%

The ownership of the landing stations is as follows:

Party	Landing Station
AT&T of Puerto Rico, Inc.	Miramar, San Juan, PR
Prepa Networks, LLC (operator) <sup>7</sup>	Isla Verde, Carolina, PR
AT&T of the Virgin Islands, Inc.	Magens Bay, St. Thomas, VI
Cable & Wireless (BVI) Limited	Tortola, British Virgin Islands

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<sup>&</sup>lt;sup>7</sup> The current landing station located in Isla Verde, Puerto Rico operated by Prepa Networks, LLC is leased by Prepa Networks, LLC from the Puerto Rico Telephone Company. As previously described, operations at this landing station are transitioning to a new landing station in Isla Verde, Puerto Rico, which is owned and operated by Prepa Networks, LLC.

The ownership of the jointly held equipment in the U.S. landing stations is as follows:

Party	Miramar, PR	Isla Verde, PR	Magens Bay, VI
Antelecom N.V.	1.71070%	2.56229%	3.10725%
AT&T Corp.	88.78242%	85.18306%	78.23788%
Cable & Wireless (Barbados) Limited	0.01210%	0.00000%	0.06957%
Cable & Wireless (BVI) Limited	6.57424%	6.83602%	14.01779%
Compania Anonima Nacional Telefonos de Venezuela	0.01049%	0.00127%	0.00395%
Claro S.A.	0.00242%	0.00042%	0.00148%
Compania Dominicana de Telefonos, S.A.	0.19196%	0.01986%	0.09399%
Global Interlink Ltd.	1.64295%	0.01098%	0.50945%
Japan KDDI Corporation	0.00081%	0.00000%	0.00025%
MCI International, Inc.	0.84608%	1.75833%	1.46666%
Orange	0.00403%	0.00042%	0.11052%
Prepa Networks, LLC	0.07501%	1.71650%	1.03888%
Servicio Di Telecomunicacion Di Aruba N.V.	0.06372%	0.00253%	0.02097%
Sprint Communications Company L.P.	0.05162%	1.80565%	1.17308%
Telefonos De Mexico, S.A. De C.V.	0.01774%	0.00084%	0.00592%
Telefonica Larga Distancia De Puerto Rico, Inc.	0.00000%	0.10055%	0.06538%
Telecommunications Services of Trinidad and	0.01371%	0.00042%	0.07648%

Tobago Limited			
Verizon Hawaii International Inc.	0.00000%	0.00084%	0.00049%

Please let us know if you have any questions.

Respectfully submitted,

Of Counsel:

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