Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the matter of

HAWAII INTERISLAND CABLE SYSTEM,

File No. SCL-MOD-2019_____

Operating Between the Islands of Oahu, Kauai, Maui, and Hawaii in the State of Hawaii,

Application to Modify the Term of the Cable Landing License

REQUEST FOR MODIFICATION OF THE HAWAII INTERISLAND CABLE SYSTEM LANDING LICENSE

Pursuant to An Act Relating to the Landing and Operation of Submarine Cables in the United States¹ and Section 1.767 of the Federal Communications Commission's ("FCC") rules,² Hawaiian Telcom, Inc. ("HTI") hereby requests that the Commission modify the term of the existing undersea cable system license to operate the Hawaii Interisland Cable System (File No. SCL-LIC-19921015-00008 (redesignated from S-C-L-93-003)) ("HICS" or "HICS Cable") for an additional five-year period, to and including July 31, 2024. This modification application for extension constitutes an "appropriate application" within the meaning of Section 1.767(g)(14) to extend the current 25-year license term.

¹ 47 U.S.C. §§ 34-39 (the "Cable Landing License Act").

² 47 C.F.R. § 1.767. On advice of FCC staff, HTI hereby withdraws its Motion for Extension of the Term of the License to Operate the Hawaii Interisland Cable System, File No. SCL-LIC-19921015-00008, filed on January 28, 2019, requesting the same action as this modification application.

I. DESCRIPTION OF PROPOSED MODIFICATION

HICS was licensed in 1993 to GTE Hawaiian Telephone Co. as a common carrier submarine cable system for a 25-year period in the *HICS Licensing Order*.³ The HICS cable landing license is scheduled to terminate on July 31, 2019.⁴ At the time of the grant of the original cable landing license, the applicant and the FCC expected that a submarine cable system would be technologically at end-of-life before the completion of the 25-year license term. Twenty five-years later, however, HTI continues to use HICS to provide interisland service, including telecommunications, video, and broadband services, and believes that the cable system will continue to operate within acceptable parameters for a period of time in the future.

Applicant requests that the license be modified to extend the license term for five more years to permit HTI to continue to operate the Hawaii Interisland Cable System to and including July 31, 2024. HTI acknowledges that grant of this application to permit the continued operation of the license will be fully subject to the conditions set forth in the original cable landing license grant, and any subsequent conditions imposed by Commission order of public notice thereon.

³ GTE Hawaiian Telephone Co.; Application for a License to Land and Operate a High Capacity Digital Submarine Cable System wholly within the State of Hawaii, linking the islands of Kauai, Oahu, Maui and Hawaii, 8 FCC Rcd 7605 (Com. Car. Bur. 1993) ("HICS Licensing Order").

⁴ Letter from Steven P. Golden, Vice President, External Affairs, HTI, to Tom Sullivan, International Bureau Chief, FCC (May 22, 2018) ("Replacement In-Service Letter"). Because the original HICS application was filed by another party, and transferred three times, HTI was unable to locate a copy of the original in-service letter. Upon request made to the International Bureau, the Bureau staff were also unable to locate a copy of the original in-service letter. Therefore, HTI provided evidence of an approximate in-service date of July 31, 1994, which has been accepted by the FCC staff as the in-service date. Email from Angela Demahy, FCC, to Candace Donohoe, HTI (May 14, 2018), attached as Appendix A.

II. INFORMATION REQUIRED BY SECTION 1.767 OF THE COMMISSION'S RULES

(1) Name, Address, and Telephone Number of co-Applicant

Hawaiian Telcom, Inc. 1177 Bishop Street, Suite 17 Honolulu, Hawaii 96813 Phone: 808-546-3877

(2) Government, State, or Territory Under the Laws of Which Applicant Is Organized

HTI is a corporation organized under the laws of the State of Hawaii.

(3) Contact Information

Copies of all pleadings, correspondence, notices, and other communications should also

be sent to co-Applicant's counsel as follows:

STEVEN P. GOLDEN Hawaiian Telcom, Inc. 1177 Bishop Street Honolulu, Hawaii 96813 Phone: 808-546-3877 Fax: 808-546-8992 Email: steven.golden@hawaiiantel.com

With copies to:

GREGORY J. VOGT, Esq. Law Offices of Gregory J. Vogt, PLLC 103 Black Mountain Ave., Suite 11 Black Mountain, NC 28711 Phone: 828-669-2099 Email: gvogt@vogtlawfirm.com

(4) Description of the Cable

HICS is a high capacity, fiber optic system that is approximately 282 miles in length, consists of 12 fiber strands, and has a current cumulative design capacity of 300 gigabits per second. The HICS Cable connects four of the Hawaiian Islands: Oahu, Kauai, Maui, and Hawaii.

(5) Landing Points

The cable landing stations for the HICS Cable are described in Appendix B.

(6) Method of Regulation

The submarine cable will continue to be operated on a common carrier basis.

(7) List of HICS' Owner

HICS Cable and associated landing stations are 100 percent owned, including both ownership and voting interests, by HTI. Cincinnati Bell Inc. ("CBI") is the ultimate parent company that indirectly wholly owns HTI.⁵ CBI common stock is publicly traded and is widely held. BlackRock Inc. holds a 14.5% interest in CBI. Its contact information is listed

below:

BlackRock, Inc. 55 East 52nd Street New York, NY 10055 Place of incorporation: Delaware Percent ownership: Directly owns 14.5 percent of Cincinnati Bell Inc., and therefore, indirectly owns 14.5 percent of HTI Principal business: Investment management Contact: Daniel Waltcher

The FCC recently reviewed and approved the current ownership structure of HTI, and its

direct and indirect parent companies, including their ownership.⁶

(8) Certification and Ownership Information Required by Sections 63.18(h)-(k) and (o) and 1.767(8) of the Commission's Rules

Information requested by Section 63.18(h) & 1.767(i): Information concerning the

ownership of HTI is provided in response to question (7) above.

⁵ The ownership structure of HTI is depicted in an organization chart contained in Appendix C.

⁶ Public Notice, Applications Granted for the Transfer of Control of Hawaiian Telcom Holdco, Inc. to Cincinnati Bell Inc., WC Docket No. 17-207, DA 18-636 (WCB, IB, WTB, rel. Jun. 19, 2018).

Information requested by Section 63.18(i) & 1.767(ii): HTI certifies that it is not a foreign carrier within the meaning of Section 63.09(d) of the Commission's rules nor is it affiliated with any foreign carriers within the meaning of Section 63.09(e) of the Commission's rules, or any entity that owns or controls a cable landing station, in a foreign country.

Information requested by Section 63.18(j) & 1.767(iii): HTI certifies that it does not seek to provide international telecommunications services, or land and operate a submarine cable connecting the United States, to any country where: (i) it is a foreign carrier in that country; or (ii) it controls a foreign carrier in that country, (iii) there exists any entity that owns more than 25 percent of the applicant, or controls the applicant, or controls a foreign carrier in that country, or (iv) there exist two or more foreign carriers (or parties that control foreign carriers) that own, in the aggregate, more than 25 percent of the applicant and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services or arrangements for the terms of acquisition, sale, lease, transfer and use of capacity on the cable, in the United States.

Information requested by Section 63.18(n): HTI certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.

Information requested by Section 63.18(o): HTI certifies, pursuant to Sections 1.2001 through 1.2003 of the Commission's rules, that neither it, nor any of its affiliates, or any officer or director of it or its affiliates is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998, 21 U.S.C. § 853a.

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(9) Certification of Compliance with Conditions

HTI certifies that it accepts and will abide by the routine conditions imposed in the *HICS Licensing Order* or that have been imposed by Commission order or public notice thereafter.⁷ HTI specifically certifies that it will continue to abide by the Letter of Assurance, dated December 7, 2012, among HTI, U.S. Department of Justice, and U.S. Department of Homeland Security, including the agreement of Cincinnati Bell Inc. to abide by the 2012 Letter of Assurance (Letter from Christopher J. Wilson, Cincinnati Bell Inc. to Michael Dougherty, U.S. Department of Homeland Security (dated June 1, 2018)).⁸

III. ELIGIBILITY FOR STREAMLINED PROCESSING

Pursuant to Sections 1.767(i) & (j) of the Commission's rules, HTI requests streamlined processing of the instant application. As indicated in the answer to Question 8, HTI is not affiliated with a foreign carrier in any of the submarine cable's destination markets because the cable landing points are entirely within the State of Hawaii.

IV. PUBLIC INTEREST STATEMENT

Grant of this modification application is in the public interest because it will permit the continued provision of telecommunications, video, and broadband services to customers of HTI and its affiliates to meet the increasing demand for such services. Through HTI's responsibilities as an ILEC, HICS is used to support the provision of services to the entire state of Hawaii. In addition to HTI's own services, traffic on the cable includes broadband internet connectivity and backhaul traffic for wireless carriers from their neighbor island customers to their Points-Of-

⁷ The "routine conditions" identified in Section 1.767(g) do not apply to the instant license because it was granted before March 15, 2002.

 ⁸ See Wavecom Solutions Corp., Transferor, and Hawaiian Telcom, Inc., Transferee, Application for Consent to Transfer Control, WC Docket No. 12-206, 27 FCC Rcd 16081, ¶ 35 (Chiefs WCB, IB & WTB 2012).

Presence ("POPs") on Oahu. HICS is essential to providing both capacity for broadband growth and diversity to interisland links connecting the islands of Hawaii, Maui, Oahu, and Kauai, and is used to support telecommunication services for economic growth, education, and health and safety services to remote areas of the state, including emergency services.

The federal government also depends on this facility to transport interisland communications in support of military and other national security operations. The U.S. Indo-Pacific Command Headquarters, located in Hawaii, is responsible for monitoring: (i) over 50 percent of earth's surface, from the west coast of the U.S. mainland to the east coast of Africa, and from the Arctic to Antarctic; (ii) nearly 60 percent of the world's population; (iii) 43 countries, 20 territories and possessions, and 10 U.S. territories; (iv) the world's largest armed forces (other than the U.S.) in the People's Republic of China, Russia, India, North Korea and South Korea; and (iv) compliance with five of the seven worldwide U.S. mutual defense treaties: U.S.- Republic of the Philippines (Mutual Defense Treaty, 1952); ANZUS (Australia – New Zealand - U.S., 1952); U.S.-Republic of Korea (Mutual Defense Treaty, 1954); South East Asia Collective Defense (U.S. - France - Australia - New Zealand - Thailand - Philippines, 1955); U.S.-Japan (Mutual Defense Treaty, 1960).

As indicated previously, wholesale customers rely on the undersea cable facility to provide telecommunications and other services to their end-user customers. HTI submits that terminating service to these wholesale customers would risk violating HTI's contractual and tariff obligations.

It would be extremely disruptive to all of HTI's end-user and wholesale customers if HTI were unable to use this facility subsequent to the end date of the current 25-year cable landing

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license. Therefore, HICS will continue to be a critical part of HTI's network past the current 25year term of the cable system license.

Notwithstanding, HTI believes that HICS will be at the end of its technological life within the next five years. Before that time, the cable system will have to be either substantially upgraded or replaced with other cable facilities in order to meet the increasing capacity required by broadband and video customers of HTI, its affiliates, and wholesale customers. Because of uncertainties in future technological changes and marketplace developments, however, a final decision cannot be made at this time regarding the date of the expected termination or upgrade of the HICS Cable.⁹ Extension of the HICS license will cause no harm to any existing telecommunications facility or provider, since the Cable has been operating for 25 years in harmony with other telecommunications facilities and providers. A reasonable extension of time, five years, would provide a workable time frame in which to evaluate operational and technical considerations and implement any permanent transition without prematurely withdrawing the HICS Cable capacity. Therefore, it would serve the public interest to grant this modification to the existing HICS cable landing license.

Neither the Cable Landing License Act nor Executive Order 10530 specify the length of a submarine cable license. Instead, the term was dictated by the terms of the original license grant.¹⁰ The rules permit a submarine cable landing license to be extended "upon proper application." 47 C.F.R. § 1.767(g)(14). This modification application constitutes such proper application. The FCC has the authority to extend this period if it would be in the public interest to do so. As specified herein, providing continued service to customers as well as providing HTI

⁹ If HTI decides to upgrade HICS, then it will submit a new application for authorization of the undersea cable system license pursuant to 47 C.F.R. § 1.767.

¹⁰ *HICS Licensing Order*, Condition 6. The 25-year length of a submarine cable landing license is now codified in the rules at 47 C.F.R. 1.767(g)(14).

with the flexibility to make prudent operational and technical decisions with respect to its

network, would produce significant consumer benefits.

V. REQUEST FOR RELIEF

For the foregoing reasons, the Commission should grant HTI a five year extension of the

license term to allow it to continue to operate the Hawaii Interisland Cable System to and

including July 31, 2024.

Respectfully submitted

Of Counsel

Gregory J. Vogt Law Offices of Gregory J. Vogt, PLLC 103 Black Mountain Ave., Suite 11 Black Mountain, NC 28611 (828) 669-2099 gvogt@vogtlawfirm.com

March 5, 2019

By: <u>/s/ Steven P. Golden</u>

Steven P. Golden Vice President External Affairs Hawaiian Telcom, Inc. 1177 Bishop Street Suite 17 Honolulu, Hawaii 96813

Certificate of Service

I, Gregory J. Vogt, do hereby certify that I have on this 5th day of March, 2019, caused a copy of the foregoing "Request for Modification of the Hawaii Interisland Cable System Landing License" to be served by first class mail or electronic mail (*designates electronic mail service only) upon the following:

U.S. Coordinator, EB/CIP U.S. Department of State 2201 C Street, N.W. Washington DC 20520-5818

Office of Chief Counsel National Telecommunications & Information Administration U.S. Department of Commerce 14th St. & Constitution Ave., N.W. Washington, DC 20230

Defense Information Systems Agency ATTN: GC/DO1 6910 Cooper Avenue Fort Meade, MD 20755-7088

* David Krech david.krech@fcc.gov International Bureau Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

Voqt

Appendix A

Subject: RE: Follow-up in-service letter
From: Angela Demahy <Angela.Demahy@fcc.gov>
Date: 5/14/18, 4:49 PM
To: Candace Donohoe <Candace.Donohoe@hawaiiantel.com>
CC: Jacqueline Tello <Jacqueline.Tello@fcc.gov>, "Gregory Vogt
(gvogt@vogtlawfirm.com)" <gvogt@vogtlawfirm.com>, Steven Golden
<Steven.Golden@hawaiiantel.com>

Ms. Donohoe,

Thank you providing the in-service letter, along with supporting documentation for the in-service date, for both the HICS and HIFN cable systems. The documentation you provided sufficiently supports the in-service dates for both systems.

I do not see the in-service letter and supporting documentation in IBFS for either system. Please upload the letters with supporting documentation you sent me into IBFS under file No. SCL-LIC-19921015-00008 for HICS, and SCL-LIC-19950627-00024 for HIFN.

Do not hesitate to contact me with any questions.

Best,

Angela DeMahy

From: Candace Donohoe [mailto:Candace.Donohoe@hawaiiantel.com]

Sent: Friday, May 11, 2018 6:05 PM

To: Angela Demahy < Angela.Demahy@fcc.gov>

Cc: Jacqueline Tello <Jacqueline.Tello@fcc.gov>; Gregory Vogt (gvogt@vogtlawfirm.com)

<gvogt@vogtlawfirm.com>; Steven Golden <Steven.Golden@hawaiiantel.com>

Subject: RE: Follow-up in-service letter

Ms. DeMahy,

Per your instructions below, in-service replacement letters and supporting documentation for the Hawaii Interisland Cable System (HICS) submarine cable system, SCL-LIC-19921015-00008, and the Hawaii Island Fiber Network (HIFN), SCL-LIC-19950627-00024 were filed via IBFS today.

Copies of the documents are attached for your reference.

If there are any questions, please let me know.

Thank you.

Candy Donohoe Sr. Manager, Regulatory Affairs Hawaiian Telcom O: 808.546.7730 | C: 808.783.0864 | F: 808.523.7492 candace.donohoe@hawaiiantel.com

Hawaii's Technology Leader Hawaiian Telcom

This message is for the designated recipient only and may contain privileged, proprietary, or otherwise private information. If you have received it in error, please notify the sender immediately and delete the original. Any other use of this email by you is prohibited.

Appendix A

----- Forwarded Message ------

Subject:Follow-up in-service letter

Date:Fri, 4 May 2018 19:23:12 +0000

From:Angela Demahy <<u>Angela.Demahy@fcc.gov></u>

To:Gregory Vogt <gvogt@vogtlawfirm.com>

CC:Jacqueline Tello <a>Jacqueline.Tello@fcc.gov>

Good afternoon,

We understand that you are attempting to locate a copy of the original letter notifying the Commission that the Hawaii Interisland Cable System (HICS) submarine cable system, SCL-LIC-19921015-00008 and the Hawaii Island Fiber Network (HIFN), SCL-LIC-19950627-00024, have been placed into service (in-service letter). If you cannot locate the original in-service letter, we are willing to accept a new letter notifying us of the in-service date for the submarine cable system.

Please file the letter and any supporting documentation into SCL-LIC-19921015-00008 for HICS and SCL-LIC-19950627-00024 for HIFN via IBFS, and send a copy of the submission to those on this email. The letter should explain the efforts you took and the reasons you were unable to locate the original in-service letter. We also request that you describe in the letter the basis for the in-service date. If you have documentation or public information identifying the date the cable went into service, such as a press release, please attach them to the letter.

Finally, if counsel or contact information for the submarine cable system has changed, please provide that information in the letter and update IBFS.

Please do not hesitate to contact me with any questions.

Thank you,

Angela DeMahy Attorney Advisor International Bureau Federal Communications Commission 202-418-7953

Appendix B

HAWAII INTERISLAND CABLE SYSTEM (HICS) CABLE LANDING STATION INFORMATION

Station	Owner	Cable Landing Point	Equipment Location
Lihue	Hawaiian Telcom, Inc.	Wailua Beach 22° 01.47'N, 159° 20.37'W	HTI Lihue Central Office 4444 Rice St. Lihue, HI 96766
Ko Olina	Hawaiian Telcom, Inc.	Kahe Beach 21° 21.14'N, 158° 07.81'W	HTI Koolina Central Office 92-1389 Aliinui Dr. Ko Olina, HI 96707
Koko Head	Hawaiian Telcom, Inc.	Sandy Beach 21° 17.32'N, 157° 40.07'W	HTI Koko Head Central Office 7664 Hawaii Kai Dr. Honolulu, HI 96825
Kihei	Hawaiian Telcom, Inc.	Mokapu Beach 20° 41.61'N, 156° 26.61'W	HTI Kihei Central Office 210 Halona St. Kihei, HI 96753
Kawaihae	Hawaiian Telcom, Inc.	Spencer Beach 20° 01.45'N, 155° 49.33'W	HTI Kawaihae Central Office 62-3440 Queen Kaahumanu Hwy. Kawaihae, HI 96743

HICS Kauai Landing



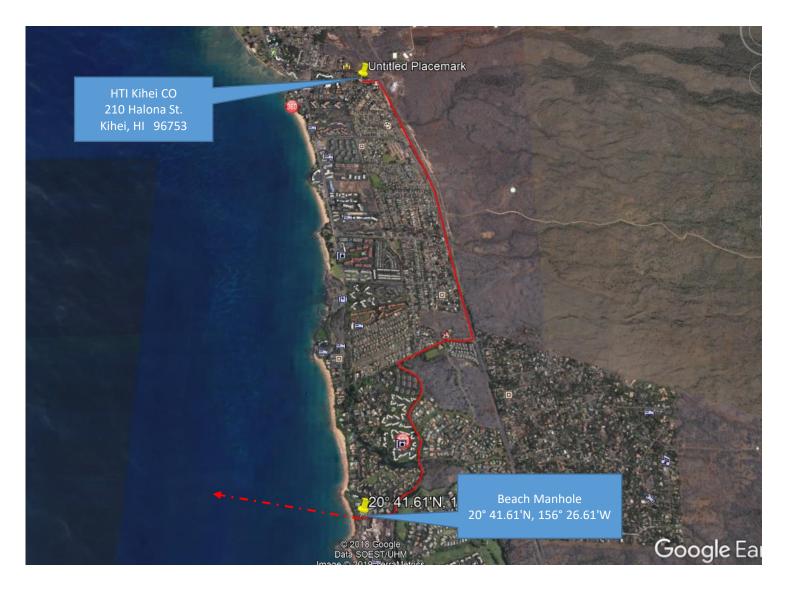
HICS West Oahu Landing



HICS East Oahu Landing



HICS Maui Landing



HICS Hawaii Landing



HAWAIIAN TELCOM INC.

Appendix C

Corporate Organizational Structure

Regulated Entities

Company in **bold** is the participant in this Auction 903 short-form

application

Companies in blue are FCC regulated entities.

