## Morgan Lewis

Andrew D. Lipman Ulises R. Pin andrew.lipman@morganlewis.com ulises.pin@morganlewis.com

October 21, 2021

#### **VIA IBFS**

Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554 Attn: International Bureau

Re: File No. SCL-MOD-20210928-00039

Dear Ms. Dortch:

On behalf of ARCOS-1 USA, Inc and A.SurNet, Inc. (together, the "Licensees"), enclosed for filing with the Commission is a revised Application for a Modification to Cable Landing License, File No. SCL-MOD-20210928-00039, clarifying certain issues in response to a request received from staff.

This letter is being filed electronically via MyIBFS. Please direct any questions to the undersigned.

Respectfully submitted,

/s/ Ulises R. Pin

Andrew D. Lipman Ulises R. Pin

Counsel for Licensees

cc (via e-mail): Troy Tanner

Denise Coca David Krech Tom Sullivan

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

)
) File No. SCL-MOD-20210928-00039
) )

## APPLICATION FOR A MODIFICATION TO CABLE LANDING LICENSE STREAMLINED PROCESSING REQUESTED

ARCOS-1 USA, Inc. ("<u>ARCOS</u>") and A.SurNet, Inc. ("<u>ASN</u>") (together, the "Licensees"), through their undersigned counsel, and pursuant to the Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39 (the "<u>Cable Landing License Act</u>"), Executive Order 10,530, and Section 1.767(e) of the Commission's rules, 47 C.F.R. § 1.767(e), hereby seek authority to modify their cable landing license for the private fiber optic submarine cable system known as the ARCOS-1 submarine cable system (the "<u>ARCOS-1 Cable</u>"), which connects the United States with fourteen countries in the Caribbean, Central America and South America. ARCOS and ASN are jointly authorized by the Commission to operate the ARCOS-1 Cable under FCC File No. SCL-LIC-19981222-00032, as amended.¹ Specifically, the Licensees seek to modify the ARCOS-1 Cable authorization to include a new authorized landing point in Cuba.

For the reasons set forth below, the Licensees respectfully submit that grant of this modification request will serve the public interest and should be granted on a streamlined basis.

ASN is a wholly-owned subsidiary of ARCOS, and is the landing party for the ARCOS-1 Cable in North Miami Beach, Florida.

#### I. DESCRIPTION OF THE MODIFICATION TO CABLE SYSTEM

By this Application, Licensees seek authority to modify the ARCOS-1 Cable in order to establish an additional cable landing station in Cojimar, Cuba from a branching unit that was constructed as part of the original ARCOS-1 Cable in 1999. The cable landing will be accomplished by creating a branch from an existing branching unit of the ARCOS-1 Cable that lies approximately fifty-six (56) kilometers off the coast of Cuba to a beach manhole ("BMH") in Cojimar, Cuba, located at N23°-10.032, 082°-18.912W. The new branch shall be designated as "Segment 26" of the ARCOS-1 Cable. The ARCOS-1 Cable will then extend through a cable land route to an existing cable landing station ("CLS") in Cojimar, Cuba (the coordinates of the property are: N23°-9.755, 082°-18.768W. A photograph depicting the BMH, and the CLS is attached as Exhibit A.

Empresa de Telecomunicaciones de Cuba S.A. ("<u>ETECSA</u>"), the incumbent telecommunications provider in Cuba, will provide the CLS which will be updated and housed with telecommunications equipment to operate Segment 26. Licensees' intermediate parent company, Columbus Networks Limited ("<u>CNL</u>") or a wholly-owned and controlled subsidiary of CNL, will be the landing party in Cojimar, Cuba. Segment "26" will be jointly owned by CNL and some of the ARCOS consortium members. ETECSA will acquire an indefeasible right of use on some capacity on Segment 26 from CNL. Construction of Segment 26 will be completed by CNL using SubCom, an international submarine cable supplier.

#### II. PUBLIC INTEREST CONSIDERATIONS

Grant of this application will serve the public interest, convenience, and necessity by making advanced facilities-based telecommunications services available between Cuba and other international points, including the United States. The new ARCOS-1 Cable Segment 26 will

provide redundancy and contribute to the improvement of the international telecommunications system.

The instant application and resultant expansion of telecommunications services from Cuba to the United States and other international points is preceded by the gradual changes in U.S. policy toward Cuba. In September 2009, the Office of Foreign Assets Control ("OFAC") made significant revisions to the Cuban Assets Control Regulations ("CACR")<sup>2</sup> establishing a new licensing policy for the construction of direct telecommunications facilities between the United States and Cuba, including, but not limited to, fiber-optic cable and satellite facilities.<sup>3</sup>

In 2015, OFAC issued amendments to the CACR that further liberalized the provision of telecommunications services, telecommunications facilities and Internet services involving Cuba, subjecting these services and facilities to a "general license" from OFAC. The new regulations: (1) confirmed that all telecommunications services involving Cuba (whether between the U.S. and Cuba or a third country and Cuba) are authorized; (2) authorized telecommunications-related transactions, including payment for the provision of telecommunications involving Cuba or provided to Cuban individuals; (3) authorized "transactions, including payments, incident to the establishment of telecommunications facilities, including fiber-optic cable and satellite facilities, to provide telecommunications services linking the United States or third countries and Cuba, including facilities to provide telecommunications services in Cuba; and (4) permitted the

<sup>&</sup>lt;sup>2</sup> 31 C.F.R. Part 515.

<sup>&</sup>lt;sup>3</sup> See 31 C.F.R. § 515.542(d).

<sup>&</sup>lt;sup>4</sup> See 31 C.F.R. § 515.542, 515.578.

<sup>&</sup>lt;sup>5</sup> 31 C.F.R. § 515.542(b).

provision of additional services incident to Internet-based communications.<sup>6</sup> As such, an OFAC individual license is not necessary to conduct any of these activities.

In 2016, the Commission removed Cuba from the "Exclusion List for International Section 214 Authorizations," allowing "all carriers to provide telecommunications services between the United States and Cuba pursuant to global Section 214 authority under section 63.18(e)(l) of the Commission rules."

On June 16, 2017, President Trump issued National Security Presidential Memorandum NSPM-5 entitled "Strengthening the Policy of the United States Toward Cuba" which supports the expansion of direct telecommunications and Internet access for the Cuban people.<sup>8</sup>

Finally, in June 2019, the U.S. Department of State's ("State Department") Cuba Internet Task Force specifically recommended enabling the construction of new submarine cables to Cuba. According to the State Department, "[a]n additional undersea cable could cut latency time and reduce the load on the Cuban Internet infrastructure, which in turn would enable ETECSA to expand Internet access at higher speeds and lower cost to the Cuban public." Thus, the expansion of telecommunications services to Cuba is consistent with US policy, and construction of a submarine cable segment and use of a cable landing station in Cuba should be treated no differently than any other applications for new landing points.

<sup>6</sup> See 31 C.F.R. § 515.542, 515.578.

<sup>&</sup>lt;sup>7</sup> Removing Cuba from the Exclusion List for International Section 214 Authorizations, Order, IB Docket No. 15-289, DA 16-5, para. 3 (Int'l Bur. rel. Jan. 15, 2016).

See Strengthening the Policy of the United States Toward Cuba, a Notice by the State Department dated October 10, 2017, published in the Federal Register under 82 FR 48875.

U.S. Department of State, *Cuba Internet Task Force: Final Report,* (June 16, 2019), https://www.state.gov/cuba-internet-task-force-final-report/.

The ARCOS-1 Cable will permit additional connections between Cuba and the Internet backbone and will permit additional flow of information between the people of Cuba and international points. Currently there are no modern direct telecommunications facilities between the United States and Cuba. Communications between U.S. residents and their family members in Cuba are generally routed through third countries or through facilities in other jurisdictions. The ARCOS-1 Cable will provide United States carriers the ability to transmit traffic to Cuba and for international traffic to transit through the United States. This will increase the means through which Cubans on the island can communicate with the United States and the rest of the world.

Moreover, the broadband capacity of a fiber optic cable is a key element to bringing the Internet to Cuba's doorstep. Improving broadband access furthers the public interest of supporting Cubans' unfettered access to information, which is a crucial step in promoting democracy and freedom of expression. Increasing access to the Internet could transform the Internet from a communication tool to a means through which Cubans can express social, economic, and political beliefs.

Finally, the ARCOS-1 Cable will provide additional redundancy and resiliency to existing submarine cables. Thus, Licensees are confident that the ARCOS-1 Cable will permit further telecommunications services between Cuba, the United States and the rest of the world and promote the freer flow of information to the Cuban people.

Based on the foregoing, Licensees respectfully submit that the proposed new segment and landing of the ARCOS-1 Cable in Cuba serve the public interest, and request expeditious grant of this application.

#### III. INFORMATION REQUIRED BY 47 C.F.R. § 1.767(A)

#### (1) Names, Addresses and Telephone Numbers of the Applicant

ARCOS-1 USA, Inc. FRN 0015487325 A.SurNet, Inc. FRN 0007436074

15950 West Dixie Highway North Miami Beach, FL 33162

Phone: (786) 274-7400 Fax: (786) 274-7402

#### (2) Place of Formation

Licensees are both Delaware corporations.

#### (3) Correspondence concerning the application should be sent to the following:

For Licensees: Mary Beltran

Senior Director, Legal ARCOS-1 USA, Inc.

15950 West Dixie Highway North Miami Beach, FL 33162

Phone: (786) 274-7400 Fax: (786) 274-7402 Mary.beltran@cwc.com

With a Copy to: Andrew D. Lipman

Ulises R. Pin

Morgan, Lewis & Bockius LLP 1111 Pennsylvania Avenue, NW

Washington, DC 20004 (202) 373-6000 (Tel) (202) 373-6001 (Fax)

ulises.pin@morganlewis.com

#### (4) Description of the Cable

The 8,400 km ARCOS-I system, designed as a ring configuration, consists of 74 percent unrepeatered cables and 26 percent repeatered cables, and is a state-of-the-art dense wavelength division multiplexing (DWDM) optically amplified fiber system. The system consists of six STM-16 (2.5 Gbps) optical channels for a combined capacity of 15 Gbps with an equal restoration capacity. The cable segments between Curacao; Venezuela; Colombia; Panama; Costa Rica;

Nicaragua; Honduras; Guatemala; Belize; and Mexico as well as the cable segments between Hollywood, Florida; The Bahamas; Turks and Caicos Island; Dominican Republic; and Puerto Rico consist of 12 fiber pairs that are unrepeatered in a festooned configuration. The cable segment between Cancun, Mexico and Sunny Isles, Florida and the cable segment between San Juan, Puerto Rico and Willemstad, Curacao consists of three fiber pairs that are repeatered. The entire wetplant of the system is designed for a maximum available capacity of 960 Gbps and functions with totally duplicated terminal equipment (1 + 1) in a self-healing protective ring via fiber-path/line switching.

#### (5) Landing Points

The existing ARCOS-1 Cable landing points include: Belize City, Belize; Bluefields, Nicaragua; Cancun, Mexico; Cartagena, Colombia; Cat Island, Bahamas; Crooked Island, Bahamas; Isla Verde, Puerto Rico, United States; Maria Chiquita, Panama; Nassau, Bahamas; North Miami Beach, Florida, United States; Providenciales, Turks and Caicos Islands; Puerto Barrios, Guatemala; Puerto Cabezas, Nicaragua; Puerto Cortes, Honduras; Puerto Lempira, Honduras; Puerto Limon, Costa Rica; Puerto Plata, Dominican Republic; Punta Cana, Dominican Republic; Punto Fijo, Venezuela; Riohacha, Colombia; Trujillo, Honduras; Tulum, Mexico; and Willemstad, Curaçao. By this Application, Licensee requests authority to add Cojimar, Cuba as an additional landing point.

#### (6) Common Carrier or Non-Common Carrier Status

The ARCOS-1 Cable continues to be operated on a non-common carrier basis.

#### (7) List of Owners

The ARCOS-1 Cable is owned by a consortium. Licensees (and their affiliates) hold most of the interest in the ARCOS-1 Cable, with 96% of the voting and ownership interests. The

remaining voting and ownership interests are held by eighteen (18) international carriers, each with nominal ownership interests in the ARCOS-1 Cable. ASN operates the ARCOS-1 Cable's landing station in North Miami Beach, Florida.<sup>11</sup>

#### (8) Certification and Ownership Information

(i) Information concerning the ownership of Licensees is provided hereto as Exhibit B.

Licensees certify that, in accordance with Sections 1.2001-1.2003 of the Commission's rules, 47 C.F.R. §§1.2001-1.2003, no party to the application is subject to a denial of Federal benefits that include FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. *See* 21 U.S.C. § 853(a).

- (ii) Licensees certify that their foreign affiliation information on file with the Commission is not changing as a result of this Application and is incorporated by reference herein. Licensees confirm that they are not affiliated with any foreign carrier in Cuba.<sup>12</sup>
- (iii) Licensees certify that that the information responsive to 47 C.F.R. § 1.767(A)(8)(iii) on file with the Commission is not changing as a result of this Application and is incorporated by reference herein. Licensees confirm that they are not affiliated with any foreign carrier in Cuba.
- (iv) Licensees certify that that the information responsive to 47 C.F.R. § 1.767(A)(8)(iv) on file with the Commission is not changing as a result of this Application

The ARCOS-1 cable landing station in Puerto Rico is owned and operated by PrepaNet, an unaffiliated third party carrier in Puerto Rico, and is not part of the instant application.

Although CNL or its wholly owned and controlled subsidiary will be the landing party for Segment 26, the landing party will not be a licensed telecommunications carrier in Cuba.

and is incorporated by reference herein. Licensees confirm that they are not affiliated with any foreign carrier in Cuba.

#### (9) Routine Conditions Certification

Licensees certify that they accept and will abide by the routine conditions specified in Section 1.767(g) of the Commission's rules, 47 C.F.R. § 1.767(g).

#### (10) Any Other Information Necessary

Not applicable. The new landing site is not located within the United States, and is not subject to the Coastal Zone Management Act.

#### (11) Assignment or Transfer of Control

Not applicable. This Application does not concern an assignment or transfer of control.

#### IV. OUALIFICATION FOR STREAMLINED PROCESSING

This application qualifies for streamlined processing under Section 1.767(k)(3) of the Commission's rules, 47 C.F.R.§ 1.767(k)(3). Licensees are not foreign carriers in Cuba and are not affiliated with any foreign carrier in Cuba.

Further, Licensees are not required to submit a consistency certification to any state pursuant to Section 1456(c)(3)(A) of the Coastal Zone Management Act of 1972, as amended, 16 U.S.C. § 1456 (the "CZMA"), given that Cuba is not subject to the CZMA.

#### IV. NATIONAL SECURITY REVIEW

Affiliates of Licensees entered into a Letter of Assurance dated September 11, 2015, as amended on November 3, 2016 ("LOA"), following completion of the Executive Branch's review of Liberty Global plc's acquisition of Licensees. Licensees will continue to abide by the commitments contained in the LOA with respect to the new landing site for which it has requested authority herein.

V. **CONCLUSION** 

As demonstrated above, the public interest, convenience and necessity will be served by a

grant of this application to modify the cable landing license to add a landing site as described

The Licensees respectfully request that the Commission grant this application herein.

expeditiously.

Respectfully submitted,

/s/ Ulises R. Pin

Andrew D. Lipman

Ulises R. Pin

Morgan, Lewis & Bockius, LLP

1111 Pennsylvania Avenue, NW

Washington, DC 20004

(202) 373-6000 (Tel)

(202) 373-6001 (Fax)

u.pin@morganlewis.com

Counsel for Licensees

Dated: October 21, 2021

10

#### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the foregoing document was served this date upon the following:

U.S. Coordinator Marlene Dortch EB/CIP Secretary Federal Communications Commission U.S. Department of State 445 12th Street, S.W. 2201 C Street, N.W. Washington, DC 20554 Washington, D.C. 20520-5818 (via first class U.S. mail, postage prepaid)

(via first class U.S. mail, postage prepaid)

David Krech Defense Information Systems Agency International Bureau Attn: GC/DO1 Federal Communications Commission 6910 Cooper Avenue 445 12th Street, S.W. Fort Meade, MD 20755-7088 Washington, DC 20554 (via first class U.S. mail, postage prepaid) (via electronic mail to

Denise Coca Office of Chief Counsel/NTIA International Bureau U.S. Department of Commerce Federal Communications Commission 14<sup>th</sup> Street and Constitution Ave., N.W. Washington, D.C. 20230 445 12th Street, S.W. Washington, DC 20554 (via first class U.S. mail, postage prepaid) (via electronic mail to Denise.Coca@fcc.gov)

Tom Sullivan Troy Tanner International Bureau International Bureau Federal Communications Commission Federal Communications Commission 445 12th Street, S.W. 445 12th Street, S.W. Washington, DC 20554 Washington, DC 20554 (via electronic mail to tom.sullivan@fcc.gov) (via electronic mail to Troy.Tanner@fcc.gov)

/s/ Stephany Fan	
Stephany Fan	

Dated: October 21, 2021

David.Krech@fcc.gov)

#### **CERTIFICATION**

I, Mary Beltran, state that I am Senior Director, Legal of ARCOS-1 USA, Inc. and A.SurNet, Inc. (together the "Licensees"); that I am authorized to make this Verification on behalf of the Licensees; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief. I declare under penalty of perjury that the foregoing is true and correct.



Name: Mary Beltran

Title: Senior Director, Legal Date: September 28, 2021

# $\frac{Exhibit \ A}{New \ Cable \ Landing \ Location}$



#### Exhibit B

The following entity holds (direct or indirect) 100% voting and equity interests in each of ARCOS-1 USA, Inc. ("ARCOS") and A.SurNet, Inc. ("ASN") (together, the "Licensees"):

ARCOS has direct interest of 100% in voting and equity interests Licensee ASN.

The following entity holds 100% of the voting and equity interest in Licensee ARCOS:

Columbus New Cayman Limited 94 Solaris Avenue

Cabana Bay

Grand Cayman KY1-1104, Cayman Islands

Jurisdiction: Cayman Islands Business: Holding company

Interest: Direct interest of 100% in ARCOS-1 and indirect interest of 100% in ASN.

The following entity holds 99%<sup>13</sup> of the voting and equity interest in Columbus New Cayman Limited:

Columbus Networks, Limited Windsor Lodge, Government Hill St. Michael, Barbados

St. Michael, Barbados Jurisdiction: Barbados

Business: International telecommunications services

Interest: Indirect 100% interest in Licensees.

The following entity holds 100% of the voting and equity interest in Columbus Networks, Limited:

Columbus TTNW Holdings Inc. Windsor Lodge, Government Hill

St. Michael, Barbados Jurisdiction: Barbados

Business: International telecommunications services

Interest: Indirect 100% interest in Licensees.

The following entity holds 100% of the voting and equity interest in Columbus TTNW Holdings Inc.:

<sup>&</sup>lt;sup>13</sup> Columbus Networks (Cayman) Holdco Limited, Windsor Lodge, Government Hill, St. Michael Barbados, BB11000 (Jurisdiction: Barbados; Business: Holding company) owns 1% of Columbus New Cayman Limited. Columbus Networks Limited (described above) in turns holds 100% of the voting and equity interests in Columbus Networks (Cayman) Holdco Limited.

Columbus International Inc. Suites 205-207 Dowell House Cr. Roebuck & Palmetto Street

Bridgetown, Barbados Jurisdiction: Barbados

Business: International telecommunications services

Interest: Indirect 100% interest in Licensees.

The following entity holds 100% of the voting and equity interest in Columbus International Inc.

Sable Holding Limited Griffin House 161 Hammersmith Road London, W6 8BS Jurisdiction: England

Business: Holding company

Interest: Indirect 100% interest in Licensees.

The following entity holds 100% of the voting and equity interest in Sable Holding Limited:

C&W Senior Secured Parent Limited PO Box 309, Ugland House Grand Cayman, KY1-1104 Jurisdiction: Cayman Islands Business: Holding company

Interest: Indirect 100% interest in Licensees.

The following entity holds 100% of the voting and equity interest in C&W Senior Secured Parent Limited:

C&W Senior Finance Limited PO Box 309, Ugland House Grand Cayman, KY1-1104 Jurisdiction: Cayman Islands Business: Holding company

Interest: Indirect 100% interest in Licensees.

The following entity holds 100% of the voting and equity interest in C&W Senior Finance Limited:

Cable & Wireless Limited
Griffin House
161 Hammersmith Road
London, W6 8BS
Jurisdiction: England

Business: Holding company

Interest: Indirect 100% interest in Licensees.

The following entity holds 100% voting and equity interest in Cable & Wireless Limited:

Cable & Wireless Communications Limited

Griffin House

161 Hammersmith Road

London, W6 8BS Jurisdiction: England

Business: International telecommunications services

Interest: Indirect 100% interest in Licensees.

The following entity holds 100% of the voting and equity interest in Cable & Wireless Communications Limited:

LGE Coral Holdco Griffin House, 161 Hammersmith Road London, United Kingdom W6 8BS

Jurisdiction: England

**Business: Holding Company** 

Interest: Indirect 100% interest in Licensees.

The following entity holds 100% of the voting and equity interest in LGE Coral Holdco:

Liberty CWC Holdings Limited

Windsor Lodge Government Hill

St Michael, Barbados Jurisdiction: Barbados

Business: Holding company

Interest: Indirect 100% interest in Licensees.

The following entity holds 100% of the voting and equity interest in Liberty CWC Holdings Limited:

LILAC Services Ltd.

2 Church Street

Hamilton HM11 Bermuda Jurisdiction: Bermuda Business: Holding company

Interest: Indirect 100% interest in Licensees.

The following entity holds 100% of the voting and equity interest in LiLAC Services Ltd.:

Liberty Latin America Ltd.

Clarendon House 2 Church Street Hamilton HM11 Bermuda Jurisdiction: Bermuda

Business: International provider of cable and telecommunications services

Interest: Indirect 100% interest in Licensees.

The following persons and/or entities have a shareholding greater than 10 percent of the voting and/or equity interest in Liberty Latin America Ltd.:

John C. Malone c/o 1550 Wewatta Street Suite 710 Denver, Colorado 80202 Citizenship: United States

Business: Cable and telecommunications services

Equity Interest: 15% Voting Interest: 31%

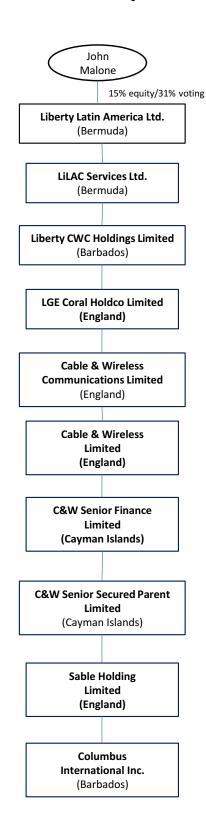
Other than as set forth above, there are no individuals or entities that would have a 10 percent or greater voting or equity interest in Licensees as a result of their voting or equity interest in Liberty Latin America Ltd.

There are no interlocking directors to report.

### **Licensees' Ownership Structure**

\* The entities listed herein include only those entities that (1) are parties to the *Pro Forma* Change or (2) are in the chain of ownership of those entities. The chart excludes all other subsidiaries of Liberty Latin America Ltd.

All ownership/control percentages are 100%, unless noted.



See Page 2 for the current structure under Columbus International Inc.

### **Licensees' Ownership Structure**

\* The entities listed herein include only Licensees and those entities that are in the chain of ownership of Licensees. The chart excludes all other subsidiaries of Liberty Latin America Ltd.

All ownership/control percentages are 100%, unless noted.

