

SEP 20 2016
Policy Division
International Bureau

Granted

date: September 20, 2016

authorized by: Chief, Telecommunications
and Analysis Division, International Bureau

signature Danae Coca

Effective: October 8, 2016

Expires: April 6, 2017

Re: SCL-LIC-20160325-00009
SCL-STA-20160330-00010

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)
)
Quintillion Subsea Operations, LLC)
)
Application for a License to Construct, Land)
and Operate a Private Fiber Optic Cable)
System Linking Points Within Alaska, and)
Request for Streamlined Treatment)
)
Quintillion Subsea Cable System)
)

File No. SCL-LIC-20160325-00009

REQUEST FOR EXTENSION OF SPECIAL TEMPORARY AUTHORITY

Quintillion Subsea Operations, LLC (“Quintillion” or the “Company”), by its attorneys and pursuant to Federal Communications Commission (“FCC” or the “Commission”) rule 63.25(b), 47 C.F.R. § 63.25(b), and the Cable Landing License Act, 47 U.S.C. §§ 34-39, (the “Act”) hereby requests an extension (“STA Extension Request”) of the Special Temporary Authority (“STA”), granted April 11, 2016,¹ authorizing Quintillion to construct, land, and test the Quintillion System during the pendency of the Commission’s review of the Company’s Application for a Submarine Cable license for the Quintillion System.² That STA expires on October 8, 2016. In particular, Quintillion seeks a 180-day extension, commencing on expiration of the existing STA on October 8, 2016.³ Quintillion understands that it may not begin

¹ See Application for Special Temporary Authority, File No. SCL-STA-20160330-00010 (granted April 11, 2016)

² See *In re: Quintillion Subsea Operations, LLC Application for a License to Construct, Land and Operate a Private Fiber Optic Cable System Linking Points Within Alaska, and Request for Streamlined Treatment*, SCL-LIC-2016-000778 (filed March 24, 2016) (“Quintillion SCL Application”).

³ The Commission has the authority, pursuant to rule 63.25(b), to grant the STA and has on numerous occasions exercised that authority to grant STAs, including extensions,

commercial operation of its cable system until its submarine cable license application is granted.⁴ The Company also acknowledges that the grant of this STA Extension Request will not prejudice any action the Commission may take on the underlying Quintillion SCL Application. Quintillion further acknowledges that its STA, and any extension thereof, can be modified or revoked by the Commission upon its own motion without a hearing.

I. BACKGROUND

On March 24, 2016, Quintillion submitted its Application for a license to Construct, Land, and Operate the Quintillion System.⁵ The Quintillion System, a multi-stage high capacity fiber optic cable system wholly within the United States and extending between Nome, Alaska, and Prudhoe Bay, Alaska, is the first stage of a larger submarine cable system that the Company intends will, in later stages, land in foreign points. Authority is currently only being sought for the first stage, which will land exclusively in Alaska, although sections of the Quintillion System will be laid outside of U.S. territorial waters. Quintillion seeks to have the Quintillion System fully constructed by mid-October 2016 and operational by the first quarter 2017.

permitting the same construction and testing activities for which Quintillion requests grant. *See, e.g.*, For example, *See, e.g.*, GU Holdings Inc., China Mobile International Limited, China Telecom Global Limited, Global Transit 2 Limited, KDDI Corporation, and Singapore Telecom USA Inc., Application for Special Temporary Authority, File No., SCL-STA-20150804-00025 (granted Aug. 12, 2015) (extension granted Feb. 17, 2016) (the “FASTER STA”).

⁴ Commission rule Section 63.25 authorizes the Commission to grant the STA to construct, land, and test the Quintillion System. 47 C.F.R. §63.25. The Act does not prohibit or limit the Commission’s authority to issue an STA pending grant of the submarine cable license application.

⁵ The Application was put on Public Notice on April 22, 2016. Public Notice, Non-Streamlined Submarine Cable Landing License Applications Accepted for Filing, Report No. SCL-00181NS (rel. April 22, 2016).

Once the STA was granted, Quintillion commenced construction of the Quintillion System and, as the result of diligent efforts, remains on track to complete construction as scheduled before the end of the limited construction season in the Arctic waters. Specifically, the Company intends to begin testing in fourth quarter 2016 in preparation for commercial operations in the first quarter of 2017. Quintillion has notified and remained in continuous contact with the Department of State, Department of Justice, Department of Defense, and Department of Homeland Security (collectively, "Team Telecom") regarding the submarine cable application and Quintillion's STA. The Team Telecom agencies have not indicated any objections to the Quintillion System.

II. PUBLIC INTEREST STATEMENT

Grant of an extension of Quintillion's STA for construction and testing of the Quintillion System will advance the public interest. The Quintillion System will be the first submarine cable connecting the six proposed landing station points. Conducting business on the cable system as a private operator, Quintillion will bring a new source of reliable, secure, high-speed wholesale communications capability to these north and northwest Alaskan communities. Other providers will have the opportunity to utilize that capability to provide their retail broadband and other services. Businesses, local governments, and residents ultimately will benefit from those carriers and ISPs that access the enhanced capacity on the Quintillion System, delivering benefits that support education, healthcare, public safety, emergency response, and economic development. Moreover, the addition of the Quintillion System will add redundancy to existing telecommunications infrastructure, such as terrestrial fiber at Prudhoe Bay and microwave systems and satellite links, connecting these communities in Alaska and reducing the potential for communications failures during natural or other disasters.

Delaying the completion of construction and the commencement of testing of the Quintillion System if this STA Extension Request were not granted would have significant public interest and financial impacts. Significant progress has been made to date under the existing STA, but due to the limited construction season in Alaska, a suspension of construction and testing after October 8, 2016, would defer completion, testing, and operation of the Quintillion System until at least mid-2017, thereby depriving Quintillion's communications provider-customers of the ability to offer Alaskan communities much-needed high-capacity broadband services.⁶ Moreover, a delay in construction will likely put the availability of the six primary vessels, including five cable-laying vessels, at risk to complete construction once the 2017 construction cycle begins, and cause Quintillion to bear significant additional costs to re-mobilize the vessels. Further, if there is a suspension of activity until next year's construction season begins in the second quarter of 2017, Quintillion will also incur significant related costs including storing cable over the winter until construction can continue, remobilizing employees, and carrying related overhead without the anticipated revenue stream for the Quintillion System until, potentially, the second half of 2017.

Consequently, Quintillion requests the Commission grant a 180-day extension, commencing upon expiration of the existing STA on October 8, 2016, to enable the Company to complete construction in a timely fashion and then conduct testing of the Quintillion System to in time to meet its first quarter 2017 coming-into-service target date.

⁶ Quintillion must conduct marine installation during a limited window that will extend through mid-to-late October and, even during this window, operations may be affected at certain times due to certain seasonal mammal migrations in certain areas spanned by the planned System, Native American fishing operations, and weather conditions. Following marine installation, Quintillion will engage in cable activation and testing, prior to commercial turn-up in first quarter of 2017.

II. CONCLUSION

The foregoing demonstrates that the public interest, convenience and necessity would be furthered by grant of a 180-day extension of Quintillion's STA for construction and testing of the Quintillion System. The Company therefore requests an expeditious, and in any event no later than October 8, 2016, grant of this STA Extension Request.

Respectfully submitted,

Quintillion Subsea Operations, LLC

7 September 2016



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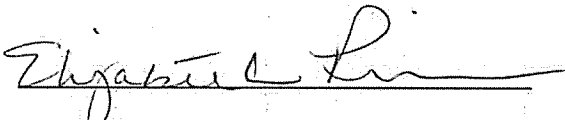
Its Attorneys

Dated: 7 September 2016

Verification

I, Elizabeth Pierce, state that I am Chief Executive Officer of Quintillion Subsea Holdings, LLC ("Quintillion Holdings"); that I am authorized to represent Quintillion Subsea Operations, LLC ("Quintillion"), and to make this verification on its behalf; that the statements regarding Quintillion contained in the foregoing Request for Extension of Special Temporary Authority, except as otherwise specifically attributed, are true and correct to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

By: 

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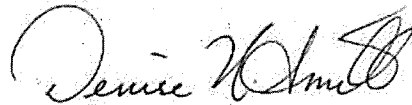
For and on behalf of Quintillion Subsea Operations, LLC

Dated: 7 September 2016

CERTIFICATE OF SERVICE

I hereby certify that the foregoing Quintillion Subsea Operations, LLC Request for Extension of Special Temporary Authority was served on September 7, 2016, by first class mail, except as indicated, on the following:

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