

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

In the Matter of)	
)	
GU HOLDINGS INC. and EDGE)	File Nos. SCL-LIC-INTR2020-02348
CABLE HOLDINGS USA, LLC)	SCL-STA-2020_____
)	
Application for a License to Construct, Land,)	
and Operate the Pacific Light Cable Network)	
to Connect the United States to Taiwan and)	
the Philippines)	

REQUEST OF GU HOLDINGS FOR SPECIAL TEMPORARY AUTHORITY TO
OPERATE U.S.-TAIWAN ROUTE

GU Holdings Inc. (“GU Holdings”) hereby requests special temporary authority (“STA”) to continue commercial operation of limited portions of the Pacific Light Cable Network (“PLCN”) prior to the Commission’s grant of the pending application for a license to construct, land, and operate the PLCN system connecting the United States to Taiwan and the Philippines.¹ Specifically, GU Holdings seeks 180-day STA to operate the following portions of PLCN connecting the United States to Taiwan:

- The fiber pair owned by GU Holdings and its affiliates connecting the United States to Branching Unit 1 (Fiber Pair 2 on each of Segments S1.1.1 and S.1.1.2);²
- The branch owned by GU Holdings’ affiliates connecting Taiwan to Branching Unit 1, including the two fiber pairs on that branch (Segment S2);

¹ See GU Holdings Inc. and Edge Cable Holdings USA, LLC, *Application for a License to Construct, Land, and Operate the Pacific Light Cable Network to Connect the United States to Taiwan and the Philippines*, FCC File No. SCL-LIC-INTR2020-02348 (filed Aug. 27, 2020) (the “2020 Application”).

² For segment references, see Appendix A hereto.

- The common equipment necessary to operate Fiber Pair 2 between the United States and Taiwan.

With this request, GU Holdings does not seek authority to commence commercial operation of Segments S1.2 or S3, or Fiber Pair 1 owned by Edge Cable Holdings USA (“Edge USA”) and its affiliates. For clarity, the instant request for STA would not authorize any commercial traffic on PLCN to or from the Philippines, nor any operation of the system by Edge USA or its affiliates. It also would not authorize any commercial traffic on the Hong Kong Path, as that term is defined in the *2020 Application*, nor any operation of the system by Pacific Light Data Communications Co., Ltd. (“PLDC”), which retains an interest in unused fiber pairs but is excluded as an applicant for the cable landing license for reasons described in the *2020 Application*.³

The instant request seeks the same special temporary authority that the Commission granted to GU Holdings on April 8, 2020, with an expiration date of October 5, 2020, in File No. SCL-STA-20200402-00015. Delay or denial of the requested STA beyond October 5, 2020 would impose significant economic costs on GU Holdings and delay the public benefits of substantial additional capacity on the U.S.-Taiwan route. The Executive Branch agencies have been notified of this request. Further, GU Holdings is authorized to state that Edge USA concurs in this request.

GU Holdings acknowledges that grant of such STA will not prejudice action by the Commission on the underlying license application, and that such STA is subject to cancellation or modification upon notice without a hearing.

³ See *2020 Application* at 2, 6-7.

I. BACKGROUND

On August 27, 2020, GU Holdings and Edge USA applied for authority to construct, land, and operate PLCN, a high-capacity fiber-optic submarine cable system connecting the United States to Taiwan and the Philippines.⁴ The *2020 Application* described the procedural history of the PLCN system including a prior application that included fiber pairs owned by PLDC and a landing in Hong Kong (the “2017 Application”).⁵

In connection with the 2017 Application, on April 2, 2020, GU Holdings requested 180-day STA to begin operating the portions of PLCN connecting the United States with Taiwan, which were fully constructed, tested, and ready for commercial operation prior to the rest of the system.⁶ On April 8, 2020, the Commission granted GU Holdings’ request conditioned on GU Holdings abiding by the commitments and understandings contained in a provisional national security agreement dated April 7, 2020, between GU Holdings and the Executive Branch agencies.⁷ GU Holdings is currently operating the U.S.-Taiwan portion of PLCN under that authority, which expires on October 5, 2020.

⁴ *See id.*

⁵ *Id.* at 3.

⁶ *See* Request for Special Temporary Authority, FCC File No. SCL-STA-20200402-00015 (filed Apr. 2, 2020).

⁷ *See* Special Temporary Authority Grant, FCC File No. SCL-STA-20200402-00015 (granted Apr. 8, 2020).

II. THE U.S.-TAIWAN ROUTE WILL BE OPERATED SEPARATELY AND INDEPENDENTLY

Under the requested STA, GU Holdings seeks authority to continue commercial operation (including any associated further construction, connection, and testing that may be necessary) of only the fiber pair, segments, and common equipment providing connectivity between the United States and Taiwan. Independent operation of the U.S.-Taiwan route is commercially and technically feasible, and consistent with the public interest. Specifically,

- PLCN's owners do not share fiber pairs. Each owner holds title to separate fiber pairs with separate submarine line terminating equipment, and each will operate those fiber pairs and equipment independent of the other owners;
- Operation of Fiber Pair 2, Segment S2, and the common equipment on Segments S1.1.1 and S1.1.2 does not depend on any equipment housed in the Philippines, and Edge USA has no independent access rights to any equipment housed in the United States or Taiwan. Within the U.S. cable landing station, each party is assigned a separate cage for housing equipment supporting their individual fiber pairs (e.g., submarine line terminating equipment), and a fourth cage houses equipment supporting operation of all fiber pairs (e.g., power feeding equipment). GU Holdings holds exclusive approval authority for all persons accessing any of these cages;
- Edge USA and its affiliates hold no voting rights on Segment S2 connecting to Taiwan; rather, an affiliate of GU Holdings holds 100 percent of the voting rights on Segment S2; and
- Edge USA and its affiliates are contractually prohibited from using their participation interest in the system to interfere with the ownership or rights of use of GU Holdings.⁸

As a result of these existing provisions, Edge USA will not have any role in the requested operation of the U.S.-Taiwan route. Furthermore, Edge USA by contract may not interfere with

⁸ Section 5.6 of the Joint Build Agreement by and between the PLCN owners states:

Each Party . . . shall not use any Minimum Investment Unit or capacity or spectrum on its Minimum Investment Unit(s) in any manner such as to interfere with the ownership or right of use of any other Party, and use commercially reasonable efforts to ensure that its Affiliates, agents, employees, contractors and other persons within its reasonable control comply with the foregoing[.]

the ownership or rights of use of GU Holdings. The *2020 Application* pending before the Commission describes how PLCN will be operated independently and without the intervention of PLDC.⁹

III. GRANT OF THE STA WILL SERVE THE PUBLIC INTEREST

Grant of the requested STA will serve the public interest, convenience, and necessity and otherwise comply with U.S. law and Commission regulations.

The U.S.-Taiwan portion of PLCN is currently providing critical commercial service for GU Holdings and its affiliates under the existing STA granted on April 8, 2020. In particular, it connects Google’s Taiwan data center to Google data centers in the United States and thereby supports Google’s services to users throughout the Asia-Pacific region. Losing access to PLCN’s U.S.-Taiwan capacity at the expiration of the existing authority would significantly reduce the value of large, recent capital investments Google has made in the United States.

Absent STA to operate the U.S.-Taiwan segment—which GU Holdings anticipates would likely include extension of the current provisional national security agreement with federal agencies—GU Holdings and its affiliates will be forced to seek alternative capacity to meet their affiliates’ needs. It is uncertain whether sufficient capacity would be available at all. To the extent such alternative capacity is available, obtaining it on short notice would likely result in significantly higher prices for the capacity. In contrast, timely grant of this request will permit GU Holdings and its affiliates to continue delivering traffic without interruption.

Grant of the STA request will also help ensure realization of other public benefits identified in the *2020 Application*, including increasing competition on the U.S.-Taiwan route

⁹ See *2020 Application* at 6-7.

and enhancing the service quality, redundancy, and resilience of communications systems in the region through route diversity.¹⁰

GU Holdings is not aware of any national security issues associated with continued operation of the U.S.-Taiwan segment by GU Holdings, under the terms described above.

IV. CONCLUSION

For the foregoing reasons, the Commission should grant to GU Holdings prior to October 5, 2020, and subject to Team Telecom consideration, STA to continue operating on a commercial basis the fiber pairs, segments, and common equipment connecting the United States with Taiwan, while proceeding with its consideration of the *2020 Application*.

Respectfully submitted,



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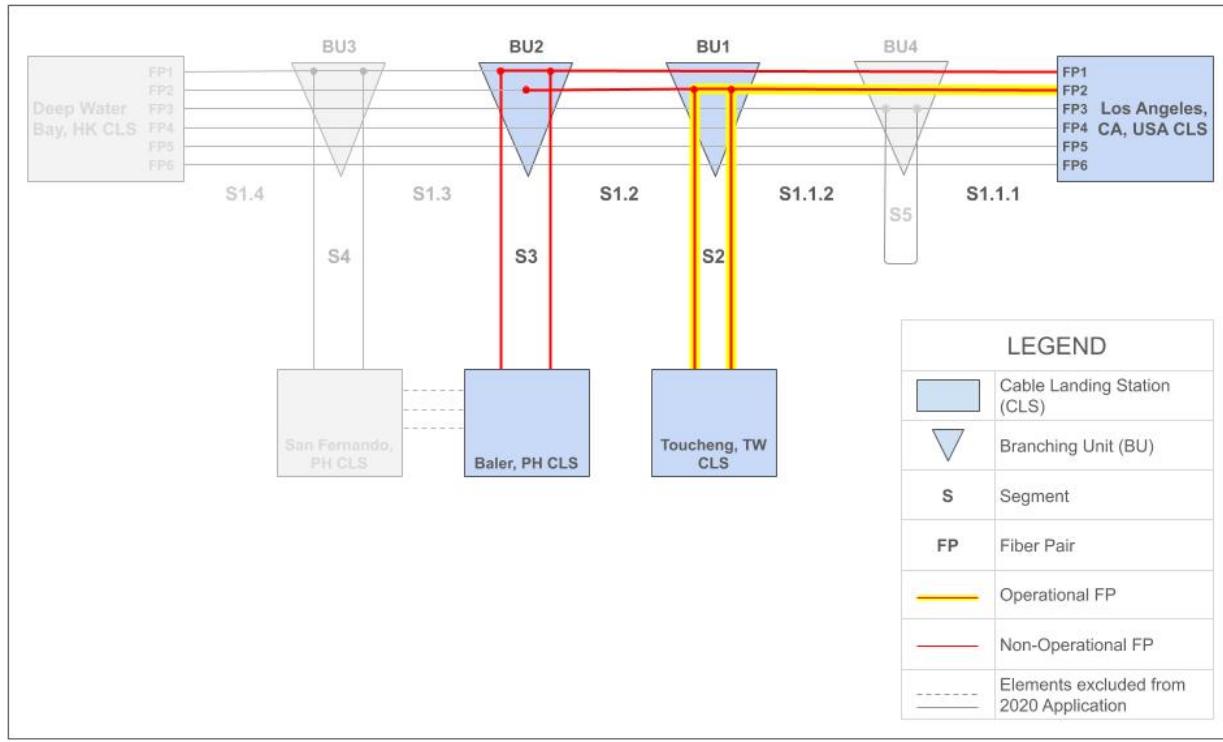
Counsel for GU Holdings Inc.

August 27, 2020

¹⁰ *Id.* at 2.

APPENDIX A

System Diagram under U.S.-Taiwan STA



CERTIFICATE OF SERVICE

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

U.S. Coordinator
EB/CIP
U.S. Department of State

Office of Chief Counsel/NTIA
U.S. Department of Commerce

Defense Information Systems Agency
ATTN: GC/DO1



Stephanie Selmer
August 27, 2020