

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)
)
Neutral Networks USA LLC) File No. SCL-LIC-2021-_____
)
Application for a License to Construct, Land)
and Operate a Private Fiber-Optic Submarine)
Cable System Connecting Laredo, Texas and)
Nuevo Laredo, Tamaulipas, Mexico)

REQUEST FOR SPECIAL TEMPORARY AUTHORITY

Pursuant to 47 U.S.C. §§ 34-39, Executive Order 10530, and 47 C.F.R. § 1.767, Neutral Networks USA LLC (“Applicant” or “Neutral Networks”), hereby requests special temporary authority (“STA”) from the Federal Communications Commission (“Commission” or “FCC”) to construct, connect, and test the portion of the Neutral Networks Laredo Cable (“NNLC”) in U.S. territory prior to the Commission’s grant of the Applicant’s submarine cable landing license application filed concurrently.¹

Without such authority, construction of NNLC would almost certainly be delayed at significant cost to the Applicant and thereby delay the benefits of the much-needed U.S.- Mexico capacity that the cable will provide. The Applicant therefore seeks STA beginning no later than October 15, 2021, and ending upon action by the Commission on the submarine cable landing license application. The Applicant is notifying the Committee for the Assessment of Foreign

¹ Neutral Networks USA LLC, Application for a License to Construct, Land and Operate a Private Fiber-Optic Submarine Cable System Connecting Laredo, Texas and Nuevo Laredo, Tamaulipas, Mexico, File No. SCL-LIC-INTR2021-03811 (filed Sept. 30, 2021).

Participation in the United States Telecommunications Services Sector (“Team Telecom”) of this request.

The Applicant acknowledges that grant of this request will not prejudice action by the Commission on the underlying submarine cable landing license application and that the STA is subject to cancellation or modification upon notice. Further, the Applicant acknowledges that such STA can be revoked by the Commission on its own motion without a hearing.

I. BACKGROUND

Neutral Networks is the U.S. affiliate of Neutral Networks, S. de R.L. de C.V., a provider of telecommunications infrastructure solutions to carriers in Mexico. The Commission is familiar with Neutral Networks given the grant of Section 214 Authorization on August 8, 2019.² This 214 authorization was approved with a condition of a Letter of Agreement with Team Telecom, into which the parties entered.³ Neutral Networks seeks to expand services and competitive options on the very important U.S.-Mexico route by deploying terrestrial cross-border fiber-optic facilities between the two countries. This deployment has required – and will continue to require – major investment by Neutral Networks, which is a small new entrant in the United States.

In accordance with current policy of the Department of State, Neutral Networks filed notifications for three border crossings. In the Laredo-Nuevo Laredo crossing, the fiber-optic cable must traverse the Rio Grande, and no room was available in conduits attached beneath an existing bridge. Therefore, Neutral Networks notified the Department of State on November 24,

² See International Authorizations Granted, ITC-214-20180314-00054, Public Notice, Report No. TEL-01973, DA 19-749, 34 FCC Rcd 7026 (IB 2019).

³ See U.S. Department of Justice, Petition to Adopt Conditions to Authorizations and Licenses, FCC File No. ITC-214-20180314-00054 (Aug. 2, 2019) (enclosing July 30, 2019 Letter of Agreement).

2020, that the border crossing would occur by horizontal drilling through land in Laredo near the river (similar to horizontal drilling for fiber-optic cables beneath a road). As shown in Appendix 2, three fiber-optic cables will be in a conduit that is proposed to be buried 15 feet below the riverbed to traverse a total distance of 251 feet from Laredo, Texas to Nuevo Laredo, Tamaulipas, Mexico. Unlike a traditional submarine cable, there is no wet link; neither the conduit nor any equipment used for the fiber-optic cables will touch the river or the riverbed.

In addition to the notification to the Department of State, Neutral Networks has obtained approvals as required from the City of Laredo (Texas) and from the Federal Telecommunications Institute (“IFT”) in Mexico. The approval of the International Boundary and Water Commission (“IBWC”) is forthcoming in the very near future based on Neutral Networks having obtained approvals as required from five (5) other agencies: Texas Commission on Environmental Quality; Texas Historical Commission; Texas Parks and Wildlife; U.S. Fish and Wildlife Service; and U.S. Army Corps of Engineers. Whether the FCC would require authorization beyond a 214 authorization for this 251-foot cable deployed 15 feet beneath the riverbed has been unclear until very recently when Commission staff indicated a preference for a submarine cable license.

Neutral Networks has completed constructions of approximately 70 percent of the network on the Mexico side and, as noted above, with the exception of the Commission, has secured all necessary permits for the border crossing. While perhaps a larger operator might be able to afford deferring completion of a project that is over 70 percent constructed, that would prove financially burdensome for a small new entrant into the U.S. market such as Network Networks. Given Neutral Networks’ urgent need to move forward with the project, and

consistent with Commission staff expectation, it is filing a submarine cable landing license application concurrently with the instant STA request.

II. GRANT OF SPECIAL TEMPORARY AUTHORITY WILL SERVE THE PUBLIC INTEREST

Grant of STA will serve the public interest, convenience, and necessity and otherwise comply with U.S. law and Commission regulations. An STA will avoid major delays in construction and availability of expanded high quality fiber-optic services on the route. Provided all pertinent regulatory approvals are in place, the Applicant intends to commence commercial operation of the NNLC system no later than in January 2022. The Applicant is a small new entrant in the U.S. market with no existing facilities or customers in the U.S. that has already invested a significant amount in facilities planning and construction on the Mexico side, and is eager to obtain a return on that investment rather than stranding it. Using an alternative route and means to cross the U.S.-Mexico border would entail costly and unnecessary delays.

Grant of the STA will also serve the public interest by helping to expand the ability of Neutral Networks' carrier customers to provide the cross-border component of high-quality broadband services. The grant will ensure the timely construction and, subsequently, commencement of operations of the NNLC system, bringing the public benefits of much needed additional capacity on the important U.S.-Mexico route. This will enhance competition, service quality, redundancy, and resilience in the region. Grant of the STA request will also avoid imposing needless and avoidable costs on Applicant caused by the inability to utilize existing and near-term planned construction made possible by the governmental approvals already obtained.

III. THE COMMISSION HAS AUTHORITY TO GRANT THE STA REQUEST

The Commission has on numerous occasions granted STAs for construction, connection,

and testing prior to the grant of a cable landing license, and it should also do so in this case. Most recently, the Commission has granted, upon showings similar to the facts presented here, STAs for construction, connection, and testing of the PLCN, Crosslake Fibre, Hawaiki, and BRUSA cable systems.⁴ Neither the Cable Landing License Act nor Executive Order 10530 (delegating submarine cable licensing authority from the President to the Commission, subject to Executive Branch review) limits the Commission's ability to issue such relief.⁵ The Applicant seeks similar authority here to construct, connect, and test the NNLC in U.S. territory.

IV. CONCLUSION

For the foregoing reasons, the Commission should expeditiously grant this STA request.

Respectfully submitted,

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September 30, 2021

⁴ See Request for Special Temporary Authority, *GU Holdings (PLCN)*, FCC File No. SCL-STA-20180907-00033 (granted Oct. 5, 2018); Request for Special Temporary Authority, *Crosslake Fiber USA LLC*, FCC File No. SCL-STA-20180606-00014 (granted Jun. 18, 2018); Request for Special Temporary Authority, *Hawaiki Submarine Cable USA LLC*, FCC File No. SCL-STA-20170721-00018 (granted Jul. 28, 2017); Request for Special Temporary Authority, *Telxius Cable USA, Inc. (BRUSA System)*, FCC File No. SCL-STA-20170712-00017 (granted Jul. 19, 2017).

⁵ See 47 U.S.C. § 34-39; Executive Order 10530, 19 Fed. Reg. 2709 (May 10, 1954).

CERTIFICATE OF SERVICE

I, Edgar Class, hereby certify that consistent with 47 C.F.R. § 1.767(j), I have served copies of the foregoing Request for Special Temporary Authority for Neutral Networks USA LLC, via first class U.S. mail, postage prepaid, this 30th day of September 2021, to the following:

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