



# PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION  
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**Report No. SCL-00070NS**

**Friday July 18, 2008**

## **NON-STREAMLINED SUBMARINE CABLE LANDING LICENSE APPLICATIONS ACCEPTED FOR FILING**

Unless otherwise specified, the following procedures apply to the applications listed below:

The applications listed below have been found, upon initial review, to be acceptable for filing. These applications are not subject to the streamlined processing procedures set forth in Section 1.767 of the Commission's rules, 47 C.F.R. § 1.767.

Unless otherwise specified, interested parties may file comments with respect to these applications within 28 days of the date of this public notice. We request that such comments refer to the application file number shown below.

Unless otherwise specified, ex parte communications between outside parties and Commission staff concerning these applications are permitted subject to the Commission's rules for "permit-but-disclose proceedings." See 47 C.F.R. § 1.1206.

Copies of all applications listed here are available for public inspection in the FCC Reference and Information Center, located in room CY-A257 at the Portals 2 building, 445 12th Street SW, Washington DC 20554. The center can be contacted at (202) 418-0270. People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty). All applications listed are subject to further consideration and review, and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations, and other requirements.

## Submarine Cable Landing License

Application filed by MFS CableCo US, Inc. ("Verizon") and Cedar Cable Ltd. ("Cedar," collectively with Verizon, the "Applicants") for authority to operate a non-common carrier fiber-optic submarine cable system extending between the United States and Bermuda, the CB-1 System.

The Applicants intend to create the CB-1 System utilizing the northern portion of the Gemini System, which was retired and deactivated on December 29, 2004. The Gemini System was comprised of two submarine segments, a northern segment between Rhode Island and the United Kingdom ("Gemini North") and a southern segment between New Jersey and the United Kingdom ("Gemini South"). The submarine cable will be recovered and redeployed to a landing station in Paget, Bermuda. This redeployment will not disturb the existing buried submarine cable from the U.S. landing point in Charlestown, Rhode Island to a divert point in 2200 meter water depth. A short section of the cable will be recovered from the divert point out to the 200 nautical mile exclusive economic zone of the United States ("200 nautical mile economic zone").

The initial capacity of the CB-1 cable system will be 20 Gbps: one active fiber pair carrying 4 x 10 Gbps traffic streams as two "collapsed loops" creating 2 x 10 Gbps traffic streams. Another fiber pair will initially be inactive to be used as standby. The use of new technology over the existing wet plant could extend the CB-1 System's design capacity to 160 Gbps per fiber pair.

Verizon will own: (1) the physical part of the submarine cable up to the 200 nautical mile economic zone; (2) the Charlestown, Rhode Island cable station building; (3) the terrestrial cable located in the United States between the beach manhole and the Charlestown, Rhode Island cable station; (4) the U.S. terminal equipment; and (5) the U.S. backhaul. Cedar will own all of the CB-1 System capacity within the 200 nautical mile economic zone. Verizon will grant Cedar an IRU for (1) use of the submarine cable and repeaters from the Charlestown, Rhode Island beach manhole to the 200 nautical mile economic zone; (2) use of the terrestrial cable from the beach manhole to the Charlestown, Rhode Island cable station; (3) use of the terminal equipment in the Charlestown, Rhode Island cable station. Cedar will own the multiplexing equipment to be located at 60 Hudson Street, New York, New York.

Cable Co., a Bermuda company under the same ownership structure as Cedar, will own both the physical part and all the capacity of the CB-1 System from Bermuda to the 200 nautical mile economic zone. In Bermuda, Bermuda Telephone Company Limited ("BTC"), the incumbent local telecommunications provider in Bermuda and an affiliate of Cedar and Cable Co., will own the Paget cable station, the backhaul, and the Hamilton Exchange, where end users will have fiber access to connect to the cable system. Cable Co. will own the equipment in both the Hamilton Exchange and the Paget cable station, and receive from BTC an end-to-end cable support service which will include the route from Devonshire Bay (where the beach manhole will be located) to the Paget cable station and on to the Hamilton Exchange. Cable Co. will be responsible for the maintenance of the wet plant of the CB-1 System, jointly cooperating with Verizon for the maintenance of the CB-1 System cable and repeaters located within U.S. territorial waters.

Applicants certify that they will have de facto and de jure control over the CB-1 Cable System regarding matters that may affect the U.S. portion of the cable system, such as maintenance, upgrades, and decommissioning.

The Applicants propose to operate the CB-1 System on a non-common carrier basis. They state that there are sufficient existing or planned facilities on the route or on alternative routes to prevent it from exercising market power. They also state that capacity will not be sold indifferently to the user public, but will be used by the Applicants and offered to other carriers on terms tailored to their particular needs.

MFS Cable Co. is an indirect, wholly-owned subsidiary of Verizon Communications, Inc. Verizon Communications Inc. is a publicly traded company in which no person or entity holds a 10 percent or greater direct or indirect equity or voting interest.

Cedar is a company organized under the laws of Bermuda. Cedar is 67% owned by Chancery Holdings Limited, a wholly-owned subsidiary of KeyTech Limited ("KeyTech"), and 33% owned by Connect Ltd. ("Connect"), all of which are organized in Bermuda. KeyTech is publicly traded on the Bermuda Stock Exchange. Utilico Investment Trust PLC, a UK investment company publicly traded on the London Stock Exchange, holds a 12.1% voting and equity interest in KeyTech. Utilico Investment Trust PLC is in turn 50.1% owned by General Provincial Life Pension Fund (L) Limited, a Malaysian holding company, whose sole beneficiary is Carmelita Naomi Roamer, a British retired investor residing in South Africa.

Connect Ltd., a Bermuda Internet Service Provider, is wholly owned by North Rock Communications Ltd., a Bermuda holding company, which in turn is 78.2% owned by North Rock Ventures Ltd., also a Bermuda holding company. North Rock Ventures Ltd. is wholly owned by Halney Limited, a Bermuda holding company acting as a nominee company for two Bermudian citizens.

Applicants agree to accept and abide by the routine conditions specified in section 1.767(g) of the Commission's rules, 47 C.F.R. § 1.767(g).

Cedar is affiliated with carrier in Bermuda, a World Trade Organization Member country, and agrees to accept and abide by the reporting requirements in section 1.767(l) of the Commission's rules, 47 C.F.R. § 1.767(l), for the U.S. - Bermuda route.

REMINDER:

Applicants must certify that neither the applicant nor any party to the application is subject to a denial of federal benefits by federal and/or state courts under authority granted in 21 U.S.C. § 862. See 47 C.F.R. §§ 1.2001–2003.

An updated version of Section 1.767 of the rules, and other related sections, is available at <http://www.fcc.gov/ib/pd/pf/telecomrules.html>