October 23, 2003

Marlene H. Dortch
Secretary
Federal Communications Commission
445 - 12th Street, S.W.
Room TW-A325
Washington, D.C. 20554

Re: *Opposition To Extension Of Time Request*
IB Docket No. 03-115

Dear Ms. Dortch:

This letter is submitted on behalf of Pacific Telecom Inc. ("Pacific Telecom") and Bell Atlantic New Zealand Holdings, Inc. ("BANZHI") (collectively the "Joint Applicants") in response to the letter dated October 20, 2003 ("October 20 Letter") from the Office of the Governor of the Commonwealth of the Northern Mariana Islands ("Office of the CNMI Governor"). The October 20 Letter requests that the Commission "refrain from issuing its ruling in [IB Docket No. 03-115] for at least fourteen (14) days from the date of this letter to allow the possible submission of new information." The Joint Applicants urge the Commission to deny this last minute request for delay and grant forthwith the pending applications to transfer control of The Micronesian Telecommunications Corporation ("MTC") from BANZHI to Pacific Telecom.[1]

By its very request for delay,[2] the Office of the CNMI Governor implicitly acknowledges that the time is ripe for a Commission decision. In this limited aspect, the Office of the CNMI

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[1] The Commission should deny the request for delay for, if nothing else, its vague and contingent nature. Procedurally, the Office of the CNMI Governor does not limit its request to a specific period of time ("at least" 14 days) and signals that, even if its request is granted, it may not file anything at all. Substantively, the bullet points on page 2 of the October 20 Letter are strewn with phrases ("appears to have," "may have been," "may be available," "may have changed," "appears to charge," "if true") that highlight the speculative nature of the allegations.

[2] The claim of the Office of the CNMI Governor that the requested delay will still allow the Commission staff to issue a decision within the Commission's informal 180-day "internal clock" is incorrect. The "internal clock" in this proceeding began on May 9, 2003, so that the 180th day is Thursday, November 6, 2003. If the minimum delay requested by the Office of the CNMI Governor is granted (14 days), it would be submitting the new information Monday November 3, 2003, leaving practically no time before the November 6, 2003 "deadline" for the Joint Applicants to respond or for the Commission to review the filings and issue a decision.

Governor is correct, as the history of this proceeding demonstrates. The Office of the CNMI Governor filed a timely petition to deny in this proceeding on June 9, 2003 -- its only authorized filing -- and supplemented its petition by a letter dated July 2, 2003; two letters dated August 1, 2003; and a letter dated September 12, 2003. In other words, the Office of the CNMI Governor has used both authorized and unauthorized pleadings over the course of four months to submit information in support of its position. It had other opportunities as well. The Commission recently requested supplemental financial information from the Joint Applicants; and the Office of the CNMI Governor was invited to file comments on the supplemental financial information by October 8, 2003, but declined to do so.

Additionally, the Executive Branch agencies have completed their procedures to ensure that their responsibilities for enforcing the nation's laws, protecting the national security and preserving public safety will be satisfied upon consummation of the proposed transfer of control. Specifically, by letter dated September 22, 2003, the interagency Committee on Foreign Investment in the United States ("CFIUS") determined that "there are no issues of national security sufficient to warrant [its] investigation." Then on October 10, 2003, the Department of Defense, the Department of Homeland Security, the Department of Justice, and the Federal Bureau of Investigation jointly informed the Commission that they have no objection to the FCC granting the pending applications. In sum, all parties have had a meaningful opportunity to participate, the Executive Branch Agencies have completed their input, and the record contains all necessary information for the Commission to make the requisite public interest findings.

The Office of the CNMI Governor has provided no justification for the Commission to refrain from issuing its ruling at this time. The Office of the CNMI Governor concedes that any additional information gathered during the delay only "may underscore" claims that are "already well-documented in this proceeding."[3] Moreover, the Office of the CNMI Governor has already had ample time to investigate its speculative and unsubstantiated allegations about ISLACOM. The Commission should not reward the Office of the CNMI Governor's tactic of waiting until the eleventh hour to gather information it could have obtained over a year ago. Specifically, the Office of the CNMI Governor has been on notice of the Delgados' participation in ISLACOM since at least May 16, 2002, when the FCC issued public notice of the transfer of control applications in IB Docket No. 02-111, a proceeding in which the Office of the CNMI Governor actively participated. In the applications then under review, the relationship between the Delgados and ISLACOM was clearly stated for the record. In a petition to deny filed in that proceeding on June 17, 2002 – over sixteen months ago – the Office of the CNMI Governor raised essentially the same allegations regarding ISLACOM's track record.[4] In the instant

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[3] Letter from Thomas K. Crowe, Counsel for the Office of the Governor of the CNMI to Marlene H. Dortch, Secretary, FCC at 1-2 (Oct. 20, 2003).

[4] *Petition of the Office of the Governor of the Commonwealth of the Northern Mariana Islands To Deny, Or, In The Alternative, To Designate for Hearing*, IB Docket No. 02-111, File No. ISP-PDR-20020411-00013, June 17, 2002, at 18 and n.45.

proceeding, the Office of the CNMI Governor reiterated the allegations in its petition to deny filed June 9, 2003.[5] Then the Office of the CNMI Governor ignored the ISLACOM issues in its unauthorized July 2 and August 1, 2003, submissions in this docket, only to resuscitate the ISLACOM issue in its unauthorized September 12, 2003, letter and now the October 20 Letter. The Office of the CNMI Governor has provided absolutely no justification for seeking further delay to seek "new" information on issues that are already contained in the record of this proceeding and of which the Office of the CNMI Governor was fully aware no later than June 17, 2002.

More significantly, further delay in this proceeding would disserve the public interest. The employees and business partners of MTC look forward to the transition to new ownership and an end to the unnecessary uncertainty regarding the pending transaction. The residents of the CNMI also will benefit. As the record indicates, Pacific Telecom has pledged to increase telecom investment in the CNMI with new capital expenditures of $16.1 million. It also has established the goal of increasing the capacity and coverage of the digital wireless network by 60 percent. Pacific Telecom also announced plans to invest in fiber optic capacity and to roll out DSL service as a mass market product. Implementation of these beneficial developments will be unnecessarily delayed if processing of the Joint Applicants' applications is postponed, as the Office of the CNMI Governor requests. The Commission, therefore, should deny the request for delay and act on the pending applications expeditiously.

Please contact the Joint Applicants' undersigned attorneys if you have any questions.

Respectfully submitted,

/s/

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cc: Attached Service List

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[5] *Petition of the Office of the Governor of the Commonwealth of the Northern Mariana Islands To Deny, Or, In The Alternative, To Designate for Hearing*, IB Docket No. 03-115, File No. ISP-PDR-20030418-00012, June 9, 2003, at 16-17.

CERTIFICATE OF SERVICE

I, Christopher Ryan, a legal assistant at Wiley Rein & Fielding LLP certify that on October 23, 2003, the foregoing was served on all parties listed below by hand delivery (indicated by asterisk) and US. mail, first class, postage prepaid.

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