

Pacific, will go into service during the remainder of 1968 or in 1969. I should also point out that further savings to the U.S. Government as well as other users have been provided for in our authorization of May 27, 1968, to lay a fifth telephone-type submarine cable to Europe (TAT-5) (copy enclosed). In such document, the U.S. overseas carriers are ordered to reduce rates for all services with points which will be served by the new cable at the time it is placed in operation, presently expected no later than March 31, 1970. The magnitude of the reduction for lease of voice circuits is "more than 25 percent." Therefore, if most of the Western European countries expand their facilities with the United States through use of TAT-5 circuits, the future annual cost to U.S. Government agencies of their present requirements of 57 voice circuits will be reduced at a minimum by over three-quarters. In fact, if use of TAT-5 to Europe is general as is now contemplated, we can expect further reductions at the foreign end of the circuits to total some \$2,300,000 a year.

U.S. Government agencies lease a much smaller number of teleprinter circuits, totaling approximately 70 circuits as at December 31, 1967 (the latest data available). Of this number, 40 were with points for which lower U.S. terminal rates have been filed since October 1966. These reductions represent annual savings of over \$580,000. Rates for teleprinter circuits with European points are also subject to the reductions called for in our TAT-5 authorization. Savings to U.S. Government agencies under this authorization from the 18 teleprinter circuits under lease as at December 31, 1967, should be at least \$100,000 annually for the U.S. terminal, if service is provided via the TAT-5 cable, plus an even larger amount for the European terminals.

I am enclosing a table which sets forth the details of the computations of the savings mentioned herein. Should you require further information, we shall be glad to furnish it.

Sincerely yours,

ASHER H. ENDE,

Acting Chief, Common Carrier Bureau.

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION, WASHINGTON, D.C.

File Nos. P-C-7022, S-C-L-40

IN THE MATTER OF AMERICAN TELEPHONE AND TELEGRAPH COMPANY; ITT WORLD COMMUNICATIONS INC.; RCA COMMUNICATIONS, INC.; WESTERN UNION INTERNATIONAL, INC.

Applications for authorization to participate in the construction and operation of an integrated submarine cable and radio system between the U.S. mainland and Spain, Portugal, and Italy, and for a license to land and operate a submarine cable comprising part of that integrated cable-radio system.

ERRATA

Subparagraph (g) of the first ordering paragraph included as a part of the memorandum opinion, order and authorization in the above-entitled matter, released May 27, 1968, is corrected to read as follows:

"(g) The aforementioned carriers are authorized to make available to the following carriers on an IRU or ownership basis, to the extent required for circuits assigned to them as indicated in the application herein and set forth in appendix A hereto, the following numbers of whole and half circuits in the TAT-5 cable:

CTNE, six whole and 91 half-circuits;

ITALCABLE, six whole and 178 half-circuits;

ENTEL, 15 half-circuits;

CPRM, 21 half-circuits."

FEDERAL COMMUNICATIONS COMMISSION,
BEN F. WAPLE, *Secretary*.

Released: May 31, 1968.