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**HUGHES**  
COMMUNICATIONS

Subsidiary of  
Hughes Aircraft Company

January 9, 1990

BY MESSENGER

Ms. Donna R. Searcy  
Secretary  
Federal Communications Commission  
1919 M Street, NW  
Washington, DC 20554

Attention: Satellite Radio Branch

Re: Section 319(d) Waiver for Hughes Communications  
Galaxy, Inc. to Begin Construction of a Hybrid  
Domestic Communications Satellite to Serve as a  
Ground Spare for the Galaxy Satellite System

Dear Ms. Searcy:

Concurrently with this letter, Hughes Communications Galaxy, Inc. ("HCG") is filing an application (the "Application") for authority to construct a hybrid C/Ku band satellite to serve as a ground spare for HCG's domestic communications satellite system (the "Ground Spare").

The purpose of this letter is to request a waiver, pursuant to Section 319(d) of the Communications Act 47 U.S.C. § 319(d), so that HCG may spend up to thirty million dollars during the next twelve months to construct the Ground Spare.

HCG explains in the Application how the proposed Ground Spare will become an essential element of HCG's Galaxy system of domestic satellites. The Ground Spare will provide HCG with the ability to replace promptly any of its satellites that experiences a launch or in-orbit failure.

As detailed in the Application, the proposed Ground Spare is a response to customer demands. Customers today require that satellite operators possess multiple levels of back-up capacity in the case of a satellite failure. The proposed Ground Spare allows HCG to meet these customer needs more fully.

In order to meet these needs, however, it is imperative that HCG order construction of the Ground Spare to begin as soon as possible. HCG has a number of satellites scheduled for launch in the next few years. The grant of this waiver is necessary to avoid delay in the timely availability of the Ground Spare to

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provide launch protection should the Commission grant the Application. Such delay would hinder HCG's business plans and restrict HCG's ability to provide services to the public promptly in the event of a launch failure of one of its satellites.

Moreover, HCG has recently been granted a Section 319(d) waiver to commence construction of its proposed Galaxy IV satellite, the technical specifications of which are identical to those of the Ground Spare. Grant of this requested Section 319(d) waiver will permit HCG to coordinate the procurement of various long lead-time items and realize certain economies of scale.

Significantly, no new orbital locations are needed for the proposed Ground Spare and no other satellite operators will be affected by the construction of this satellite. Moreover, the Application is consistent with other applications for ground spares that the Commission has routinely granted in the past.

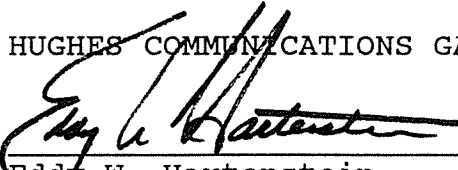
HCG acknowledges that the grant of this Section 319(d) waiver will be without prejudice to any further action by the Commission on the pending Application, and that any expenditures will be made at HCG's risk.

Accordingly, HCG respectfully requests that the Commission grant a Section 319(d) waiver to permit HCG to expend up to thirty million dollars on the proposed Ground Spare during the next twelve months.

Respectfully submitted,

HUGHES COMMUNICATIONS GALAXY, INC.

By:

  
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Eddy W. Hartenstein  
Senior Vice President