



Federal Communications Commission
Washington, DC 20554

International Bureau

March 25, 2004

VIA FACSIMILE (202-661-9042) AND U.S. MAIL

Mr. Brian Weimer
Skadden, Arps, Slate, Meagher & Flom LLP
1440 New York Ave., NW
Washington, DC 20005-2111

Re: Celsat America, Inc.
File Nos. 26/27/28-DSS-P-94; 36-SAT-AMEND-95; 65/66/67-SAT-AMEND-96; 192-SAT-AMEND-97; 88-SAT-AMEND-98; IBFS File Nos. SAT-A/O-19940408-00016/17/18; SAT-AMD-19941125-00089; SAT-AMD-19960124-00007/8/9; SAT-AMD-19970925-00124; SAT-AMD-19980113-00009; SAT-AMD-20001103-00153

Dear Mr. Weimer:

In connection with our review of Celsat's Critical Design Review submissions dated December 18, 2003, we noted that Celsat plans to operate its Tracking, Telemetry and Command (TT&C) subsystem in two bands, even though Celsat is authorized to operate in only one of those bands. Section 25.202(g) of the Commission's rules requires authorized satellite service providers to operate their TT&C subsystems "at either or both edges of the allocated band(s)."¹ Thus, if Celsat plans to operate its TT&C outside of its authorized bands, Celsat must file a request to modify its authorization to add spectrum in that band, and seek a waiver of this rule.²

In addition, we have reviewed Celsat's October 14, 2003 annual report filing (as well as an earlier letter from Celsat dated August 1, 2003) notifying us that Celsat's satellite manufacturer, Space Systems/Loral, Inc., has filed for bankruptcy protection. Please advise us of Celsat's assessment of the impact of this bankruptcy on Celsat's ability to move forward with completion of its satellite system.³ In particular, please provide evidence of payment (such as cancelled checks) not otherwise disclosed in Celsat's December 18, 2003 submission, and if none, any other assurances that Celsat will timely meet the remaining Commission milestones set forth in Celsat's license.

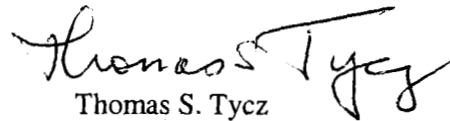
¹ 47 C.F.R. § 25.202(g); *see also* *WB Holdings I LLC*, Memorandum Opinion and Order, 17 FCC Rcd 8217, 8220 ¶ 8 (2002).

² *See id.* at 8218, 8220 ¶¶ 2, 7-8 (rejecting licensee's modification request to obtain spectrum for TT&C operations in the C-band).

³ *See* The Establishment of Policies and Service Rules for the Mobile Satellite Service in the 2 GHz Band, *Report and Order*, FCC 00-302, 15 FCC Rcd 16127, 16178 ¶ 108 (2000) ("we retain discretion to seek additional information from system proponents concerning any aspect of system progress"); *see also* Amendment of the Commission's Space Station Licensing Rules and Policies, Mitigation of Orbital Debris, *First Report and Order and Further Notice of Proposed Rulemaking in IB Docket No. 02-34*, and *First Report and Order in IB Docket No. 02-54*, FCC 03-102, 18 FCC Rcd 10760, 10833 ¶ 191 (2003) ("[T]he Commission retains discretion to require licensees to provide further information").

Please file the requested information with the Commission's Secretary by April 5, 2004, with an electronic or hand delivered courtesy copy to Karl.Kensinger@fcc.gov. You may contact Karl Kensinger at (202) 418-0749 if you have any questions.

Sincerely,



Thomas S. Tycz
Chief, Satellite Division
International Bureau

cc: Mr. David D. Otten
Chairman and Chief Executive Officer
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