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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Received

In re Amendment to)
)
PANAMSAT LICENSEE CORP.)
)
Application For Authority to Construct,)
Launch, and Operate a Hybrid Separate)
International Communications Satellite)

File No. _____

APR 17 1996

108-SAT-AMEND-96

SECRETARY'S OFFICE

AMENDMENT

PanAmSat Licensee Corp. ("PanAmSat"), hereby submits this amendment to its application, filed June 17, 1994, to construct, launch, and operate a new hybrid satellite — PAS-21 — as part of its separate international communications satellite system. The financial showing set forth in that application is sufficient under the traditional separate system "two-step" financial standard. On January 22, 1996, however, the Commission released the DISCO Order in which it imposed an additional obligation on separate system applicants seeking to make their financial showing using the two-step standard.¹ Under the DISCO Order, applicants for orbital locations in uncongested portions of the orbital arc may make a two-step financial showing only upon request.²

Accordingly, in support of its PAS-21 application, PanAmSat submits the following information:

I. APPLICANT

PanAmSat Licensee Corp.
One Pickwick Plaza
Greenwich, CT 06830
(203) 622-6664

¹ Amendment to the Commission's Regulatory Policies Governing Domestic Fixed Satellites and Separate International Satellite Systems, IB Docket No. 95-41, ¶ 42 (rel. Jan. 22, 1996).

² Id.

II. CORRESPONDENCE

Correspondence with respect to this application should be sent to the following person at the above address and telephone number:

Frederick Landman
President/Chief Executive Officer

with a copy to:

Henry Goldberg, Esq.
Goldberg, Godles, Wiener & Wright
1229 Nineteenth Street, N.W.
Washington, D.C. 20036
(202) 429-4900

III. PROPOSED AMENDMENT

PAS-21, which will be a state-of-the-art communications satellite, will play a vital role in PanAmSat's global satellite system. The original application for PAS-21 set forth PanAmSat's financial qualifications in accordance with the "two-step" separate system standard. Since the application was filed, the Commission has released the DISCO Order in which it altered the financial qualifications standards for separate system satellites. Specifically, applicants for uncongested orbital locations outside of the "traditional domestic arc" may make a two-step financial showing upon request.³ Such requests are required to include information regarding the costs of construction, launch, and first-year operation of the satellite, information regarding the efforts of the applicant to obtain financing, and a showing that use of the one-step full financial showing is not required by the public interest. This amendment provides the additional showing required for application of the two-step financial standard to PanAmSat's PAS-21 application.

A. Costs Of Construction, Launch, And First-Year Operation

The information is set forth in Exhibit 3 to the PAS-21 application, which is hereby incorporated by reference.

³ PAS-8 fits within this category. The 68.5° E.L. orbital location for PAS-21 lies outside of the congested domestic arc.

B. Financing

PanAmSat is working with Morgan Stanley to raise the funds necessary, through an appropriate mix of debt and equity, to fully fund PAS-21. Both PanAmSat and Morgan Stanley anticipate that PanAmSat will be able to raise the funds necessary for the PAS-21 satellite project. See Exhibit A (attached).

C. Use Of The One-Step Full Financial Showing Standard Is Not Required By The Public Interest.

Use of the two-step financial qualification standard will not foster misuse of scarce orbital resources and, therefore, the public interest would not be served by application of the one-step financial qualification standard. PanAmSat, making financial showings comparable to the one set forth for PAS-21, has demonstrated consistently its ability and commitment to construct, launch and operate satellites for the provision of international satellite services. In this regard, PanAmSat presently operates four in-orbit communications satellites from which it provides high quality, innovative satellite services.

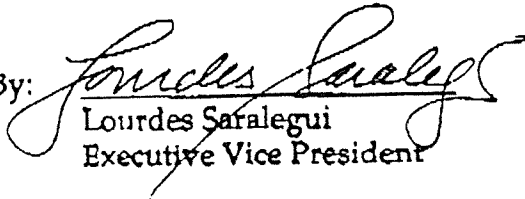
In light of PanAmSat's track record as a responsible FCC licensee — an entity that makes prompt and efficient use of scarce orbital locations — there is no threat that application of the two-step standard will foster misuse of scarce orbital resources. Rather, application of such an approach will ensure the rapid provision of additional high quality service to the public. Accordingly, the public interest would not be served by application of the one-step financial qualification standard.

The undersigned certifies individually and for PanAmSat that the statements made in this amendment are true, complete, and correct to the best of his knowledge and belief, and are made in good faith.

The undersigned also certifies that neither PanAmSat nor any party to this amendment is subject to a denial of federal benefits pursuant to Section 5301 of the Anti-drug Abuse Act of 1988, 21 U.S.C. § 853a.

Respectfully submitted,

PANAMSAT LICENSEE CORP.

By: 
Lourdes Saralegui
Executive Vice President

Date: April 11, 1996

EXHIBIT A

MORGAN STANLEY

MORGAN STANLEY & CO.
INCORPORATED
1585 BROADWAY
NEW YORK, NEW YORK 10036
(212) 761-4000

January 19, 1996

Mr. Frederick A. Landman
Chief Executive Officer
PanAmSat Corporation
One Pickwick Plaza
Greenwich, CT 07830

Dear Mr. Landman:

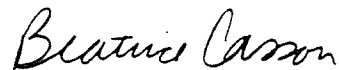
Morgan Stanley & Co. Incorporated ("Morgan Stanley") has reviewed the business operations of PanAmSat Corporation ("PanAmSat"), and PanAmSat's expansion plans relating to the addition of a new C-/Ku-band hybrid communications satellite serving the Indian Ocean Region. We understand that PanAmSat Licensee Corp., the wholly-owned subsidiary of PanAmSat, intends to file in the near future an application with the Federal Communications Commission ("FCC") to obtain certain authorizations and licenses in order to implement its expansion plans.

Morgan Stanley is a leading international investment banking and securities firm and is one of the leading investment banking firms serving companies in the telecommunications industry. Morgan Stanley has been involved in offerings of equity and debt securities for a wide variety of telecommunications companies and ventures.

In light of PanAmSat's operating history in the international communications market - in 1988, PanAmSat became the first operator of a privately-owned international communications satellite - we believe that if PanAmSat's expansion plans were effected as contemplated, the investment opportunities presented would be appealing to various financial and industrial corporations. While the precise terms of any specific financing would be subject to PanAmSat's realization of its objectives and to industry, regulatory and market conditions at the time of any offering, we would anticipate that there would be a number of potential investors who would seriously consider an equity and/or debt investment. On this basis, we are willing to work with PanAmSat in its effort to raise capital, in the financial markets or otherwise, for it to implement its business expansion plans.

Morgan Stanley has recently acted as lead managing underwriter for PanAmSat in a Preferred Stock offering and a Common Stock offering. We understand that PanAmSat intends to file this letter with FCC, and this letter has been provided solely for such purpose.

Sincerely,


Beatrice M. Cassou
Principal

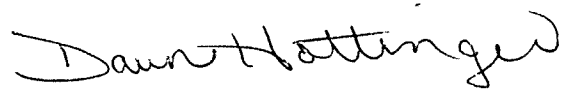
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Amendment was sent by first-class mail, postage prepaid, this 11th day of April, 1996, to each of the following:

- * Mr. Scott Blake Harris
Chief, International Bureau
Federal Communications Commission
2000 M Street, N.W., Room 830
Washington, D.C. 20554
- * Mr. Tom Tycz
Chief, Satellite & Radiocommunication Division
International Bureau
Federal Communications Commission
2000 M Street, N.W., Room 811
Washington, D.C. 20554
- * Fern J. Jarmulnek
Federal Communications Commission
2000 M Street, N.W., Room 518
Washington, D.C. 20554
- * Kathleen Campbell
International Bureau
Federal Communications Commission
2000 M Street, N.W., Room 505
Washington, D.C. 20554

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Washington, D.C. 20004

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Karis A. Hastings
Julie T. Barton
Hogan & Hartson L.L.P.
555 Thirteenth Street, N.W.
Washington, D.C. 20004



/s/ Dawn Hottinger
Dawn Hottinger

* By Hand