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

Federal Communications Commission Office of Secretary File Nos. 75-SAT-Amend-96; Final Analysis Communication 25-SAT-P/LA-95 Received Application for a Non-Voice NOV 1 4 1996 Non-Geostationary Mobile-Satellite Policy Branch

International Bureau

To: The Commission

For an Amendment to its

In re Application of

Services, Inc.

Satellite System

REPLY TO OPPOSITION TO PETITION TO DENY

CTA Commercial Systems, Inc. ("CTA"), by its attorneys and pursuant to Section 25.154 of the Commission's Rules, 47 C.F.R. § 25.154, hereby replies to the Opposition of Final Analysis Communication Services, Inc. ("FACS") to CTA's Petition to Deny. CTA is seeking denial of FACS' effort to amend its application to construct, launch and operate a commercial Non-Voice, Non-Geostationary ("NVNG") Mobile Satellite System ("MSS"). As a second round NVNG MSS applicant, CTA has a direct interest in the Commission's consideration of the FACS amendment.

In its Petition to Deny, CTA argued that the FACS amendment should be denied as a violation of the processing rules applicable to the FCC's second round NVNG licensing proceeding. ¹/₂ Specifically, CTA stated that, under the Commission's NVNG processing rules, FACS was required to be financially qualified as of the cut-off date for the second NVNG processing round, <u>i.e.</u>, by November 16, 1994, and could not two years later amend its application to demonstrate financial qualifications. ²/₂

On October 29, 1996, the Commission issued a <u>Notice of Proposed</u>

<u>Rulemaking</u> ("<u>NPRM</u>") which, <u>inter alia</u>, (1) requests that each second round NVNG applicant amend its application to conform with new spectrum allocation and sharing proposals established by the Commission; and (2) imposes new financial qualifications standards for second round NVNG applicants.³/

The Commission's NPRM appears to make moot the issue of the validity of the FACS amendment, inasmuch as all Little Leo applicants are now required to file amendments to their applications to meet the new financial qualification standards.

Nonetheless, because the FACS amendment remains pending, CTA here responds briefly to some of the comments made in the FACS Opposition regarding its financial qualifications for an NVNG license.

 $[\]underline{^{1}}$ See CTA Petition to Deny at 2.

 $[\]underline{\underline{Id}}$.

In the Matter of Amendment of Part 25 of the Commission's Rules to Establish Rules and Policies Pertaining to the Second Processing Round of the Non-Voice, Non-Geostationary Mobile Satellite Services, Notice of Proposed Rulemaking, FCC 96-426, IB Docket No. 96-220, released October 29, 1996.

under construction do not meet this standard and cannot be relied upon under the Commission's rules to demonstrate financial qualifications for an NVNG license.

CONCLUSION

CTA stands by its conclusion that FACS is not financially qualified for an NVNG license, either under the Commission's prior standard or under the new, more rigorous financial qualifications test proposed in the NVNG NPRM.

Respectfully submitted,

CTA COMMERCIAL SYSTEMS, INC.

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November 12, 1996

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CERTIFICATE OF SERVICE

I, Yasmin Beckford, hereby certify that I have on this 12th day of November 1996, caused to be served a copy of CTA Commercial Systems, Inc.'s Reply to the Opposition of Final Analysis Communication Services to CTA's Petition to Deny the Final Analysis Communications Services Amendment, by hand or by first-class mail, postage prepaid, upon the following:

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