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Received

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Policy Branch
International Bureau

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Federal Communications Commission
Office of Secretary

March 1, 2005

VIA ELECTRONIC DELIVERY

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

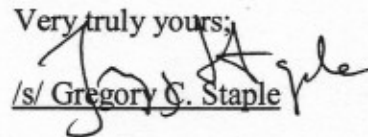
Re: TMI Communications and Company, Limited Partnership
File No. 189-SAT-LOI-97
IBFS Nos. SAT-LOI-19970926-00161
SAT-AMD-20001103-60158
ET Docket No. 95-18
Industry Canada Letter Approving Request for Milestone Modifications

Dear Ms. Dortch:

Transmitted herewith on behalf of TMI Communications and Company, Limited Partnership (TMI) is a February 21, 2005 letter to TMI from Industry Canada, modifying the Approval in Principle issued by Industry Canada for the above referenced 2 GHz Mobile Satellite (MSS) System. This modification was requested by TMI and aligns the 2007 satellite launch milestone and the authorized service link bandwidth with the terms of TMI's Letter of Intent (LOI) authorization, as amended. See *Memorandum Opinion and Order*, FCC 04-144, released June 29, 2004. TMI's Approval in Principle from Industry Canada, as amended, remains in full force and effect.

Please direct any questions regarding this submission to the undersigned.

Very truly yours;


/s/ Gregory C. Staple

Counsel to TMI Communications and Company, Limited Partnership

cc: Roderick Porter
Steven Spaeth
Cassandra Thomas

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Industry Canada Industrie Canada

300 Slater Street
Ottawa, ON K1A 0C8

Our File: 6215-3-4

FEB 21 2005

Mr. Ted H. Ignacy
Vice-President, Finance
TMI Communications and Company, LP
1601 Telesat Court
P.O. Box 9826
Ottawa, ON
K1G 5M2

Dear Mr. Ignacy:

I refer to your letter of July 30, 2004 and December 8, 2004 providing an update to your 2 GHz mobile satellite service (MSS) plans and a request to modify two conditions associated with the Department's May 2, 2002 approval of TMI's plan for a 2 GHz mobile satellite. More specifically, you have asked the Department to modify the milestone requiring a placement of the satellite into its assigned orbital position to November 2007, and to modify the spectrum assignment to align with assignments granted by other administrations.

In reviewing your request, the Department has taken into account that our May 2002 approval in principle was granted on a non-competitive basis and that the spectrum assignment was made, consistent with the principles set out in the Department's policy on implementation and authorization of 2 GHz mobile satellite services in Canada¹, taking into account the award of spectrum to several 2 GHz MSS systems by the Federal Communications Commission (FCC)². We now note a more recent FCC decision that awards 4+4 MHz of spectrum to TMI and other MSS satellite operators³.

In October 2003, the Department initiated a public consultation on new spectrum for advanced wireless services in the 2 GHz range (DGTP-007-03). One

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As found in section 5 of Industry Canada's Spectrum Utilization Policy, Amendments to the Microwave Spectrum Utilization Policies in the 1-3 GHz Frequency Range (SP 1-3 GHz).

² Reference FCC July 17, 2001 announcement, FCC International Branch Authorizes New Mobile Satellite Service Systems in the 2 GHz Band.

Reference FCC June 21, 2004 Memorandum Opinion and Order, FCC 04-144.

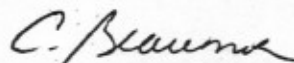
Canada

proposal was to change the mobile satellite frequency allocations such that the MSS spectrum be reduced from 35 + 40 MHz to 20 + 20 MHz and that the revised spectrum bands be 2000-2020 MHz and 2180-2200 MHz (instead of 1990-2025 MHz and 2160-2200 MHz). The Department has not yet made a decision on these proposed allocation changes. However, when it comes to satellite communications, the Department's view has been to align the domestic allocation within the North American context. Hence, the Department reserves the flexibility to make allocation changes considered to be in the public interest.

The Department has concluded that, while changes to the spectrum allocation are still being considered, your request for modifications should be accepted to support your plans for developing an advanced Canadian mobile satellite capable of serving the Canadian market and beyond. Accordingly, conditions 6 and 8 of the Department's May 2002 approval in principle are hereby modified as set out in out in the attachment to this letter.

Please note that in accordance with the Department's commitment to fair, open and transparent licensing processes, this letter will be posted on our Strategis website. If you have any questions about this letter, please contact Richard Hiebert at (613) 998-4333.

Yours sincerely,



Chantal Beaumier
Director, Space and International
Regulatory Activities

Attachment: 1

ATTACHMENT

6. Implementation Milestones

TMI shall meet the following implementation milestones by the respective dates set out in the following table:

Table of Implementation Milestones

	Milestone	Date
1	Submission of design specifications to Department for approval	June 15, 2002
2	Signature of contract for the construction of the first of two satellites	July 15, 2002
3	Placement of the satellite into its assigned orbital position	November 30, 2007

6.1 Submission of Final Design Specifications

Prior to entering into a contract for the procurement of its satellite, TMI must demonstrate to the Department that the satellite design 1) will meet the coverage and capacity set out in its application of May 17, 2001, 2) will comply with all technical and operational requirements as set out in Articles 21 and 22 of the ITU *Radio Regulations*, 3) will indicate what sub-bands will be used for the feeder links to be located in Canada, and that the use of feeder link spectrum will be implemented in accordance with the provisions and procedures of Appendix 30B of the ITU *Radio Regulations*. To this end, TMI shall submit, by the Milestone 1 date above, the design specifications for the new satellite to the Department for approval.

6.2 Signature of Contract

Within 15 days of final signature of the Milestone 2 contract, TMI must provide evidence satisfactory to the Department that TMI is bound to a contractual agreement with a satellite manufacturer for the construction of the proposed satellite.

8. Assigned Spectrum for Service to Subscriber Stations

TMI will be authorized 4 MHz in each of the two bands (1990-2025 MHz and 2165-2200 MHz)¹ for service to subscriber stations. In addition, TMI may be authorized a second 4 MHz in each of the bands for as long as it does not constrain entry of another MSS operator into the Canadian

¹ Note that modification of the mobile-satellite bands are currently being proposed in Industry Canada's consultation document DGTP-007-03.

market. The Department will retain full flexibility to adjust TMI's specific assignment of 2 GHz service band spectrum in order to harmonize the assignment with other MSS assignments and with allocations for other services (eg., terrestrial mobile services) in the North American market.

TMI's specific MSS assignment in these bands will be determined in consultation with the Department. After the assignment has been determined, TMI may request that the Department initiate the displacement of fixed systems in Canada in accordance with condition 9.