

**ORIGINAL** 

Pillsbury Winthrop Shaw Pittman LLP 2300 N Street, NW | Washington, DC 20037-1122 | tel 202.663.8000 | fax 202.663.8007

CALL SIGN: S2242 SAT-LOA-19970605-00049 SAT-AMD-20051118-00226 SAT-AMD-20080114-00015

Tony Lin tel 202.663.8452 tony.lin@pillsburylaw.com

November 10, 2008

Via Courier

Marlene H. Dortch Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554 FILED/ACCEPTED

NOV 1 0 2008

Federal Communications Commission Office of the Secretary

Re:

DIRECTV Amendment Application

SAT-AMD-20080916-00188; Call Sign S2242

Dear Ms. Dortch:

Pegasus Development DBS Corporation ("Pegasus") by its attorneys hereby submits this letter in support of the Response of DIRECTV Enterprises, LLC ("DIRECTV") (November 10, 2008) to the Comments of EchoStar Corporation ("EchoStar") (October 27, 2008) regarding the above-referenced 17/24 GHz Broadcasting Satellite Service amendment application. The gravamen of EchoStar's complaint is that the private agreement between DIRECTV, Intelsat North America LLC, and Pegasus did not include EchoStar and that its inclusion in those discussions could have resulted in a more optimal outcome. But, the fact that EchoStar was not included in that agreement provides no basis to delay grant of the amendment application. As explained in the DIRECTV Response, EchoStar is not prejudiced by the amendment application – its assignment of spectrum would be exactly the same whether the FCC

Indeed, EchoStar effectively concedes that the proposed transaction, if consummated, would result in a more efficient and valuable division of spectrum. *See* Comments, at 2 ("EchoStar concurs that U.S. RBW slots are of greater value and competitive significance if a single applicant is able to control all the frequencies at a given location. Specifically, providers would have the ability to defray the substantial costs of constructing a satellite over more transponders and total capacity.").

Marlene H. Dortch November 10, 2008 Page 2

grants the amendment application or not. Accordingly, its arguments in that regard necessarily fail.<sup>2</sup>

EchoStar does not oppose the requested clarification that Pegasus should be subject to a single \$3 million performance bond for having a combined authorization at 107° W.L. As explained in the application, requiring Pegasus, which would hold consolidated applications at a single orbital slot (for only a portion of the available bandwidth), to post twice the \$3 million amount would be highly inequitable and unnecessary to serve the purpose of the performance bond. Accordingly, if the amendment application is granted, the Commission should clarify (and/or grant any necessary waiver) that Pegasus is required to post only a single \$3 million bond for its combined authorization at the 107° W.L. orbital location.

Please contact the undersigned if you have any questions.

Very truly yours,

Bruce D. Jacobs Tony Lin

www.pillsburylaw.com 400996659v1

<sup>&</sup>lt;sup>2</sup> As explained in the DIRECTV Response, EchoStar's procedural arguments are also flawed.

## **CERTIFICATE OF SERVICE**

I, Renee Williams, hereby certify that on this 10th day of November 2008 I served a true copy of the foregoing by first-class United States mail, postage prepaid, upon the following:

Andrea Kelly\* Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554

Susan Crandall Intelsat North America LLC 3400 International Drive, N.W. Washington, D.C. 20008-3006 William M. Wiltshire
Michael D. Nilsson
Harris, Wiltshire & Grannis LLP
1200 18<sup>th</sup> Street, N.W.
Washington, D.C. 20036
Counsel for DIRECTV Enterprises, LLC

Pantelis Michalopoulos Chung Hsiang Mah Steptoe & Johnson LLP 1330 Connecticut Avenue, N.W. Washington, D.C. 20036 Counsel for EchoStar Corporation

\*By Hand Delivery