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February 11, 2014

FILED ELECTRONICALLY

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

Re: Notice of *Ex Parte* Presentation, IBFS File Nos. SAT-RPL-20121228-00227 & SAT-AMD-20131113-00132, Call Sign S2892

Dear Ms. Dortch:

On February 7, 2014, Gerry Oberst, Sergy Mummert and Daniel Mah of SES and the undersigned, outside counsel for SES, met with Roderick Porter of the International Bureau and Jose Albuquerque and Karl Kensinger of the Satellite Division to discuss the above-referenced application for the SES-3 C- and Ku-band replacement satellite. The SES-3 application has been designated as permit-but-disclose for purposes of the *ex parte* rules effective October 31, 2013.¹ The purpose of the meeting was to seek expedited grant of the SES-3 application. The SES presentation focused on the attached document, which was distributed at the meeting.

I also spoke to Roderick Porter by telephone on February 11, 2014. In that conversation, I emphasized that deferring action on the SES-3 application would create unacceptable risk for current customers served by AMC-1. In particular, I noted that NBCUniversal and other Kuband customers of AMC-1 have planned for the transition to SES-3 to begin later this month, including making arrangements for personnel, equipment, and other resources needed for the transition. Furthermore, the proposed February-August 2014 transition window allows NBCUniversal to plan the transition around significant live sports events.

In contrast, I noted that delaying action on SES-3 would expose Ku-band customers of AMC-1 to significant uncertainty and the risk of service disruption and increased costs. Although AMC-1 is healthy today and its useful stationkept life is currently expected to extend until April 2016, there can be no guarantees, and the risk that this aging satellite will develop a health issue will only increase as time goes by.

I observed that if the move of Ku-band traffic to SES-3 cannot begin as currently scheduled, it will be impossible to perform the transition without substantial and widespread disruption if AMC-1 suffers an unexpected anomaly. Authorizing SES-3 at that point will be too late. As SES has explained, because of the unusual situation relating to the Ku-band polarization of

¹ See Policy Branch Information, Actions Taken, Report No. SAT-00979, DA No. 13-2141, rel. Nov. 8, 2013 at 2.

AMC-1, Ku-band customers are facing a lengthy and complicated transition in the best of circumstances, requiring visits to antennas that are widely dispersed. If the transition to SES-3 has to commence suddenly because an unexpected problem arises with AMC-1, Ku-band customers will be scrambling to make these site visits in order to transition to SES-3 on an expedited basis. Until that process can be completed – which will take up to six months – customers will face service outages if AMC-1 is not operating reliably.

Please contact the undersigned if you have any questions.

Respectfully submitted,

/s/ Karis A. Hastings

Karis A. Hastings Counsel for SES <u>karis@satcomlaw.com</u>

Attachment

cc: Roderick Porter, IB Karl Kensinger, IB Satellite Division Margaret Tobey, VP, NBCUniversal Jose Albuquerque, IB Satellite Division William Wiltshire, Counsel for DIRECTV

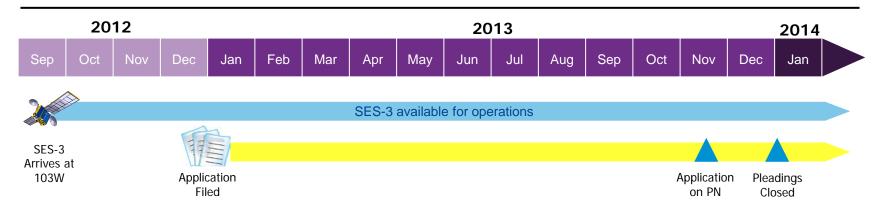


SES-3 C/Ku Band Replacement Satellite at 103° W.L.

February 7, 2014



SES-3 Chronology



- ▲ The SES-3 Application was <u>filed in December 2012</u>.
- ▲ The Application was identified by SES as a priority item at an April 10, 2013 meeting with staff and during numerous subsequent meetings and telephone calls.
- Staff requested additional information concerning expected EOL and TT&C at a meeting June 21, 2013; <u>all requested information has been provided to staff</u>.
- On August 27, 2013, staff asked SES to request its partially-owned Canadian affiliate to <u>undertake coordination with a lower-priority filing</u> in the 17/24 GHz BSS band licensed to DirecTV; SES understands that such coordination efforts are on-going.
- ▲ In a September 26, 2013 meeting with staff, SES emphasized that <u>immediate Commission</u> <u>processing is needed</u> to ensure an orderly service transition.
- ▲ The SES-3 Application was placed <u>on public notice on November 15, 2013</u>; the pleading cycle <u>closed on January 3, 2014</u>.

Immediate Grant of the SES-3 Application Is Justified



- ▲ Licensing SES-3 will promote the long-standing Commission policy in favor of ensuring service continuity for customers.
- ▲ Given the especially complex transition that is required, the C- and Ku-band payloads on SES-3 must be authorized in the near term to minimize customer impact.
- The record is now complete and contains no basis for delaying action:
 - DIRECTV's ability to pursue its planned 17/24 GHz BSS service at 103° W.L. will not be affected by grant of C/Ku authority for SES-3.
 - In any event, DIRECTV's interests as a prospective 17/24 GHz BSS provider cannot possibly outweigh the interests of C- and Ku-band customers who rely on SES capacity at 103° W.L. today.

AMC-1 Hosts Leading Media and Information Industry Customers



Ku-Band	C-Band
Premier media & entertainment provider serving all U.S. homes	Shopping networks that reach >95 million U.S. households
Distributor of radio broadcasts and EAS alerts to 250 million listeners	#1 Nielsen-rated network with programming for U.S. Hispanics
Leading transportation and logistics provider to corporate fleets	The nation's most watched regional sports networks
Pioneer in digital cinema/signage seen by 100 million people daily	Distributor of video on demand to >60 million VOD-enabled households
Fortune 100 global delivery firm	Backbone infrastructure for the U.S. cable industry via SES North American Cable Neighborhood

Expedited Grant Will Ensure a Timely and Orderly Service Transition



- The transfer of Ku-band traffic to SES-3 will be unusually complicated and prolonged because SES-3 has a standard polarization orientation and AMC-1 does not.
- AMC-1 customers must adjust their Ku-band antennas to reflect this change, requiring site visits to thousands of sites dispersed across the country.
- Customers must schedule the switchover to avoid significant events and need lead time to plan the deployment of personnel, equipment, and other resources.
- Because receipt of the SES-3 Ku-band beacon is needed to properly adjust the antennas, customers cannot begin the transition process until the Commission grants SES-3 operating authority.

The Public Interest Calculus Overwhelmingly Supports Grant



- SES has conclusively demonstrated that grant of the SES-3 Application is necessary to ensure service continuity for C- and Kuband customers.
- There is no evidence of any countervailing harms to the public interest:
 - DIRECTV has zero customers and is providing no service in the 17/24 GHz BSS band at 103° W.L.
 - DIRECTV effectively concedes in its reply that an SES-3 C/Ku-band grant will not impact DIRECTV's position in the 17/24 GHz BSS band.
 - In any event, the Commission must distinguish between the public interest and DIRECTV's interest: U.S. consumers will benefit from 17/24 GHz BSS service provided by an operator with better international protection from interference.



17/24 GHz BSS Issues Do Not Justify Delay

- ▲ The Commission will have an opportunity to fully consider matters relating to the 17/24 GHz BSS band when a request for access to the U.S. market using Canadian-licensed capacity is filed.
- ▲ The Commission must reject DIRECTV's self-serving attempt to link action on C- and Ku-band authority to 17/24 GHz BSS coordination:
 - When DIRECTV accepted its 17/24 GHz BSS license at 103° W.L. in 2009, it was aware of the superior Canadian ITU priority and knowingly assumed the coordination risk.
 - Nevertheless, DIRECTV made no attempt to initiate coordination in the years since its license was granted.
 - DIRECTV's bid to delay action on SES-3 is a transparent effort to hold the C- and Ku-band customers at 103° W.L. hostage in order to increase DIRECTV's leverage in unrelated coordination discussions.