

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the matter of	)	
	)	
Loral Satellite, Inc.	)	
(Debtor-in-Possession) and	)	File Nos.
Loral SpaceCom Corporation	)	
(Debtor-in-Possession), Assignors	)	
	)	SAT-ASG-20030728-00138
and	)	SAT-ASG-20030728-00139
	)	
Intelsat North America, LLC, Assignee	)	
	)	
Applications for Consent to Assignments of Space	)	ISP-PDR-20030925-00024
Station Authorizations and	)	
Petition for Declaratory Ruling Under	)	
Section 310(b)(4) of the Communications Act of	)	
1934, as Amended	)	

**Supplemental Order**

**Adopted: March 4, 2004**

**Released: March 4, 2004**

By the Chief, International Bureau:

**I. INTRODUCTION**

1. On February 11, 2004, the International Bureau (Bureau) released an Order and Authorization (*Loral/Intelsat Order*) granting, subject to certain conditions, Applications filed by Loral Satellite Inc. (Debtor-in-Possession or DIP) and Loral SpaceCom Corporation (DIP) (collectively, Loral), and Intelsat North America, LLC (Intelsat) seeking authority to assign space station licenses to Intelsat.<sup>1</sup> In this Supplemental Order, we grant the Request for Technical Correction filed by Intelsat North America LLC on February 19, 2004,<sup>2</sup> and clarify and amend the provisions relating to the Special Temporary Authority (STA) grant and the notification period set forth in the *Loral/Intelsat Order*.

**II. BACKGROUND**

2. In the *Loral Intelsat/Order*, the Bureau adopted certain consumer protection provisions intended to minimize any disruption in service arising from the assignment transaction. These include a grant of Special Temporary Authority to Intelsat to continue providing "additional services," such as

<sup>1</sup> *Loral Satellite, Inc. (Debtor-in-Possession) and Loral SpaceCom Corporation (Debtor-in-Possession), and Intelsat North America, LLC, Applications for Consent to Assignments of Space Station Authorizations and Petition for Declaratory Ruling Under Section 310(b)(4) of the Communications Act of 1934, as Amended, Authorization and Order, DA 04-357, File Nos. SAT-ASG-20030728-00138, SAT-ASG-20030728-00139, ISP-PDR-20030925-00024, (rel. Feb. 11, 2004) (Loral/Intelsat Order).*

<sup>2</sup> See Letter from Bert W. Rein, Wiley, Rein and Fielding, LLP on behalf of Intelsat North America LLC to Marlene H. Dortch, Secretary, Federal Communications Commission (Feb. 19, 2004) (Request for Technical Correction).

Direct-To-Home (DTH) services, to Loral's current customers for a period of 180 days.<sup>3</sup> This provision was adopted in order to allow time for those customers of Loral that used capacity for the provision of additional services to transition to another service provider.<sup>4</sup> In connection with this provision, the *Loral/Intelsat Order* also requires Intelsat to provide written notification to customers of Loral that use capacity for provision of additional services within 30 days of the release of the *Loral/Intelsat Order* that their service is being provided by Intelsat under a grant of Special Temporary Authority.<sup>5</sup> The 30-day notice period will close on March 12, 2004, 30 days after the release date of the *Loral/Intelsat Order*.<sup>6</sup>

3. In its Request for Technical Correction, Intelsat points out that Paragraph 76 of the *Loral/Intelsat Order* – which requires Intelsat to notify current customers of Loral that use Loral's capacity for the provision of additional services within 30 days of the release of the *Loral/Intelsat Order* – would require Intelsat to give inaccurate information to these customers.<sup>7</sup> This is because Intelsat has not yet consummated the assignment transaction, and therefore, has not yet begun to provide service to any of Loral's customers, including those customers that use Loral's capacity for providing additional services.<sup>8</sup> Intelsat states that, as written, the information required by Paragraph 76 to be put into the notice would be accurate only as of the date of consummation.<sup>9</sup> Intelsat further states that the Asset Purchase Agreement approved by the Bankruptcy Court gives Loral until April 12, 2004, to meet certain financial requirements prior to closing the deal between Loral and Intelsat.<sup>10</sup> Thus, to resolve this conflict, Intelsat requests an amendment of Paragraph 76 to read "within 30 days of the consummation of the transaction authorized by this Order and Authorization."<sup>11</sup>

### III. DISCUSSION

4. We grant Intelsat's Request for Technical Correction of the *Loral/Intelsat Order*. It appears that, although the *Loral/Intelsat Order* requires Intelsat to give written notice of Intelsat's provision of additional services, such as DTH service, within 30 days of the release of the *Loral/Intelsat Order*, it is not likely that Intelsat will be providing such service before the close of this notice period. Therefore, we agree with Intelsat that this requirement could result in Intelsat providing inaccurate information to Loral's current DTH customers. We did not intend for the notice requirement to have such a result.

<sup>3</sup> *Loral/Intelsat Order* at paras. 64-66, and n. 173. See also Open-Market Reorganization for the Betterment of International Telecommunications Act, Pub. L. 106-180, 114 Stat. 48 (2000), as amended, Pub. L. No. 107-233 § 1, 116 Stat. 1480 (2002) (ORBIT Act). As noted in the *Loral/Intelsat Order*, the notification and STA provisions apply to all "additional services" as defined under the ORBIT Act (*i.e.* DBS, Ka-band, and V-band services). See *id.* at n. 173; ORBIT Act, § 681(a)(12)(B).

<sup>4</sup> See *Loral/Intelsat Order* at para. 63 and paras. 64-66.

<sup>5</sup> *Loral/Intelsat Order* at para. 76.

<sup>6</sup> The release date of the *Loral/Intelsat Order* was February 11, 2004.

<sup>7</sup> See Request for Technical Correction at 1.

<sup>8</sup> *Id.*

<sup>9</sup> *Id.* Loral Ltd. and certain of its subsidiaries filed for Chapter 11 bankruptcy protection in the United States Bankruptcy Court for the Southern District of New York ("Bankruptcy Court") on July 15, 2003. Loral subsequently entered into an Asset Purchase Agreement to sell certain of its satellite assets to Intelsat, Ltd. and Intelsat (Bermuda), Ltd. See *Loral/Intelsat Order* at para. 5.

<sup>10</sup> *Id.* Loral Ltd. and certain of its subsidiaries filed for Chapter 11 bankruptcy protection in the United States Bankruptcy Court for the Southern District of New York ("Bankruptcy Court") on July 15, 2003. Loral subsequently entered into an Asset Purchase Agreement to sell certain of its satellite assets to Intelsat, Ltd. and Intelsat (Bermuda), Ltd. See *Loral/Intelsat Order* at para. 5.

<sup>11</sup> Request for Technical Correction at 1.

Rather, the intent was to ensure that once Intelsat became the provider of satellite capacity to customers of Loral that used capacity for the provision of additional services, Intelsat would provide notice to these customers that the service would be provided by Intelsat pursuant to an STA, which would expire after 180 days.

5. Therefore, we amend Paragraph 76 to reflect that Intelsat must provide the subject written notice within 30 days of the date of consummation of the assignment transaction, instead of the date of release of the *Loral/Intelsat Order*. We will also amend Paragraph 75, for clarification purposes, to reflect that Intelsat is authorized to provide current customers that use Loral's capacity for the provision of additional services a period of 180 days from the date of consummation of the assignment transaction. That is, as a practical matter, and for purposes of clarification, the STA period also begins from the date of consummation of the assignment transaction.

#### IV. CONCLUSION

6. We find that the above changes to the date on which the notification and STA period commences, will ensure that the consumers protection requirements intended by the notification and STA provisions of the *Loral/Intelsat Order* are properly executed. The 30-day notification period and the 180-day STA period, which begins to run on the date of consummation of the transaction, will provide a reasonable framework and time period for certain existing customers of Loral to transition from Intelsat to another service provider, if necessary.

#### V. ORDERING CLAUSES

7. IT IS ORDERED that the request of Intelsat North America LLC for Technical Correction of Order and Authorization DA 04-357; File Nos. SAT-ASG-20030728; SAT-ASG-20030728-00139; ISP-PDR-20030925-00024, IS GRANTED.

8. IT IS FURTHER ORDERED that Paragraph 75 of the *Loral/Intelsat Order* is amended as provided in this Supplemental Order to reflect that the 180-day Special Temporary Authority granted to Intelsat in the *Loral/Intelsat Order*, DA 04-357, is to commence on the date of consummation of the subject transaction.

9. IT IS FURTHER ORDERED that Paragraph 76 of the *Loral/Intelsat Order* is amended as provided in this Supplemental Order to reflect that the 30-day notification period in which Intelsat must notify current customers of Loral that use capacity for the provision of additional services as defined in the ORBIT Act, is to commence on the date of consummation of the subject transaction.

10. Accordingly, we amend the *Loral/Intelsat Order*, DA 04-357, released on February 11, 2004, to revise Paragraphs 75 and 76 as follows:

75. IT IS FURTHER ORDERED that, pursuant to Section 4(i), 303(r) and 309(f) of the Communications Act of 1934, as amended, 47 U.S.C. Section 4(i), 303(r), 309(f), the grant of the instant Assignment Application subjects Intelsat North America to a 180-day Special Temporary Authority under which it may provide "additional services" as defined in the ORBIT Act that are currently provided by Loral. This 180-day STA period is to commence on the date of the consummation of the transaction authorized in this Order and Authorization. Thereafter, Intelsat North America must discontinue providing these services unless it is no longer subject to the prohibition under the ORBIT Act for providing such additional services.

76. IT IS FURTHER ORDERED that Intelsat North America must notify current customers of Loral who are providing DTH services (or other "additional services" as defined under the ORBIT Act), in writing, and within 30 days of the consummation of the transaction authorized by this Order and Authorization, that DTH service (or other "additional services" as defined under the ORBIT Act) is now being provided under a grant of Special Temporary Authority as specified in this Order and Authorization.

11. IT IS FURTHER ORDERED that with respect to all other ordering provisions, the *Loral/Intelsat Order*, DA 04-357, released on February 11, 2004, remains effective.

12. This action is taken under delegated authority pursuant to Sections 0.51 and 0.261 of the Commission's Rules, 47 C.F.R. §§ 0.51, 0.261, and SHALL BE EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION



Donald Abelson  
Chief, International Bureau