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December 13, 1994

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BY HAND

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, D.C. 20554

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DEC 13 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

File missing

Re: Applications of TRW Inc.
File Nos. 20-DSS-P-91(12), CSS-91-015,
17-SAT-LA-95, and 18-SAT-AMEND-95

Dear Mr. Caton:

TRW Inc. ("TRW"), by its attorneys and pursuant to Section 25.111(a) of the Commission's rules, hereby provides additional, out-year cost estimates to be associated with its above-captioned applications to construct, launch, and operate a satellite system in the new Mobile-Satellite Service Above 1 GHz ("MSS Above 1 GHz"). In supplying this supplemental information, TRW reiterates its belief that its application for Odyssey™,^{1/} as amended on November 16, 1994, contains all of the information the Commission needs to conclude that TRW is financially qualified under new Section 25.143(b)(3) of the Commission's rules to become an MSS Above 1 GHz system licensee. Nevertheless, in response to an informal Commission request, and in the separate interest of completeness, TRW now provides, in the Attachment hereto, a detailed statement of estimated investment and operating costs for the expected lifetime

^{1/} "Odyssey" is a trademark of TRW Inc. Odyssey™ is a satellite telecommunications system which is to be comprised of a constellation of twelve satellites in medium Earth orbit.

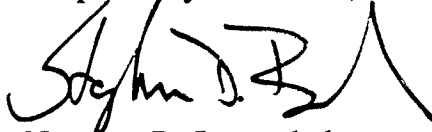
Mr. William F. Caton
December 13, 1994
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of its proposed Odyssey™ system. TRW's projections for Odyssey™ show that for each year during which the system is operational, the revenues to be generated by Odyssey™ will substantially exceed the system's estimated investment and operating costs.

Like Motorola Satellite Communications, Inc. ("MSCI"), also an MSS Above 1 GHz applicant,^{2/} TRW maintains that the information requested in the first clause of Section 25.140(c) of the Commission's rules, and also in Section 25.114(c)(17), has no decisional bearing whatsoever on whether TRW is financially qualified.^{3/} MSS Above 1 GHz system operators are financially qualified if they demonstrate the ability to meet the costs, *inter alia*, of operating their proposed systems for the year following the launch of the first spacecraft in their constellations.

Please direct any questions concerning the foregoing to the undersigned.

Respectfully submitted,



Norman P. Leventhal
Raul R. Rodriguez
Stephen D. Baruch

Attorneys for TRW Inc.

Attachment

cc (w/attachment): All Parties of Record

^{2/} See Request of MSCI for Confidential Treatment, File Nos. 9-DSS-P-91(87) and CSS-91-010, at 1-2 (filed November 15, 1994).

^{3/} It is the second clause of Section 25.140(c), which details the "demonstration" that domestic satellite applicants are to make in order to be financially qualified, that is the apparent object of the specific reference in new Section 25.143(b)(3) of the Commission's rules. The applicable standard is detailed there, and there is no mention of out-year cost estimates in the text of the Commission's promulgatory Report and Order.

ATTACHMENT

Projected Odyssey System Costs by Year (\$ Millions)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Spacecraft	77	260	231	166	162	162										
U.S. Earth Stations & TT&C	23	26	35													
Launch & Launch Support		81	156	187	140	48										
Pre-Launch Exp. and Contingency	1	1	2	2												
Launch Insurance		10	15	14	19											
Maint. & Operating Exp.					11	15	17	15	15	15	15	15	15	15	15	15
Interest Expense					41	66	113	127	141	86	59					
Depreciation					192	395	348	249	180	163	162	104	24	1		

Notes:

- (1) Spacecraft includes 12 operational and two spare satellites.
- (2) U.S. Earth Stations and TT&C includes two U.S. earth stations and one TT&C facility.
- (3) Maintenance & Operating Expense include TT&C and U.S. Earth Station operating expenses plus G&A, marketing, etc.

CERTIFICATE OF SERVICE

I, Katharine B. Squalls, hereby certify that a true and correct copy of the foregoing letter was mailed, first-class postage prepaid, this 13th day of December, 1994 to the following:

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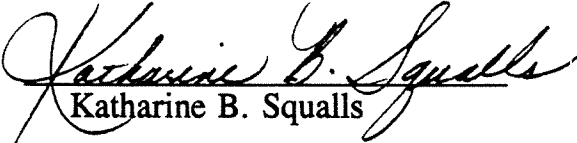
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