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GTE Spacenet  
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DEPARTMENT OF COMMERCE  
SATELLITE PROGRAMS DIVISION

December 13, 1991

Ms. Donna R. Searcy  
Secretary  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, D.C. 20554

Attn: Cecily C. Holiday  
Chief, Satellite Radio Branch

Re: GTE Spacenet Corporation Application For Replacement Satellite  
Applications

Dear Ms. Holiday:

On September 27, 1990, GTE Spacenet Corporation ("GTE Spacenet") filed an Application with the Commission for replacement satellites for its SPACENET I, SPACENET II and GSTAR II satellites.<sup>1</sup> Although GTE Spacenet already held replacement authorizations for the two SPACENET satellites as well as one GSTAR satellite<sup>2</sup> at the time it filed its 1990 Replacement Application GTE Spacenet explained in its Application that it was simultaneously turning in these authorizations while reapplying for virtually the same replacement authority. This simultaneous action stemmed from changes in the domestic satellite industry, GTE Spacenet's own business plans, and extended in-orbit lives (beyond that initially expected) of many of GTE Spacenet's operational satellites which impacted the timing of GTE Spacenet's need for replacement satellite capacity. Because the FCC's rules do not provide for extensions of domestic satellite construction commencement dates for economic or business reasons which a licensee may choose to consider,<sup>3</sup> GTE Spacenet's only alternative was to turn in its existing authorizations while

<sup>1</sup> See, GTE Spacenet Corporation, Application For Authority to Construct Replacement Communications Satellites in the Domestic Fixed-Satellite Service filed September 27, 1990, hereinafter, ("1990 Replacement Application").

<sup>2</sup> Order and Authorization, GTE Spacenet Corporation, FCC 88-378, released December 7, 1988.

<sup>3</sup> 2 FCC Rcd 233 62 Rad. Reg. 2nd at 72.

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simultaneously reapplying for new replacement satellite construction and launch dates.

The 1990 Replacement Application sought construction-only authority for GTE Spacenet's planned replacement satellite, even though GTE Spacenet submitted all the necessary information for Commission consideration of launch authority. Construction-only authority was sought based on GTE Spacenet's belief that the Commission would process replacement applications for construction-only authority, with the request for launch authority to follow closer to the anticipated time of launch. Moreover, GTE Spacenet deferred applying for launch authority at that time in order to account for the possibility that the projected launch dates of the replacement satellites would slip beyond the Commission's five year launch window,<sup>4</sup> thus necessitating further filings to extend the dates. Recently, GTE Spacenet learned that the Commission views launch authority as an inherent aspect of a Replacement Satellite Application, thus effectively precluding consideration of a construction-only Replacement Application. For that reason, GTE Spacenet understands it must submit the applicable launch authority fees for its requested replacement satellites in order for the Commission to begin processing the 1990 Replacement Application.

During the intervening period since the 1990 Replacement Application was filed, additional factors have impacted the timing elements involved in GTE Spacenet's need for replacement satellite capacity. As a result, GTE Spacenet is in the process of modifying the timing of the replacement satellite construction and launch schedule, the naming of the replacement satellites as well as certain technical modifications to the design of the replacement satellites to more completely meet the needs of our customers. All but the technical modifications are definitively concluded, and the technical design modifications will be finalized during the first quarter of 1992. At that time, GTE Spacenet will amend its 1990 Replacement Application to incorporate all of these modifications at the same time. It desires to delay submitting the requisite launch fees for the replacement satellites until the time the amendment is filed in order to avoid commencement of Commission processing prior to the incorporation of the amendment into the Application. For this reason, GTE Spacenet is requesting that the Commission defer processing GTE Spacenet's 1990 Replacement Application until the amendment and launch fees are filed by the end of the first quarter 1992, and that the Commission not dismiss the pending 1990 Replacement Application in the interim. A substantial amount of effort and resources went into preparing the 1990 Replacement Application, including payment of the requisite construction fees for the satellites. Were the Commission to dismiss GTE Spacenet's Application at this time, or if

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<sup>4</sup> Report and Order, CC Docket 85-135; FCC 85-395, released August 29, 1985 at para 28.

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GTE Spacenet were required to withdraw its Application at this time, the resources expended in preparing the 1990 Replacement Application, in a manner GTE Spacenet understood at that time to be acceptable for processing, would not only be wasted, but would have to be duplicated in the next few months in preparing a new Replacement Application.

Sincerely,

*Terri B. Natoli*

Terri B. Natoli

cc: Fern J. Jarmulnek, Esq.

TBN:kmc