



Federal Communications Commission
Washington, DC 20554

International Bureau

December 8, 2003

VIA FACSIMILE (202-719-7049) AND U.S. MAIL

Mr. Peter Shields
Wiley Rein & Fielding LLP
1776 K Street, NW
Washington, DC 20006

Re: Iridium 2GHz LLC
File Nos. 187-SAT-P/LA-97(96), IBFS File Nos. SAT-LOA-19970926-00147;
SAT-AMD-20001103-00156; SAT-MOD-20030828-00286

Dear Mr. Shields:

On July 17, 2001, the International Bureau (Bureau) authorized Iridium 2GHz LLC (Iridium) to construct, launch and operate a satellite system to provide mobile-satellite service (MSS) in the 2 GHz band.¹ In that *Order*, we set forth implementation milestones for the construction, launch, and operation of the satellite system. The *Order* provides that failure to meet any of the implementation milestones renders the satellite authorization null and void by its own terms.

To satisfy the second construction implementation milestone for 2 GHz MSS licenses, the Commission required the completion of Critical Design Review (CDR) by July 17, 2003.² CDR represents the end of the satellite design and development phase and the beginning of the manufacturing phase.³ The CDR milestone helps to ensure that the licensees are making actual progress towards system implementation after satisfying the first milestone, and allows us to identify any failure in that progress.⁴ In determining the type of evidence that licensees may submit to demonstrate compliance with this milestone, the Commission included as options: "(1) evidence of a large payment of money, required by most construction contracts at the time of the spacecraft CDR; (2) affidavits from independent manufacturers; and (3) evidence that the licensee has ordered all the long lead items needed to begin physical construction of the spacecraft."⁵

¹ Iridium LLC, *Order and Authorization*, DA 01-1636, 16 FCC Rcd 13778 (Int'l Bur. 2001) (*Iridium 2 GHz MSS Order*), *application for review denied*, The Boeing Company, et al., *Memorandum Opinion and Order*, FCC 03-12, 18 FCC Rcd 1405 (2003), *appeal pending*, AT&T Wireless Services, Inc. v. FCC, No. 03-1042 (D.C. Cir. filed Feb. 26, 2003); *modified*, Iridium 2GHz LLC, *Order*, DA 03-2075, 18 FCC Rcd 12335 (Int'l Bur. 2003).

² *Iridium 2 GHz MSS Order*, 16 FCC Rcd at 13791, ¶ 43.

³ See The Establishment of Policies and Service Rules for the Mobile Satellite Service in the 2 GHz Band, *Report and Order*, FCC 00-302, 15 FCC Rcd 16127, 16178, ¶ 108 (2000) (*2 GHz MSS Report and Order*).

⁴ See Amendment of the Commission's Space Station Licensing Rules and Policies, Mitigation of Orbital Debris, *First Report and Order and Further Notice of Proposed Rulemaking in IB Docket No. 02-34*, and *First Report and Order in IB Docket No. 02-54*, FCC 03-102, 18 FCC Rcd 10760, 10833, ¶ 189 (2003).

⁵ *Id.* at ¶ 191.

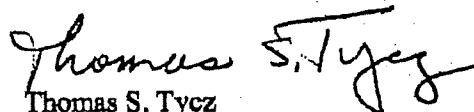
Mr. Peter Shields
December 8, 2003
Page Two

We acknowledge receipt of Iridium's "Certification of Milestone Completion" dated July 17, 2003. As noted in the Commission's Orders addressing the CDR milestone, however, "the Commission retains discretion to require licensees to provide further information, or to conduct physical inspections."⁶ Therefore, in order to evaluate Iridium's compliance with the CDR milestone as well as monitor further progress on the satellite system, and pursuant to section 308(b) of the Act, 47 U.S.C. § 308(b), we request that Iridium provide the following items:

- 1) A copy of the amended satellite manufacturing contract with Boeing Satellite Systems, Inc. (Boeing) referred to at page 13 of the "Certification of Milestone Completion;"
- 2) A copy of the documentation package prepared for payload subsystem CDR and the resulting CDR Report and Action Items list (on paper or CD-ROM); and
- 3) Evidence (such as cancelled checks) that all milestone payments required in the above-referenced satellite manufacturing contract with Boeing have been made up to, and including, the date of this letter.

This information must be filed with the Commission's Secretary by December 18, 2003, with an electronic or hand delivered courtesy copy to Howard Griboff, Howard.Griboff@fcc.gov. Failure to provide this information by this date shall render Iridium's 2 GHz MSS license null and void. Please contact Howard Griboff at (202) 418-0657 if you have any questions.

Sincerely,


Thomas S. Tycz
Chief, Satellite Division
International Bureau

cc: Patricia Mahoney
Vice President, Regulatory & Spectrum Affairs
Iridium 2GHz LLC
1600 Wilson Boulevard, Suite 1000
Arlington, VA 22209
Facsimile: (703) 465-1038

⁶ *Id.* See also 2 GHz MSS Report and Order, 15 FCC Rcd at 16178, ¶ 107 ("we retain discretion to seek additional information from system proponents concerning any aspect of system progress").