

June 12, 2006

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

RECEIVED

JUN 12 2006

Federal Communications Commission
Office of Secretary

**Re: MSV International, LLC
Surrender of Authorization and
Request for Withdrawal and Release of Performance Bond
Call Sign S2487**

Dear Ms. Dortch:

MSV International, LLC ("MSVI"), a wholly owned subsidiary of Mobile Satellite Ventures LP ("MSV"), hereby respectfully surrenders its authorization to launch and operate an L band satellite ("MSV-SA") at the 63.5°W orbital location to provide mobile satellite service in South America, File No. SAT-LOA-20030827-00174. MSVI also requests the Commission's consent to the withdrawal and release of the \$2.25 million performance bond MSVI posted for that satellite.¹ MSVI is surrendering its license for this satellite in order to accelerate by approximately eight months the construction, launch, and operation of its next-generation North American satellite system.

MSVI's parent has expended significant resources in the MSV-SA satellite. In addition to the \$3 million performance bond posted for this satellite, as of the date of this filing, MSV has paid Boeing \$5 million, specifically attributable under the contract to the MSV-SA satellite, and has invested approximately \$1 million more in developing and contracting for this particular satellite. Moreover, MSV is not abandoning its proposed satellite to serve South America, but merely deferring further investment to free capital and resources for its North American system. Thus, MSV has demonstrated a sincere commitment to proceeding with the construction of the MSV-SA satellite.²

¹ In the alternative, to the extent necessary, MSVI requests a waiver of the bond requirement for the reasons stated herein. 47 C.F.R. § 1.3. The bond was initially posted on February 7, 2005 in the amount of \$3 million. Subsequently, as permitted under the Commission's rules, MSV reduced the bond amount to \$2.25 million. See Public Notice, Report No. SAT-00356, DA 06-918, at 2 (April 21, 2006).

² See *Amendment of the Commission's Space Station Licensing Rules and Policies, First Report and Order and Further Notice of Proposed Rulemaking*, IB Docket No. 02-34, FCC 03-102 (rel. May 19, 2003) ("*Space Station Reform First Report and Order*"), at ¶ 170.

Withdrawal and release of the performance bond will not undermine the purpose of the Commission's bond requirement, which is to prevent the "warehousing" of scarce satellite spectrum.³ In this case, the frequencies licensed to the MSV-SA satellite are of little or no value to other prospective satellite operators; thus, MSVI has not precluded a "willing and able" operator from using these frequencies.⁴ With respect to the L band frequencies, the Bureau permitted MSV-SA to use only those frequencies that the Commission has already coordinated and authorized for MSV's North American system.⁵ The Bureau made clear that MSV is the only entity that can use these same frequencies in South America due to the harmful interference that would otherwise result to MSV's North American satellite.⁶ Thus, sound technical reasons, and not MSVI's license, precludes any other entity from using the L band frequencies licensed to MSV-SA in South America. The Appendix 30B Ku band frequencies at 63.5°W licensed to MSV-SA are also of limited value to other potential satellite operators. The Commission restricts the number of satellite earth stations that can operate using these frequencies to facilitate use of this band by terrestrial operators. For example, the Commission has rejected requests to use this spectrum for consumer-based satellites services that entail deployment of more than a handful of earth stations.⁷ Moreover, MSV's proposed use of Appendix 30B frequencies at 63.5°W is a "modification to the plan" under the ITU Appendix 30B band plan procedures, which requires a demonstration that existing and new allotments around the 63.5°W orbital location in the Appendix 30B list will not be adversely affected. Given the limited permitted use of the Appendix 30B frequencies and the international coordination that must be completed in order to use these frequencies, it is unlikely that any other entity would be "willing and able" to launch a satellite using Appendix 30B frequencies at the 63.5°W orbital location.

³ *Id.*

⁴ See *Space Station Reform First Report and Order* at ¶ 173; *Amendment of the Commission's Space Station Licensing Rules and Policies, First Order on Reconsideration and Fifth Report and Order*, IB Docket No. 02-34 (July 6, 2004) ("*Space Station Reform First Order on Reconsideration*"), at ¶ 37 ("The bond requirement was designed to prevent such valuable resources from lying fallow when another party might be able to put those resources into use.").

⁵ See *Mobile Satellite Ventures Subsidiary LLC, Order and Authorization*, DA 05-50 (January 10, 2005) ("*MSV-SA Order*"), at ¶ 8 ("[A]ny NGSO-like satellite serving South America in the bands licensed to AMSC-1 is likely to cause harmful interference to AMSC-1's North American operations. This is because, in this case, the large North American and South American coverage areas are in close proximity to each other and, indeed, are likely to overlap.").

⁶ *Id.*

⁷ See *NGSO FSS Systems Co-Frequency with GSO and Terrestrial Systems in the Ku-Band Frequency Range, First Report and Order and Further NPRM*, FCC 00-418, 16 FCC Rcd 4096, ¶ 29 (2000); see also *Assignment of Orbital Locations to Space Stations in the Domestic Fixed-Satellite Service, Order and Authorization*, 15 FCC Rcd 3385 (Chief, Sat. and Radiocomm. Div., 1999).

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Please contact the undersigned with any questions.

Very truly yours,

A handwritten signature in cursive script that reads "Jennifer Manner". The signature is written in dark ink and includes a stylized flourish at the end.

Jennifer A. Manner

Certificate of Service

I, Sylvia A. Davis, hereby certify that on the 12th day of June, 2006 the foregoing letter was served by first class U.S. mail, postage prepaid, or by hand delivery (*) on the following:

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Sylvia A. Davis