

1776 K STREET NW
WASHINGTON, DC 20006
PHONE 202.719.7000
FAX 202.719.7049

7925 JONES BRANCH DRIVE McLEAN, VA 22102 PHONE 703.905.2800 FAX 703.905.2820

www.wileyrein.com

March 9, 2009

Jennifer D. Hindin 202.719.4975 jhindin@wileyrein.com

Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re:

Intelsat North America LLC; Supplemental Demonstration of Milestone Compliance in Support of Bond Reduction; File No. SAT-LOA-20080416-00085; Call Sign S2750

Dear Ms. Dortch:

Intelsat North America LLC ("Intelsat"), by its counsel, hereby supplements the demonstration of milestone compliance contained in its above-referenced application. Specifically, Intelsat is providing:

- (1) photos of the under-construction Intelsat 16 satellite, all but two of which are confidential;
- (2) a signed statement of Jean-Luc Froeliger, Senior Director, Space Systems Acquisition, certifying that the satellite in the photos is Intelsat 16 and identifying the milestone payments in the Intelsat 16 satellite construction contract made to date; and
- (3) technical materials produced as part of the Intelsat 16 spacecraft critical design review, all of which are confidential.

Intelsat is also filing a request for confidential treatment under Sections 0.457 and 0.459 for the confidential photos and technical materials, which are commercially sensitive and contain "Technical Data" as defined under the International Traffic in Arms Regulation ("ITAR"). Due to ITAR export restrictions, this material may only be viewed by "U.S. Persons" (defined as U.S. citizens and U.S. Permanent Residents). The confidential materials will be hand-delivered to the International Bureau.

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Please contact Susan Crandall of Intelsat at (202) 944-7848 or me with any questions.

Respectfully submitted,

Jennifer D. Hindin



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VIA HAND DELIVERY

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

Re: Request for Confidential Treatment, Intelsat North America LLC, Supplemental Demonstration of Milestone Compliance in Support of Bond Reduction, File No. SAT-LOA-20080416-00085, Call Sign S2750

Dear Ms. Dortch:

Intelsat North America LLC ("Intelsat") respectfully requests that, pursuant to Sections 0.457 and 0.459 of the Commission's rules, the Commission withhold from public inspection and accord confidential treatment to photos and technical information provided by Intelsat to supplement its demonstration of milestone compliance contained in the above-referenced application. This supplemental material contains confidential and commercially sensitive information that falls within Exemptions 3 and 4 of the Freedom of Information Act ("FOIA").²

Exemption 3 exempts from public disclosure "[m]aterials that are specifically exempted from disclosure by statute," provided that the statute "(1) requires that the materials be withheld from the public in such a manner as to leave no discretion on the issue, or (2) establishes particular criteria for withholding or refers to particular types of materials to be withheld." The Commission has determined that Exemption 3 applies to Section 4(j) of the Communications Act, which provides, in part, that "[t]he Commission is authorized to withhold publication of records of proceedings containing secret information affecting the national defense."

¹ 47 C.F.R. §§ 0.457 & 0.459.

² See 5 U.S.C. §§ 552(b)(3), (4); 47 C.F.R. § 0.457(d).

³ 5 U.S.C. § 552(b)(3).

⁴ 47 U.S.C. § 154(j); see 47 C.F.R. § 0.457(c)(1).



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Exemption 4 permits parties to withhold from public information "trade secrets and commercial or financial information obtained from a person and privileged or confidential-categories of materials not routinely available for public inspection." Applying Exemption 4, the courts have stated that commercial or financial information is confidential if its disclosure will either (1) impair the government's ability to obtain necessary information in the future; or (2) cause substantial harm to the competitive position of the person from whom the information was obtained. 6

Section 0.457(d)(2) allows persons submitting materials that they wish to be withheld from public inspection in accordance with Section 552(b)(4) to file a request for non-disclosure, pursuant to Section 0.459. In accordance with the requirements contained in Section 0.459(b) for such requests, Intelsat hereby submits the following:

- (1) Identification of Specific Information for Which Confidential Treatment is Sought (Section 0.459(b)(1)). Intelsat seeks confidential treatment for the photos of the under-construction Intelsat 16 satellite and technical materials produced as part of the Intelsat 16 spacecraft critical design review.
- (2) Description of Circumstances Giving Rise to Submission (Section 0.459(b)(2)). Intelsat is filing this supplemental information to demonstrate milestone compliance for construction of Intelsat 16 and thereby obtain a reduction in the amount of the bond required by the Commission.
- (3) Explanation of the Degree to Which the Information is Commercial or Financial, or Contains a Trade Secret or is Privileged (Section 0.459(b)(3)).

 Nearly all the photos and documents contain "Technical Data" as defined under the International Traffic in Arms Regulations ("ITAR") (22 CFR 120.10), and, as such, may not be exported, disclosed, or otherwise transferred to any "Foreign Person" as defined under the ITAR (22 CFR 120.16) without the prior written authorization of the U.S. Government. The material is thus "secret information affecting the national defense" protected under Exemption 3 of FOIA. Such information is also

⁵ 47 U.S.C. § 552(b)(4).

⁶ See National Parks and Conservation Ass'n v. Morton, 498 F.2d 765, 770 (D.C. Cir. 1974)(footnote omitted); see also Critical Mass Energy Project v. NRC, 975 F.2d 871, 879-80 (D.C. Cir. 1992), cert. denied, 507 U.S. 984 (1993).



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commercially sensitive and falls within Exemption 4 of FOIA. The supplemental material for which confidential treatment is sought contains sensitive commercial, technical and financial information that competitors could use to Intelsat's disadvantage. The courts have given the terms "commercial" and "financial," as used in Section 552(b)(4), their ordinary meanings. The Commission has broadly defined commercial information, stating that "[c]ommercial" is broader than information regarding basic commercial operations, such as sales and profits; it includes information about work performed for the purpose of conducting a business's commercial operations."

- (4) Explanation of the Degree to Which the Information Concerns a Service that is Subject to Competition (Section 0.459(b)(4)). Substantial competition exists in the telecommunications satellite industry. Other players in the geo-stationary satellite services market include SES Americom, Eutelsat, and Telesat, among others. The presence of competitors makes imperative the confidential treatment of sensitive commercial information.
- (5) Explanation of How Disclosure of the Information Could Result in Substantial Competitive Harm (Section 0.459(b)(5)). Release of the supplemental information could have a significant impact on Intelsat's commercial operations. If competitors had access to the information for which Intelsat seeks confidential treatment, it could be used as the basis for negotiating their own satellite construction contracts, to meet their own milestones, to develop a competing satellite network, and/or to develop competing service offerings, whether satellite or terrestrial. If Intelsat's competitors obtained access to this information, they would unfairly benefit from the time and resources that Intelsat expended in meeting the construction milestones for Intelsat 16, and could use this information to negotiate more favorable terms in their own construction contracts. This could allow competitors to better compete against Intelsat and could negatively affect Intelsat's future negotiations with potential and existing business partners/customers.

See Board of Trade v. Commodity Futures Trading Comm'n, 627 F.2d 392, 403 & n.78 (D.C. Cir. 1980).

Southern Company Request for Waiver of Section 90.629 of the Commission's Rules, Memorandum Opinion and Order, 14 FCC Rcd 1851, 1860 (1998) (citing Public Citizen Health Research Group v. FDA, 704 F.2d 1280, 1290 (D.C. Cir. 1983)).



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- (6) Identification of Measures Taken to Prevent Unauthorized Disclosure (Section 0.459(b)(6)). Intelsat does not release this information to the public in the normal course of business, and Intelsat does not provide any of this information to third parties except pursuant to arrangements intended to maintain confidentiality. Nearly all the material also contains an ITAR warning to prevent authorized disclosure to foreign persons.
- (7) Identification of Whether the Information is Available to the Public and the Extent of Any Previous Disclosure of Information to Third Parties (Section 0.459(b)(7)). Intelsat has not made this information available to the public and has not disclosed the information to any third parties.
- (8) Justification of Period During Which the Submitting Party Asserts that the Material Should Not be Available for Public Disclosure (Section 0.459(b)(8)).

Intelsat respectfully requests that the Commission withhold the information in this Exhibit from public inspection indefinitely. Intelsat would not, in the normal course of business, provide this information to the public and indeed is precluded from making nearly all the information available to foreign persons.

Please contact the undersigned with any questions. Thank you for your assistance.

Respectfully Submitted,

Jennifer D. Hindin

Counsel for Intelsat North America LLC

xuila D. Hindin

CERTIFICATION

The undersigned hereby certifies to the Federal Communications Commission as follows:

- (1) I am the program manager responsible for oversight of the construction of the Intelsat 16 satellite,
- (2) I am familiar with the milestone requirements set forth in Section 25.164 of the FCC's rules,
- (3) The confidential photos submitted as part of the "Supplemental Demonstration of Milestone Compliance in Support of Bond Reduction" are photos of the underconstruction Intelsat 16 satellite,
- (4) Intelsat has made the payments identified for months 1 through 13 in the Intelsat 16 Payment Schedule, which is Exhibit K2 of Amendment Number 4 dated November 29, 2007 to the confidential Fixed Price Contract Between PanAmSat Corporation and Orbital Sciences Corporation dated April 12, 2005.

Jean-Luc Froeliger

Senior Director, Space Systems Acquisition

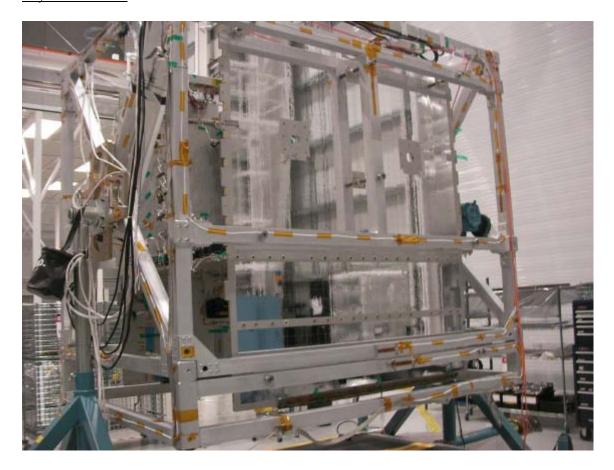
March 4, 2009

CONFIDENTIAL PHOTOS ON PAGES 1-6 REDACTED

Core



Payload Module



CONFIDENTIAL CDR MATERIALS REDACTED