

FCC/MELLON APR 11 1997

WILLKIE FARR & GALLAGHER

Washington, DC
New York
London
Paris

April 11, 1997

Received

APR 18 1997

Satellite Policy Branch
International Bureau

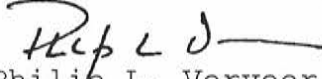
Mr. William F. Caton
Acting Secretary
Federal Communications Commission
International Bureau
Satellites
P.O. Box 358210
Pittsburgh, PA 15251-5210

Re: Request for Extension of Construction and Launch
Milestones

Dear Mr. Caton:

Enclosed on behalf of Loral SpaceCom Corp. is an original and nine copies of an application and Form 701 for extension of the construction and launch milestones for the Loral SpaceCom Corp. satellite authorized at 93° W.L. Also included are a completed Form 159 and a check for \$610 to cover the applicable filing fee. Please date-stamp and return a copy of the enclosed filing in the envelope provided.

Respectfully submitted,


Philip L. Verveer
Counsel for Loral SpaceCom
Corp.

Enclosures

ccs: Peter Cowhey
Cecily C. Holiday
Michael McCoin
Karl Kensinger
Philip V. Otero
Peter A. Rohrbach
Gary M. Epstein
John P. Janka

Thomas S. Tycz
Fern J. Jarmulnek
Cassandra Thomas
Kathleen Campbell
Harold Ng

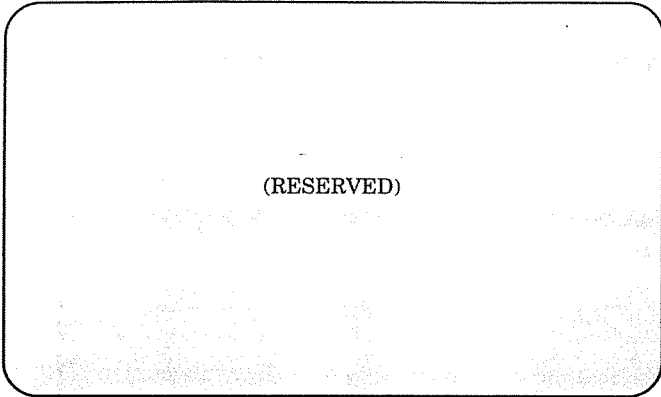
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20036-3384
202 328 8000

Telex: RCA 229800
WU 89-2762
Fax: 202 887 8979

FEDERAL COMMUNICATIONS COMMISSION
FCC REMITTANCE ADVICE

Approved by OMB
 3060-0589
 Expires 2/28/97

PAGE NO. 1 OF 1



(RESERVED)

(Read instructions carefully BEFORE proceeding.)

SPECIAL USE

FCC USE ONLY

PAYOR INFORMATION

(1) FCC ACCOUNT NUMBER 0 1 3 3 8 6 7 4 2 7	Did you have a number prior to this? Enter it.	(2) TOTAL AMOUNT PAID (dollars and cents) \$ 610.00
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(3) PAYOR NAME (If paying by credit card, enter name exactly as it appears on your card)
 Loral Spacecom Corp. (Delaware)

(4) STREET ADDRESS LINE NO. 1
 LORAL SKYNET

(5) STREET ADDRESS LINE NO. 2
 600 Third Avenue

(6) CITY New York	(7) STATE NY	(8) ZIP CODE 10016
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(9) DAYTIME TELEPHONE NUMBER (Include area code) 212 / 697-1105	(10) COUNTRY CODE (if not U.S.A.)
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ITEM #1 INFORMATION

(11A) NAME OF APPLICANT, LICENSEE, REGULATEE, OR DEBTOR	FCC USE ONLY
---	--------------

(12A) FCC CALL SIGN/OTHER ID TELSTAR 5	(13A) ZIP CODE	(14A) PAYMENT TYPE CODE C R Y	(15A) QUANTITY 1	(16A) FEE DUE FOR PAYMENT TYPE CODE IN BLOCK 14 \$ 610.00
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(17A) FCC CODE 1	(18A) FCC CODE 2
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(19A) ADDRESS LINE NO. 1	(20A) ADDRESS LINE NO. 2	(21A) CITY/STATE OR COUNTRY CODE
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ITEM #2 INFORMATION

(11B) NAME OF APPLICANT, LICENSEE, REGULATEE, OR DEBTOR	FCC USE ONLY
---	--------------

(12B) FCC CALL SIGN/OTHER ID	(13B) ZIP CODE	(14B) PAYMENT TYPE CODE	(15B) QUANTITY	(16B) FEE DUE FOR PAYMENT TYPE CODE IN BLOCK 14 \$
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(17B) FCC CODE 1	(18B) FCC CODE 2
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(19B) ADDRESS LINE NO. 1	(20B) ADDRESS LINE NO. 2	(21B) CITY/STATE OR COUNTRY CODE
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CREDIT CARD PAYMENT INFORMATION

(22) MASTERCARD/VISA ACCOUNT NUMBER:
 Mastercard Visa

EXPIRATION DATE:
 Month Year

(23) I hereby authorize the FCC to charge my VISA or Mastercard for the service(s)/authorization(s) herein describe.

AUTHORIZED SIGNATURE _____ DATE _____

FCC 701 FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554	Approved by OMB 3060-0012 Expires 03/31/97 See reverse side for information regarding public burden estimate.	FCC USE ONLY
APPLICATION FOR ADDITIONAL TIME TO CONSTRUCT A RADIO STATION (Under 47 CFR Parts 21, 23 and 25) READ INSTRUCTIONS AND NOTICE ON BACK BEFORE COMPLETING		File Number

1. Legal Name of Applicant (if person list last name first)
Loral SpaceCom Corp.

Mailing Street Address or P.O. Box, City, State and ZIP Code 600 Third Avenue New York, NY 10016	Call Sign or Other FCC Identifier Telstar 5	(Area Code) Telephone No. (212) 697-1105
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2. Fee Data. Refer to 47 CFR Section 1.1105 or Common Carrier Services Fee Filing Guide for Information.			FCC Use Only
(a) Fee Type Code CRY	(b) Fee Multiple (if required) 1	(c) Fee Due for Fee Type Code in 2(a) \$610.00	

3. Identification of Outstanding Construction Authorization			
(a) File Number 48 DSS-LA-94; 62-SA7-AMEND-95	(b) Call Sign Telstar 5	(c) Frequency C/Ku-band hybrid	(d) Station Location 93° W.L.

4(a) Has equipment been delivered? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If "NO," answer items (1) - (3)	(1) From Whom Ordered (if no order has been placed, so indicate) Space Systems/Loral, Inc.	(2) Date Ordered 3/17/95 (3) Date Delivery Promised 11/1/98
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(b) Has installation commenced? <input type="checkbox"/> YES <input type="checkbox"/> NO If "YES," submit as Exhibit <u>N/A</u> a description of the extent of installation and the date installation commenced.	(c) Estimated date by which construction will be completed 9/1/98 5. Submit as Exhibit <u>1</u> reason(s) why construction has not been completed.
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6. If this is a Domestic Public Fixed Radio Service (Part 21) station, submit as Exhibit N/A a description of actions taken to construct station, including dates.

7. Are the representations contained in the application for construction authorization still true and correct?
 YES NO If "NO," give particulars in Exhibit _____

8. CERTIFICATION

The applicant certifies that, in the case of an individual applicant, he or she is not subject to a denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. 853a, or, in the case of a nonindividual applicant (e.g., corporation, partnership or other unincorporated association), no party to the application is subject to a denial of federal benefits pursuant to that section. For the definition of a "party" for these purposes, see 47 CFR 1.2002(b).

YES NO

The applicant hereby waives any claim to the use of any particular frequency or electromagnetic spectrum as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise, and requests an authorization in accordance with this application. (See Section 304 of the Communications Act of 1934, as amended). The applicant represents that this application is not filed for the purpose of impeding, obstructing, or delaying determination on any other application with which it may be in conflict. The applicant acknowledges that all statements made in this application and attached exhibits are considered material representations, and that all the exhibits are a material part hereof and are incorporated herein as if set out in full in the application. The undersigned certifies that the statements in this application are true, complete and correct to the best of his/her knowledge and belief, and are made in good faith.

Date April 10, 1997	Legal Name of Applicant Loral SpaceCom Corp.	Signature
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Title of Person Signing
**Vice President,
 Secretary**

Willful False Statements Made on this Form are Punishable by Fine and Imprisonment (U.S. Code, Title 18, Section 1001) and/or Revocation of any Station License or Construction Authorization (U.S. Code, Title 47, Section 312(a)), and/or Forfeiture (U.S. Code, Title 47, Section 503).

Exhibits furnished as required by this form:

Exhibit No. 1	Name of officer or employee (1) by whom or (2) under whose direction exhibit was prepared (show which) R. Victor Bernstein	Official Title Vice President and General Counsel Loral SKYNET
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DECLARATION OF ERIC J. ZAHLER

I, Eric J. Zahler, am Vice President and Secretary of Loral SpaceCom Corp. ("Loral SpaceCom"). I am submitting this declaration in support of Loral SpaceCom's request for extension of its milestone schedule to construct, launch and operate the satellite assigned to the 93° W.L. orbital position (currently denoted Telstar 5). I hereby declare under penalty of perjury that the following statements are true and correct to the best of my knowledge, information and belief.

1. Loral SpaceCom is authorized to construct, launch and operate Telstar 5, which was assigned to the 93° W.L. orbital location.

2. Loral SpaceCom hereby requests modification of the space station license intended for the 93° W. L. orbital position to extend by nine (9) months two of its "milestone" dates. This modest extension is necessary because of the recent, unanticipated catastrophic on-orbit failure of the Telstar 401 satellite, as detailed in the attached application. In order to retain numerical continuity, Loral SpaceCom also requests that the satellite assigned to 93° W.L. be named Telstar 6, rather than Telstar 5.

Loral SpaceCom Corp.
FCC Form 701
Exhibit 1

3. Modifying the authorized schedule for this satellite is consistent with the public interest, as set forth in the attached application.

4. Accordingly, Loral SpaceCom respectfully requests that the schedule for the satellite be modified as specified herein.


Eric J. Zahler

Executed on April 10, 1997

BEFORE THE
Federal Communications Commission
WASHINGTON, D.C.

In the Matter of)
)
LORAL SPACECOM CORP.)
) File No. 48-DSS-LA-94;
Application for Extension of) 62-SAT-AMEND-95
Milestone Dates)

LORAL SPACECOM REQUEST FOR EXTENSION OF MILESTONE DATES AND
REDESIGNATION OF SPACE STATION NAME

By this application, Loral SpaceCom Corp.¹ hereby requests modification of the space station license intended for the 93° W.L. orbital position (denoted the Telstar 5 satellite) to extend by nine (9) months two of its "milestone" dates. This modest extension is necessary because of the recent, unanticipated catastrophic on-orbit failure of the Telstar 401 satellite, as detailed below.

In order to retain numerical continuity, Loral Skynet also requests that the satellite assigned to 93° W.L. be named Telstar 6, rather than Telstar 5.²

¹ Loral SpaceCom Corp. will operate the former AT&T Skynet Satellite Services business through a division called "Loral Skynet®" (Loral SpaceCom Corp. will hereinafter be referred to as "Loral Skynet").

² Simultaneously and under separate cover, Loral Skynet has filed an emergency application to replace the recently failed Telstar 401 satellite with the ground spare, Telstar 7, which Loral Skynet has requested to be renamed as Telstar 5. Loral

On May 7, 1996, the International Bureau granted AT&T authority to construct, launch and operate two hybrid C/Ku-band spacecraft, denoted Telstars 5 and 6, at 93° W.L. and 69° W.L., respectively, and to construct a ground spare (denoted Telstar 7).³ The Telstar 5 satellite assigned to 93° W.L. is to replace the Telstar 303 spacecraft, currently operating in inclined orbit.⁴ Construction of the new Telstar satellites was timely commenced.

As the Commission knows, on January 11, 1997, the Telstar 401 spacecraft suffered a catastrophic on-orbit failure. The failed Telstar 401 was fully committed for use by a variety of

Skynet will rename the satellite designated for the 69° W.L. orbital location at a later date.

³ In re Assignment of Orbital Locations to Space Stations in the Domestic Fixed-Satellite Service, Order and Authorizations, 11 FCC Rcd 13788 (1996); In re Applications of AT&T Corp. for Authority to Construct, Launch and Operate Space Stations in the Domestic Fixed-Satellite Service, Memorandum Opinion and Order, 11 FCC Rcd 15038 (1996) (hereinafter "November Order"). As the Commission is aware, on January 17, 1997, the International Bureau consented to the assignment of all the authorizations used in the SKYNET Satellite Services business from AT&T Corp. ("AT&T") to Loral SpaceCom Corp. In re Application of AT&T Corp. and Loral SpaceCom Corp., Order and Authorization, 12 FCC Rcd 925 (1997). That assignment was consummated on March 14, 1997.

⁴ In keeping with the Commission's Order, Telstar 303 will remain in service in inclined orbit (at 120° W.L.) until the earlier of December, 1997 or the in-service date of the satellite to be placed at 93° W.L. See In re AT&T Corp. Application for Modification of the Telstar 303 Domestic Fixed-Satellite, Order and Authorization, 11 FCC Rcd 10570 (1996); November Order at ¶ 20 (1996).

customers, including two major television networks, distance learning providers and educational program providers. In an effort to fulfill the capacity needs of Telstar 401's now-displaced customers, Loral Skynet must designate the satellite from its group of newly authorized satellites that is nearest completion as the ground spare and use it as the replacement for the failed Telstar 401. The need to use the satellite under construction as the ground spare/replacement will modestly delay the construction of a satellite to be placed in the 93° W.L. orbital position (now to be named Telstar 6).⁵ As such, Loral Skynet requests a nine (9) month extension of the milestones dates for Telstar 6 as detailed below:⁶

Complete Construction

Launch

1 September 1998

1 November 1998

Loral Skynet's request for the brief extension requested herein is fully consistent with the Commission's criteria for extension of milestone dates. The rationale underlying the Commission's policy of requiring adherence to a milestone schedule is to "prevent[s] orbital locations from being 'warehoused' by licensees who have not yet decided whether to

⁵ The satellite to be placed at 93° W.L. will hereinafter be referred to as Telstar 6.

⁶ The current milestone dates for the satellite assigned to the 93° W.L. orbital location were established in the November Order at ¶ 19.

proceed with their plans."⁷ In this case, Loral Skynet reaffirms that it is fully committed to the complete implementation of its Telstar satellite system. As stated above, construction of the other Telstar satellites is underway. In fact, construction on the new satellite to be placed at 93° W.L. was commenced in December, 1996, in advance of the applicable milestone.

There can be no question that Loral Skynet will proceed with its satellite plans, and the modest delay requested certainly does not amount to warehousing orbital locations to the detriment of other satellite operators.⁸ In similar situations where, as here, warehousing was not an issue, the Commission has granted licensees much longer delays.⁹

Moreover, in keeping with its overall policy, the Commission has traditionally granted requests for milestone extensions "when delay in implementation is due to circumstances beyond the control of the licensee."¹⁰ In this case, the requested

⁷ In re MCI Communications Corp., Memorandum Opinion and Order, 2 FCC Rcd 233, 233 (1987).

⁸ See In re American Telephone and Telegraph Company, Order and Authorization, 5 FCC Rcd 5590, 5591 (1990)

⁹ For example, Contel's ASC-2 satellite was granted a four-year launch delay (from 1987 to 1991) when the licensee had difficulty contracting for launch services, after the satellite was constructed. See Letter from James R. Keegan (Chief, Domestic Facilities Division) to Joan M. Griffin (Contel ASC), December 20, 1987 concerning File No. 765-DSS-MP/ML-88.

¹⁰ See In re MCI Communications, Inc., 2 FCC Rcd at 233; In re American Telephone and Telegraph Company, 5 FCC Rcd at 5591; In re American Telephone and Telegraph Company, Order and Authorization, 9 FCC Rcd 2607, 2607 (1994).

now necessitates an extremely modest delay of Loral Skynet's scheduled launch for its next satellite, Telstar 6.

When AT&T filed its original milestone dates in February, 1995, it provided its best projections, without the knowledge of what lay ahead for Telstar 401. The extension Loral Skynet is requesting for the Telstar 6 satellite milestones is modest and represents its best efforts to bring a satellite into operation at 93° W.L. orbital location in a timely fashion in order to meet its service commitments to its customers. The schedule set forth is reasonable and will help the Commission meet its "primary obligation" to "ensure that the U.S. public has available to it the widest range of satellite service offerings from the greatest number of competitors possible."¹¹

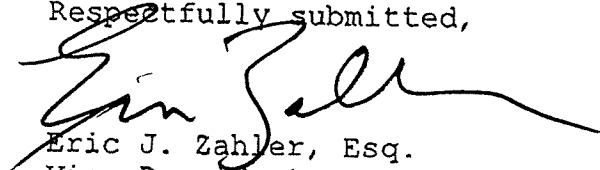
In accordance with the requirements of Section 25.117(e) of the Commission's Rules, 47 C.F.R. § 25.117(e), a completed Form 701, the requisite \$610 filing fee and accompanying declaration are attached.

¹¹ Amendment to the Commission's Regulatory Policies Governing Domestic Fixed Satellites and Separate International Satellite Systems, Report and Order, 11 FCC Rcd 2429, 2435(1996).

CONCLUSION

For the reasons stated above, the Commission should authorize an extension of Loral Skynet's milestone schedule to extend the milestone dates as requested and should **rename** the satellite assigned to 93° W.L. as Telstar 6.

Respectfully submitted,



Eric J. Zahler, Esq.
Vice President & Secretary
Loral SpaceCom Corp.
600 Third Avenue
New York, NY 10016
(212) 697-1105

Philip L. Verveer
Jennifer L. Desmond
Andrew R. D'Uva
Willkie Farr & Gallagher
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20036
(202) 328-8000

Counsel for Loral SpaceCom

Attachment

Dated April 11, 1997