



Federal Communications Commission  
Washington, DC 20554

International Bureau

March 25, 2004

VIA FACSIMILE (202-626-6780) AND U.S. MAIL

Mr. Joseph P. Markoski  
Mr. Bruce A. Olcott  
Squire, Sanders & Dempsey  
1201 Pennsylvania Avenue, NW  
P.O. Box 407  
Washington, DC 20044

**Re: The Boeing Company**

File Nos. 179-SAT-P/LA-97(16); 90-SAT-AMEND-98; IBFS File Nos. SAT-LOA-19970926-00149; SAT-AMD-19980318-00021; SAT-AMD-20001103-00159; SAT-MOD-20020726-00113; SAT-MOD-20030711-00128; SAT-AMD-20030827-00241

Dear Messrs. Markoski and Olcott:

The Satellite Division is currently assessing The Boeing Company's (Boeing) compliance with the Commission's 2 GHz Mobile-Satellite Service (MSS) Critical Design Review (CDR) milestone. We acknowledge receipt of your December 18, 2003 submission, which included Boeing's payload subsystem material for CDR. Based on our review of the materials submitted, we request additional information in connection with the CDR milestone and continued progress toward satellite construction.<sup>1</sup>

We note that Boeing has not provided the Satellite Division with any further Inter-organizational Work Authorizations or equivalent documents demonstrating that continued expenditures have been authorized for Boeing's 2 GHz MSS project beyond December 31, 2002.<sup>2</sup> As discussed in detail in the *Boeing Modification Order*, in lieu of a satellite manufacturing agreement, we assess milestone compliance under criteria designed to assess in-house manufacturing agreements.<sup>3</sup> Given that we have no documentation regarding expenditures beyond December 31, 2002, we

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<sup>1</sup> 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) ("we retain discretion to seek additional information from system proponents concerning any aspect of system progress"); see also *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 ¶ 191 (2003) ("[T]he Commission retains discretion to require licensees to provide further information").

<sup>2</sup> See *The Boeing Company, Order and Authorization*, DA 03-2073, 18 FCC Rcd 12317, 12328-29 ¶ 30 (Int'l Bur./OET 2003) (*Boeing Modification Order*).

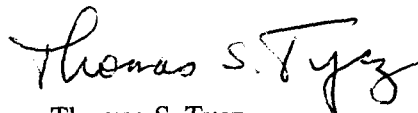
<sup>3</sup> See *id.* at 12329 ¶ 31.

request the following information as further assurance that Boeing Satellite Systems (BSS) is moving forward with satellite construction:

- 1) A copy of the relevant portions of BSS's 2004 Long Range Business Plan (LRBP), cited in footnotes 10 and 11 of your December 18, 2003 letter;
- 2) Evidence signed by an authorized Boeing (or BSS) representative confirming that adequate funds have been reserved for near-term expenses of the 2 GHz MSS project;
- 3) A copy of a document signed by a Boeing (or BSS) representative with appropriate responsibility authorizing use of BSS's resources to construct the 2 GHz MSS satellite;
- 4) Evidence signed by a Boeing (or BSS) representative with appropriate responsibility certifying that BSS has secured the services of staff with relevant design and manufacturing expertise specifically for the 2 GHz MSS project; and
- 5) A copy of an appropriately authorized work schedule indicating that the 2 GHz MSS satellite will be built within a time period consistent with the milestone schedule prescribed in the *Boeing Modification Order*.

This information must be filed with the Commission's Secretary by April 5, 2004, with an electronic or hand delivered courtesy copy to Karl Kensinger, Karl.Kensinger@fcc.gov. Failure to provide this information by this date shall render Boeing's 2 GHz MSS license null and void. You may contact Karl Kensinger at (202) 418-0749 if you have any questions.

Sincerely,



Thomas S. Tycz  
Chief, Satellite Division  
International Bureau