

January 11, 2010

By Electronic Filing (IBFS)

Marlene H. Dortch Secretary Federal Communications Commission 455 12th Street, SW Washington, DC 20554

Re: Notification of Ex Parte Presentation of SkyTerra Subsidiary LLC

Application for Modification of Space Station and Ancillary Terrestrial

Component Authority

FCC File Nos. SAT-MOD-20090813-00088

SAT-MOD-20090813-00089 SES-MOD-20090813-00997

Dear Ms. Dortch:

On January 8, 2010, Thomas Tycz, on behalf of SkyTerra Subsidiary LLC ("SkyTerra"), met with Robert Nelson, Kathyrn Medley, and Sankar Persaud of the International Bureau, Satellite Division, with regard to the above-referenced application. The application seeks authority to operate SkyTerra's next-generation satellite system in the United States, including its Ancillary Terrestrial Component, reusing certain frequencies currently assigned to two Mexican satellites, under the terms of the outstanding 1996 multi-party coordination agreement, subject to the condition that SkyTerra's new reuse of such spectrum not cause harmful interference to the provision of Mexican satellite service.

As SkyTerra described in its application, its next-generation system will provide affordable, nationwide, mobile broadband service to tens of millions of users. After several years of unsuccessful attempts at informal coordination with Telecomm, the Mexican operator (and successful coordination with all other affected operators), SkyTerra has been trying since September 2008 to engage the Mexican administration and its operator in formal coordination. Despite an enormous commitment of resources by the Commission and SkyTerra, those efforts

See File Nos. SAT-MOD-20090813-00088, SAT-MOD-20090813-00089, SES-MOD-20090813-00997 (August 13, 2009) (hereafter, the "Application"). The information provided in this letter is not new information, rather it is a summary of what SkyTerra already has provided in this proceeding.

Ms. Marlene H. Dortch January 11, 2010 Page 2

so far have been unsuccessful. SkyTerra nevertheless remains committed to a comprehensive coordination agreement with Telecomm and the Mexican administration for its next-generation system.

The January 8 meeting focused on the limits SkyTerra proposed for its operations to insure that existing Mexican satellite operations would be unharmed. SkyTerra's application proposed limits that are <u>below</u> the co-channel interference threshold Telecomm agreed it could accept when Mexico originally coordinated its operations, beginning in 1992 with information the Mexican operator provided other operators and ending in 1996 in a successful multi-party agreement that was based on that information.² In other words, Telecomm and Mexico have already agreed to these limits as part of a formal international frequency coordination.

Mr. Tycz also reviewed in detail the information that SkyTerra presented in its application, including the information that Telecomm provided to the other operators regarding its link budgets and SkyTerra's demonstration that its proposed operations will be well within the limits required. The link budget was set originally to accommodate a variety of what the Mexican operator stated were potential sources of inter-system and intra-system co-channel interference, including adjacent satellite interference, inter-beam interference, and cross-polarization interference. At this point, however, the entire co-channel interference budget can be used to accommodate inter-system interference, because only one Mexican L-band satellite remains operational, it operates with only one beam, and there is no cross-polarization. As such, the C/I ratio used by Telecomm to establish its link budget easily can be maintained at the level of inter-system interference SkyTerra has proposed.³

Mr. Tycz emphasized that Telecomm's prior coordination of a co-channel interference threshold committed the Mexican administration and its operator to plan for and accept co-channel interference below that threshold for the life of the Mexican system. Telecomm is not now permitted to claim arbitrarily that SkyTerra's proposed operations will cause harmful interference when those proposed operations are below that threshold. Indeed, as Mr. Tycz asserted, if the Commission were to agree now to Mexico's unsubstantiated demand to change the threshold for co-channel sharing, it would set a troubling precedent for this and other United States coordination efforts. It would be particularly troubling at this stage in the negotiations, with all the delay that the Commission and SkyTerra have experienced and with no legitimate evidence of any need for a new co-channel interference threshold.

SkyTerra also has demonstrated that, in fact, there is no engineering basis for concern that the Mexican system might suffer harmful interference from SkyTerra's proposed operations. Mexico's report on its field tests to simulate interference does not provide sufficient detail to determine the reliability of the tests, but in any case the test results on their face actually serve to

_

² See Application, at pp. 8-9; see also Confidential Technical Appendix, at p. 3 (August 14, 2009).

³ See Confidential Technical Appendix, p. 4 and Figure 2.

Ms. Marlene H. Dortch January 11, 2010 Page 3

validate that the Mexican system has even more margin for interference than it indicated in the exchange of information leading to the 1996 coordination agreement.⁴ In other words, Telecomm's tests on their face show that there will be no interference at the levels SkyTerra proposes.

During the meeting, there was also discussion of the 6% Δ T/T coordination threshold contained in the International Radio Regulations. Mr. Tycz explained that 6% Δ T/T serves only as a threshold for identifying the systems that may potentially need more detailed coordination and in itself is not a limit on operations, specifically where, as here, there already is an existing coordination agreement and where, as here, all evidence indicates that there is no risk of harmful interference.⁵

Moreover, SkyTerra emphasizes again that it is seeking limited authority – the ability to reuse these frequencies on a non-harmful interference basis only for the life of Mexico's existing satellite. As it must, SkyTerra is prepared to accept the risk should there be any harmful interference to Mexican service. The Commission has ample authority to require SkyTerra to modify or cease operations.

Limiting SkyTerra's emissions far below what is permitted by the interference thresholds in Mexico's existing coordination agreements would be harmful to SkyTerra's efforts to build and deploy its next generation satellite and terrestrial system. While SkyTerra remains committed to an overall coordination, there is no certainty when Mexico's plans will allow that coordination to proceed. Moreover, even if it is unlikely that SkyTerra will have sufficient traffic in the next few years to reach the proposed limits, there is no certainty when Telecomm will actually decommission its remaining satellite, regardless of how limited its capacity.

In sum, SkyTerra stresses the following key points:

- Based on Mexico's existing international coordination commitments for its satellite system and the absence of any showing that they do not remain valid, the Commission is fully entitled to and should authorize SkyTerra to operate within the limits proposed in its application.
- Support for SkyTerra's position is critical to the pending overall coordination effort and to United States coordination efforts generally.
- Telecomm's satellite services are fully protected in the unlikely event there is actual interference to Telecomm's operations during the life of its remaining satellite, since SkyTerra's reuse will be on a non-harmful interference basis.

⁴ See Reply of SkyTerra, at pp. 7-8 (November 4, 2009).

⁵ See Application, at p. 11, n.16.

Ms. Marlene H. Dortch January 11, 2010 Page 4

On this basis, we continue to urge the Commission to act expeditiously to grant the reuse application. If you have any questions, please do not hesitate to contact us.

Very truly yours,

/s/

Gary M. Epstein

cc: Roderick Porter Robert Nelson Kathyrn Medley Sankar Persaud