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Latham & Watkins
1001 Pennsylvania Avenue, N.W.
Suite 1300
Washington, D.C. 20004-2505

Attention: James F. Rogers

Reference: Request for Section 319(d) Waiver to Construct the Galaxy VII(H)
Satellite (File No. 24-DSS-MISC-90)

Dear Mr. Rogers:

This is in response to your March 15, 1990 letter, filed on behalf of Hughes Communications Galaxy, Inc. (HCG), requesting a waiver pursuant to Section 319(d) of the Communications Act, 47 U.S.C. § 319(d), to begin construction of the Galaxy VII(H) hybrid satellite for which HCG has recently applied (File No. 20-DSS-P/LA-90). In its application to construct Galaxy VII(H), HCG requests authority to substitute a 4/6 GHz and 12/14 GHz hybrid satellite as a replacement for its recently acquired SBS-4 satellite and its previously authorized Galaxy VI satellite to operate at 91° W.L. GE American Communications, Inc. (GE Americom) has filed a petition to deny the underlying application but does not oppose HCG's request for a § 319(d) waiver.

In support of HCG's request for a waiver, the request states that the proposed Galaxy VII(H) satellite will become an important element in the Galaxy satellite system and will employ new hybrid satellite technology, thus assuring higher efficiency than that previously available for hybrid satellites. HCG asserts that it needs to begin construction of this satellite as soon as possible to provide necessary service to the public and to avoid delay of its business plans. It also states that the technical specifications of the Galaxy VII(H) satellite are identical to those of its Galaxy IV(H), which has been authorized since this waiver request was filed, and its ground spare satellite for which it has been granted a Section 319(d) waiver. Grant of a waiver for Galaxy VII(H) will, according to HCG, enable it to coordinate procurement of long lead-time items as well as realize economies of scale for all three satellites. No assignment of new orbital locations is necessary in connection with this proposed satellite. HCG requests authority to expend up to \$30 million and acknowledges that grant of the waiver would be without prejudice to final Commission action on its underlying application.

We grant HCG's request. In doing so, however, we emphasize that any expenditures made pursuant to this waiver prior to Commission action on the underlying application are solely at HCG's own risk. The underlying

application is opposed by GE Americom and grant of this waiver in no way prejudices any action the Commission might take on HCG's application to construct the proposed Galaxy VII(H) satellite.

Accordingly, pursuant to Section 0.291 of the Commission's rules on delegations of authority, 47 C.F.R. § 0.291, Hughes Communications Galaxy, Inc. is granted a waiver pursuant to Section 319(d) of the Communications Act, 47 U.S.C. § 319(d), to expend, at its own risk, up to \$30 million to begin to construct the Galaxy VII(H) hybrid satellite described in its pending application (File No. 20-DSS-P/LA-90). This action is without prejudice to future Commission action on that application.

Sincerely,

James R. Keegan
Chief, Domestic Facilities Division
Common Carrier Bureau