

## FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

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March 9, 1995

Hughes Communications Galaxy, Inc. 1990 Grand Avenue El Segundo, California 90245

Attention: Carl A. Brown, Senior Vice President

Reference: Request for § 319(d) waiver filed by Hughes Communications Galaxy, Inc., for the Galaxy IX C-band Domestic Communications Satellite (File No. 6-DSS-MISC-95)

Dear Mr. Brown:

This is in response to your October 25, 1994 request for a waiver pursuant to Section 319(d) of the Communications Act of 1934, as amended, 47 U.S.C. § 319(d), to permit Hughes Communications Galaxy, Inc. (Hughes) to expend up to \$30 million to begin construction of Galaxy IX, its proposed new C-band domestic fixed-satellite.

Hughes filed its application to construct, launch and operate Galaxy IX by the February 15, 1995, cut-off date for applications to be considered in the latest domestic fixed-satellite processing round. The proposed satellite is to serve all 50 states, Puerto Rico and the U.S. Virgin Islands. Launch, pending waiver approval, is expected within two years. Hughes asserts that grant of this Section 319(d) waiver request will serve the public interest by providing much needed C-band capacity at the earliest possible date.

We have not yet determined whether we will be able to accommodate all qualified applicants filing in this processing round or whether the pending applications are mutually exclusive. Nevertheless, we find that grant of Hughes's request is in the public interest. Due to the several satellites retired in the past few years and to several launch failures, there is a severe shortage of C-band capacity. Allowing Hughes to begin construction now will allow the public to receive needed C-band services, including video services, data services, and videoconferencing services, as quickly as possible should we ultimately grant Hughes a license. We emphasize, however, that we may not be able to award licenses to all qualified applicants and that any construction Hughes undertakes in reliance on this waiver will not affect its status in the processing group. Rather any expenditures made pursuant to this waiver prior to Commission action on the underlying application are solely at Hughes's risk. Grant of this waiver in no way prejudges any action or evidences any predisposition with respect to Hughes's application for authority to construct, launch and operate Galaxy IX.

Accordingly, pursuant to Section 0.261 of the Commission's rules on delegations of authority, 47 C.F.R. § 0.261, Hughes Communications Galaxy is granted a waiver pursuant to § 319(d) of the Communications Act of 1934, as amended, 47 U.S.C. § 319(d), to expend up to \$30 million to commence construction of its proposed Galaxy IX C-band domestic fixed satellite, at its own risk.

Sincerely yours,

Scott Blake Harris
Bureau Chief