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Satellite Policy Branch
International Bureau

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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Federal Communications Commission
Office of Secretary

In re Application of)
)
MOBILE COMMUNICATIONS)
HOLDINGS, INC.)
)
For Authority to Construct, Launch, and)
Operate a Low Earth Orbit Satellite System)
to Provide Mobile Satellite Services in the)
1610-1626 MHz/2483.5-2500 MHz Band)

File Nos. 11-DSS-P-91 (6);
18-DSS-P-91 (18);
11-SAT-LA-95;
12-SAT-AMEND-95

149-SAT-MISC-96

COMMENTS OF CONSTELLATION COMMUNICATIONS, INC.

Constellation Communications, Inc. ("Constellation"), by its attorneys, hereby submits these comments on the Mobile Communications Holdings, Inc. ("MCHI") Request for Small Entity Guidance Pursuant to Section 213 of the Small Business Regulatory Enforcement Fairness Act of 1996 ("MCHI Request"). Although Constellation does not comment on the merits of any of the proposed documents submitted for Commission consideration, Constellation supports MCHI's request for guidance on the requisite showing of financial qualifications for Big LEO licenses.

As the Commission is aware, Constellation has a pending application for a license to construct, launch and operate a system in the Mobile Satellite Service Above 1 GHz. The Constellation application was deferred in January 1995,¹ along with the MCHI application. At that time, the International Bureau provided an additional year for these parties to supplement their

¹ *In re Application of Constellation Communications, Inc.*, 10 FCC Rcd. 2258 (1995).

financial showing. The full Commission upheld this decision in its recent order on reconsideration.² Based on this order and various related orders in these proceedings, Constellation must submit a supplemental financial showing by September 16, 1996. Due to this requirement to file a supplemental financial showing, Constellation will be directly affected by any guidance the Commission provides in response to the MCHI Request.

Constellation agrees that the current financial qualification rules for this service provide little guidance for smaller, entrepreneurial companies. Constellation encourages the Commission to fully consider the issues raised in the MCHI Request and to provide appropriate clarification to the pending applicants.

Constellation has expended considerable time and resources since January 1995 arranging for the required supplemental showing. Because Constellation's corporate structure and strategic relationships do not mirror those of MCHI, Constellation is in the process of preparing its own examples of potential financial commitments for Commission consideration and clarification. This is to avoid any potential ambiguities and to provide the Commission with the full range of questions to consider at one time. In addition, it should help to insure that any guidance provided in response to the MCHI Request does not have the effect of creating greater uncertainty for Constellation or contradict assumptions upon which Constellation has based its financial showing. Constellation plans to submit those examples to the Commission in the next few days.

As a final matter, Constellation is concerned about the impact of the MCHI Request on the upcoming September 16, 1996 deadline for supplemental financial showings. The MCHI Request

² *In re Applications of Constellation Communications, Inc.; Loral/Qualcomm Partnership, L.P.; Mobile Communications Holdings, Inc.; Motorola Satellite Communications, Inc.; TRW Inc.*, FCC 96-279 (June 27, 1996).

has raised issues and created uncertainties which must be resolved before any of the pending applicants will be able to supplement their financial showings. Moreover, the Commission should recognize Constellation may require some time to react to the Commission's response to the MCHI Request. In particular, Constellation is concerned that the Commission's response may make it necessary for Constellation to return to its financial backers to revise commitment documents. It is likely that these parties will need to seek authorizations from their boards of directors for these revised documents before Constellation is in a position to file its supplemental showing. For these reasons, Constellation encourages the Commission to extend the September 16, 1996 deadline for 60 days beyond the date of release of a response to the MCHI Request and the Constellation filing to be submitted shortly.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Robert A. Mazer".

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Dated: August 29, 1996

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 29th day of August, 1996, a true and correct copy of the foregoing Comments of Constellation Communications, Inc. was served by first class mail, postage prepaid, upon General Counsel of the Federal Communications Commission and upon the following:

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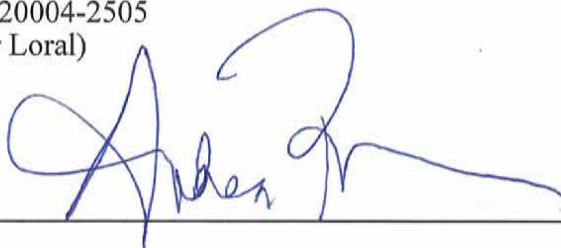
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