

market, but unfortunately, we don't have that luxury in Alaska and Hawaii. Competition is good, but it should not result in a loss of service to a segment of the population.

Telesat correctly points out "there is a compelling need for such service in rural areas, such as Alaska and Hawaii". However, Telesat's assessment of the health and vitality of US Ka-band satellite industry is wildly optimistic. Telesat's US partner, Wildblue, is the only US licensee with plans to launch a satellite aimed at providing direct to home service and the date for that appears to be early in 2005 (Aviation Week and Space Technology, Feb 24,2003, p 31). Wildblue has no plans to serve Alaska contrary to Telesat's allegation. Wildblue's Chairman confirmed this as recently as February 2003 in discussions with Microcom at the Satellite 2003 Conference in Washington DC. This confirmed a previous discussion at the same conference in 2001. However, in 2001 the Chairman indicated that through Wildblue's agreement with Telesat, Alaska would be receiving service. Unfortunately, this doesn't seem to be the case.

We are compelled to point out the process that Telesat must follow to construct and launch a satellite into a slot allocated by the ITU to Canada is substantially different than the process that a US licensed operator must follow. While "none of the authorizations contain the kinds of conditions" our petition suggests, US licensees in their application for the orbital position must indicate how the services and systems they plan to provide will meet the public interest. A key element of that public interest is the geographical area of coverage. Telesat on the other hand is not subject to this level of

review in the engineering design of their satellite platforms. This being the case, a foreign satellite provider who is first to market with a new technology in the United States could conceivably result in the situation we see developing with the Telesat entry into the US Ka-band market. For example, a foreign satellite provider would not have to serve the same geographic area as a US licensee, choosing to focus on those areas with the greatest business potential. In a first to market scenario similar to what happened between DirecTV/Dish Network and PrimeStar, the technology of one service replaces another. However in this case rather than improved service to the customers of the older technology, the result seems to be a possible loss of service to some areas a US licensee would have to serve. In this respect we believe that the Commission may have erred by not applying a geographic test used to award US licenses to granting a foreign satellite provider access to the US market.

In summary, the Commission must decide if potentially sacrificing existing Alaska and Hawaii broadband customers is a lesser impact on the public interest than granting the relief asked in the Microcom petition.

Respectfully submitted,



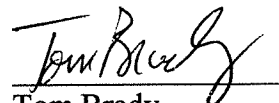
Microcom
Tom Brady
Manager Data Services
1143 East 70th Ave
Anchorage, AK 99518
907-349-0016

March 21, 2003

Certificate of Service

I, Tom Brady, do hereby certify that I have on this 21st day of March 2003 caused a copy of the foregoing "Response to Telesat Comments on Petition for Reconsideration" to be served by first class mail, postage pre-paid, upon the following:

Carl R. Frank
Jennifer D. Hindin
Kyong Wang
WILEY REIN & FIELDING LLP
1776 K Street, N. W.
Washington, DC 20006


Tom Brady