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February 6, 2009

BY ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

**Re: Star One S.A., File No. SAT-PPL-20071113-00159, Call Sign S2742
Star One C5 Satellite Contract Milestone**

Dear Ms. Dortch:

This letter is being submitted on behalf of Star One S.A. ("Star One") regarding its February 7, 2009 contract execution milestone for the Star One C5 satellite. *See* File No. SAT-PPL-20071113-00159. As set forth below, Star One is not at this time submitting a non-contingent contract for the Star One C5 satellite due to its pending modification application, File No. SAT-PPL-20081205-00225, to replace the Star One C5 satellite with the Star One B1 satellite.

On February 7, 2008, the International Bureau ("the Bureau") granted Star One S.A.'s ("Star One's") Petition for Declaratory Ruling ("the Petition") to add the Star One C5 satellite (to be located at the 68° W.L. orbital location) to the Space Station Permitted List. *See* File No. SAT-PPL-20071113-00159, Call Sign S2742. As part of the Bureau's grant ("the Declaratory Ruling") and in accordance with the Commission's Rules, 47 C.F.R. § 25.164, the Bureau set February 7, 2009 as the contract execution milestone date for the Star One C5 satellite. On March 10, 2008, Star One timely posted a performance bond for the proposed C5 satellite.

On March 13, 2008, despite not participating earlier in the proceeding, the Andean Community submitted a petition for reconsideration of the Bureau's decision to add the Star One C5 authorization to the Permitted Space Station List. Specifically, the Andean Community sought to protect an old Andean Community network at 67° W.L. with ITU priority in the Ku-band frequencies.

On July 14, 2008, the Commission granted the Andean Community petition by adding a condition to the Star One C5 Declaratory Ruling.¹ Under that condition, in the event the Andean Community were to launch their higher priority satellite to 67° W.L. by September 2010, then Star One would be precluded effectively from operating on the Ku-band frequencies at 68° W.L.

On December 5, 2008, Star One filed a modification application (incorporated herein by reference) with the Bureau seeking to modify the Declaratory Ruling in order to substitute the existing Star One B1 satellite for the proposed C5 satellite. *See* File No. SAT-PPL-20081205-00225 (filed Dec. 5, 2008). As set forth in that modification application, in light of the lingering uncertainty over the Andean Community's true intentions and the impact on Star One's ultimate ability to make use of the Ku-band frequencies at the 68° W.L. orbital location, Star One proposed to only provide service to the United States using the C-band frequencies. To that end, Star One re-deployed the existing C-band Star One B1 satellite to 68° W.L. pursuant to Brazilian authority, and requested a modification of the Declaratory Ruling to use the B1 satellite (instead of Star One C5) to provide service to the United States.²

Star One requested that, upon grant of its modification application, the Bureau confirm that Star One had met all applicable milestones under the Declaratory Ruling, thereby allowing it to cancel the performance bond it posted pursuant to the Declaratory Ruling. In the event that the Bureau was not able to grant the modification application prior to February 7, 2009 (the C5 contract execution milestone date), Star One requested an extension of the Star One C5 contract execution milestone until 14 days after the Bureau ruled on the modification application. *See* Narrative of B1 Modification Application at 8 n.23.

Star One's modification application was put on public notice on January 16, 2009 and remains pending with the Bureau. *See* Public Notice Report No. SAT-00573 (rel. Jan. 16, 2009). As a result, Star One is not in a position at this time to enter into, or submit a copy of, a non-contingent satellite contract for the Star One C5 satellite. Star One believes that the Star One B1 satellite, which is operating now at the 68° W.L. orbital location under Brazilian authority, already satisfies each of the Commission's satellite milestone requirements since it has already been launched and is operating. *See* Narrative of B1 Modification Application at 7-8. As Star One has established, prompt action by the Bureau on the pending modification application will allow Star One to immediately provide competitive C-band service to consumers in the U.S. *Id.* Star One has already identified potential customers for the B1 satellite and has even presented a proposal to AT&T for use of the B1 satellite, if approved by the

¹ *See Star One S.A.*, Order on Reconsideration, DA 08-1645 (rel. Jul. 14, 2008).

² Upon grant of the modification application, and confirmation that provision of service to the United States from the Star One B1 satellite is sufficient to meet all of the milestones in the Bureau's Declaratory Ruling, Star One will relinquish its U.S. authority to use of the Ku-band frequencies at 68° W.L.

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FCC. In addition, Star One has future plans to further develop service at the 68° W.L. orbital location by launching an additional satellite capable of covering large portions of the northern and southern hemispheres. The public interest would be best served by extending the C5 contract execution milestone to allow Star One's B1 modification application to be considered rather than insisting on strict compliance with the Star One C5 milestone. *Id.*

Please let us know if you have any questions regarding this submission.

Sincerely,

/s/ Alfred M. Mamlet

Alfred M. Mamlet
Marc A. Paul

Counsel to Star One S.A.

cc: Robert Nelson, International Bureau
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Karl Kensinger, International Bureau
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Jay Whaley, International Bureau
See attached Certificate of Service

CERTIFICATE OF SERVICE

I, Marc A. Paul, hereby certify that on February 6, 2009, I caused true and correct copies of the foregoing letter to be served on the following parties by First Class Mail, postage pre-paid:

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