

Before the
Federal Communications Commission
Washington, D.C. 20554

In the matter of)	
)	
Intelsat North America, LLC)	
Request for Extension of)	File No. SAT-STA-20050408-00082
Special Temporary Authority)	

ORDER

Adopted: April 13, 2005

Released: April 13, 2005

By the Chief, Satellite Division, International Bureau:

1. In this Order, we grant, pursuant to Section 25.120(b)(4) of the Commission's rules,¹ a request filed by Intelsat North America, LLC ("Intelsat") for a 30-day extension of a grant of Special Temporary Authority ("STA")² that permits Intelsat to provide "additional services," as defined in the Open-Market Reorganization for the Betterment of International Telecommunications Act ("ORBIT Act").³ Grant of the extension request will maintain the *status quo* of service to certain Intelsat customers while the Commission considers pending matters directly related to Intelsat's provision of additional services.

2. The original STA was granted to Intelsat in the *Loral/Intelsat Order*,⁴ and allows Intelsat to continue providing "additional services" to former customers of Loral Satellite, Inc. (Debtor-in-Possession) and Loral SpaceCom Corporation (Debtor-in-Possession) (collectively "Loral"), acquired by Intelsat as a result of the *Loral/Intelsat* assignment transaction.⁵ The Commission found that requiring Intelsat to terminate provision of "additional services" to customers it had acquired from Loral would cause costly disruption of service, and would likely leave customers in remote locations without an alternative provider for these services. Thus, the Bureau granted Intelsat an STA for 180 days, to September 13, 2004, to permit Intelsat to continue providing "additional services" to the former Loral customers. The Bureau's STA grant did not extend to additional services that were not previously

¹ 47 C.F.R. § 25.120(b)(4).

² Intelsat North America, LLC, Request for Extension of Temporary Authority ("*STA Extension Request*"), File No. SAT-STA-20050408-00082 (filed April 8, 2005).

³ Congress amended the Satellite Communications Act of 1962, 47 U.S.C. § 701 *et seq.* (Satellite Act) by adopting the ORBIT Act, Pub. L. No. 106-180, 114 Stat. 48 (2000), *codified at* 47 U.S.C. § 761 *et seq.* (herein, ORBIT Act, with reference to the statutory section numbers of the Satellite Act, as amended by the ORBIT Act). Under the ORBIT Act, additional services, for Intelsat, are defined as direct-to-home or direct broadcast satellite video services, or services in the Ka or V frequency bands. See ORBIT Act, as amended, § 681(a)(12)(B).

⁴ *Loral Satellite, Inc. (Debtor-in-Possession) and Loral SpaceCom Corporation (Debtor-in-Possession), and Intelsat North America, LLC, Applications for Consent to Assignments of Space Station Authorizations and Petition for Declaratory Ruling Under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Order and Authorization, 19 FCC Rcd 2404 (2004) ("*Loral/Intelsat Order*").

⁵ *Loral/Intelsat Order*, 19 FCC Rcd at 2430.

provided by Loral, and did not authorize Intelsat to provide additional services to any new customers.⁶ We subsequently granted Intelsat's request for extension of the STA for an additional 180 days, until March 14, 2005.⁷ We found that an extension was warranted to maintain the *status quo* of service to customers while the Commission reviewed the Application for Review of the *Loral/Intelsat Order* filed by SES AMERICOM, Inc., which raised objections to the grant of the STA as well as the approval of the transaction as a whole.⁸ On March 14, we granted Intelsat's request for a further 30-day extension of the STA, until April 13, 2005.⁹ Again, we found that the extension was warranted to preserve the *status quo* of service to customers while the Commission reviewed pending items relating to Intelsat's provision of "additional services."

3. We find that granting Intelsat an additional 30-day extension is warranted. Under the ORBIT Act, Intelsat may not provide additional services until it meets certain privatization requirements under provisions of Section 621, as amended.¹⁰ Section 621 requires that the Commission find that Intelsat has achieved full privatization by (1) conducting an IPO to substantially dilute the aggregate ownership of its former Signatories;¹¹ or in the alternative, (2) certifying to the Commission that (a) it has achieved substantial dilution of the aggregate amount of financial interest by former Signatories; (b) no intergovernmental organization has any ownership interest in Intelsat; and (c) any former Signatories that retain a financial interest in Intelsat do not possess together, or individually, effective control of the companies.¹² On December 23, 2004, in light of the Commission's approval of the transfer of control of Intelsat to Zeus Holdings Limited, a private equity group,¹³ Intelsat filed a Certification and Petition for Declaratory Ruling requesting that the Commission find it has complied with Section 621 of the ORBIT Act.¹⁴

4. Both the Application for Review of the *Loral/Intelsat Order* and Intelsat's Certification and related Petition for Declaratory Ruling pursuant to Section 621(5)(F) of the ORBIT Act are pending before the Commission. These pending matters are directly related to the issue of Intelsat's status with respect to provision of "additional services" under the ORBIT Act. We find that good cause exists to extend the STA in order to ensure that customers are not adversely impacted during the regulatory review process on matters related to these pending matters. Thus, we find that it is reasonable to maintain the *status quo*, pending the Commission's ruling on the matters related to Intelsat's legal status under the

⁶ *Loral/Intelsat Order*, 19 FCC Rcd at 2430.

⁷ See *Intelsat North America, LLC Request for Extension of Special Temporary Authority*, Order, DA 04-2445, rel. July 30, 2004.

⁸ SES Americom, Inc., Application for Review, File Nos. SAT-ASG-20030728-00138/00139 (March 12, 2004).

⁹ See *Intelsat North America, LLC Request for Extension of Special Temporary Authority*, Order, DA 04-2445, rel. July 30, 2004.

¹⁰ ORBIT Act, as amended, § 621.

¹¹ ORBIT Act, as amended, §§ 621(2) and 621(5)(A)(i).

¹² See ORBIT Act, as amended, § 621(5)(F).

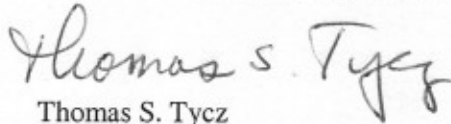
¹³ See *Intelsat, Ltd., Transferor, and Zeus Holdings Limited, Transferee, Consolidated Application for Consent to Transfer Control of Holders of Title II and Title III Authorizations and Petition for Declaratory Ruling under Sections 310 of the Communications Act of 1934, as amended*, Order and Authorization, IB Docket No. 04-366, DA 04-4034 (Int'l Bur. rel. Dec. 22, 2004); Erratum, rel. Jan 28, 2005. See also, Satellite Communications Services Information, Actions Taken, Public Notice, Report No. SES-00682, Feb. 2, 2005.

¹⁴ See *Intelsat, Ltd. Files Petition for Declaratory Ruling and Certification Pursuant to Section 621(5)(F) of the Over-Market Reorganization for the Betterment of International Telecommunications Act, as amended ("ORBIT Act")*, Public Notice, DA 05-88, January 14, 2005. The pleading cycle has closed and the Commission is currently reviewing the record in that proceeding.

ORBIT Act to provide "additional services." Our decision to extend the STA is subject to, and conditioned upon, the Commission's resolution of related issues pending in the Application for Review of the *Loral/Intelsat Order*, and Intelsat's Petition for Declaratory Ruling and ORBIT Act Certification. Accordingly, we grant Intelsat's *STA Extension Request* for an additional 30 days, from April 13, 2005 to May 13, 2005, or as otherwise directed by the Commission.

5. Accordingly, IT IS ORDERED, pursuant to Sections 4(i), 303(r) and 309 (f) of the Communications Act, 47 U.S.C. §§ 154(i), 303(r) and 309(f) and Section 25.120(b)(4) of the Commission rules, 47 C.F.R. § 25.120(b)(4), that the Request for Extension of Special Temporary Authority filed by Intelsat North America, LLC on April 8, 2005 is GRANTED to the extent specified herein.

FEDERAL COMMUNICATIONS COMMISSION



Thomas S. Tycz
Chief, Satellite Division
International Bureau