Licensee/Assignor: Terra Bella Technologies Inc. **Assignee:** Kongsberg Satellite Services AS

Call Sign: E120025

Kongsberg Satellite Services AS ("KSAT") provides this information consistent with Section 310(d) of the Communications Act and Section 25.119 of the Commission's rules to support its application for the Commission's approval of the assignment of the license to operate a transmit/receive earth station in Fairbanks, Alaska, call sign E120025¹ ("Station"), from Terra Bella Technologies Inc. ("Terra Bella") to KSAT.

The information is filed as a supplement to Form 312, Main Form and Schedule A, filed by KSAT and addresses the following items:

- (i) Response to Question 43 Description of the Transaction
- (ii) Response to Question A21 Public Interest Statement
- (iii) Response to Question A20 Ownership of Assignee
- (iv) Concurrent STA Application

A statement of assent from Terra Bella is attached to the application as Exhibit B. Terra Bella has confirmed the accuracy of the information regarding Terra Bella that is presented in this Exhibit A.

In a separate request for special temporary authority ("STA") filed concurrently with this application, KSAT seeks temporary authority from the Commission to change the remote control point for the Station to a network operations center operated by KSAT, contingent on the Commission's approval of this assignment application. Following the consummation of the assignment, KSAT will apply for permanent authority to modify the Station's remote control point.

1. Response to Questions 43: Description of the Transaction

On September 1, 2015, Terra Bella, formerly known as Skybox Imaging, Inc.,² entered into a contract with KSAT for KSAT to operate the Station, in conjunction with Terra Bella's remote-sensing satellite constellation, SkySat (call sign S2862), as a service for

Skybox Imaging, Inc. Application for Fairbanks Earth Station, IBFS File No. SES-LIC-20120131-00120 (FCC, granted Dec. 6, 2012).

Letter from Ulises R. Pin to Marlene H. Dortch, Notification of Licensee Change of Name (Jan. 12, 2016), attached to Skybox Imaging, Inc. Modification Application, IBFS File No. SES-MOD-20150728-00475 (FCC, granted Nov. 4, 2015).

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Terra Bella.³ The Station is being used for X-band (downlink) and S-band (uplink) TT&C and payload data communications. The contract also provides for KSAT to assume ownership and control of the Station, subject to the Commission's approval of this assignment application. KSAT intends to acquire hosting services for the Station through a local vendor in Alaska. Now, KSAT respectfully requests the Commission's authorization to assign the license for the Station from Terra Bella to KSAT.

KSAT will continue to operate the Station using the frequencies licensed to Terra Bella⁴ and will do so in compliance with the Commission's rules (including the rules for control of transmitting stations in Section 25.271⁵ and inter-system coordination in Section 25.272⁶).

Terra Bella, the assignor, is a direct, wholly-owned subsidiary of Google Inc., and Google Inc. is a direct, wholly-owned subsidiary of Alphabet Inc., making Terra Bella an indirect, wholly-owned subsidiary of Alphabet Inc.⁷

KSAT, the assignee, is a global leader in ground station operations for remote sensing satellites. It operates a global network of ground stations primarily for satellite data

Terra Bella will retain full operational control of the satellite constellation from its Mountain View, CA headquarters in the U.S. It will generate satellite commands in Mountain View and pass them through the Station operated by KSAT. Only Terra Bella can generate these commands and neither KSAT nor any other entity can override these commands. Terra Bella also maintains a ground station in Half Moon Bay, CA (call sign E130037), which is independently capable of providing tracking, telemetry and control for the SkySat satellites.

⁴ The Station currently receives communications from the Terra Bella satellites, SkySat-1 through SkySat-7, via three payload beams and a primary or secondary telemetry beam in the Earth Exploration Satellite Service band as follows:

Payload Beams (space-to-earth) (in MHz): 8045.0000-8105.0000; 8374.8720-8375.1280; 8379.8720-8380.1280

Telemetry Beams (space-to-earth) (in MHz): 8170.0000-8230.0000; 8295.0000-8355.0000 Transmissions from the Station to the Terra Bella satellites occur in the 2080.8970-2081.1030 MHz band and in the 2082.8970-2083.1030 MHz band.

⁵ 47 C.F.R. § 25.271.

⁶ Id. § 25.272.

Ownership of Skybox Imaging, Inc. was transferred to Google, Inc. in 2014, and then from Google to Alphabet Inc. in 2015. See Skybox Imaging, Inc. Application for Transfer of Control E120025 & E130037 (Fairbanks & Half Moon Bay), IBFS File No. SES-T/C-20140613-00519 (FCC, granted July 30, 2014); Skybox Imaging, Inc. Application for Pro Forma Transfer of Control, IBFS File No. SES-T/C-20151019-00746 (FCC, granted Nov. 19, 2015).

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acquisition and tracking under contract to commercial and government satellite operators around the world. KSAT's customers also include U.S. companies and U.S. Government agencies. Today, KSAT's network includes high-latitude stations in Norway, including Spitsbergen, and in Antarctica, as well as mid-latitude stations (Dubai, South Africa, Singapore and Mauritius). KSAT operates all the stations from its headquarters in Tromsø, Norway, through the Tromsø Network Operations Center ("TNOC"). KSAT (or its predecessors) has been in the ground station business for over 20 years and the company is highly sought-after for its ground station services.

2. Response to Question A21: Public Interest

Assignment of Terra Bella's license for the Station to KSAT will serve the public interest. As explained above, KSAT is a highly qualified ground station operator, and by outsourcing the operation of the Station to KSAT, Terra Bella and its parent companies will be able to concentrate on their core business activities and improve operational efficiency.

Because of KSAT's expertise with the operation and maintenance of satellite earth station facilities, there should be no disruption in the provision of service to customers as a result of the assignment. KSAT will continue to operate the Station with the satellites in the same manner that Terra Bella operates it today and in compliance with the Commission's rules. For these reasons, KSAT respectfully submits that grant of this earth station license assignment is in the public interest.

3. Response to Question A20: Ownership of the Assignee

(a) Assignee's Ownership

The assignee, KSAT, located at Prestvannveien 38, 9011 Tromsø, Norway (mailing address: P.O. Box 6180 Langnes, 9291 Tromsø, Norway), is a commercial limited liability stock company, organized under the laws of Norway. KSAT's shares are jointly owned by Kongsberg Defence and Aerospace AS (50%) and Space Norway AS (50%). See Figure 1, below, illustrating KSAT's ownership.

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KSAT Ownership Structure

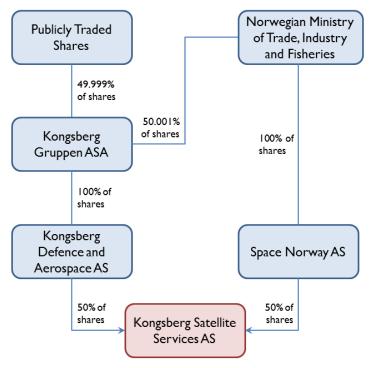


Figure 1 - KSAT Ownership Organizational Diagram

KSAT is an entirely commercial company (and not an instrument of the government) as further explained below.

(b) <u>Name, Address, Citizenship, and Primary Business of the Controlling Entity and any Intermediate Subsidiaries</u>

Kongsberg Gruppen ASA:

Name: Kongsberg Gruppen ASA

Address: Kirkegårdsveien 45, NO-3616 Kongsberg, Norway
Ownership: 100% of Kongsberg Defence and Aerospace AS

Citizenship: Norwegian

Primary Business: International technology corporation that provides, advanced

technological solutions in the following business segments:

Maritime, aerospace and defense, and oil and gas systems

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Kongsberg Defence and Aerospace AS:

Name: Kongsberg Defence and Aerospace AS

Address: Kirkegårdsveien 45, P.O. Box 1003, NO-3601 Kongsberg,

Norway

Ownership: 50% of KSAT Citizenship: Norwegian

Primary Business: Defense and aerospace-related manufacturing and services

Space Norway AS:

Name: Space Norway AS

Address: Drammensveien 165, Box 66 Skøyen, 0277 Oslo, Norway

Ownership: 50% of KSAT Citizenship: Norwegian

Primary Business: Commercial space activities

(c) <u>Names, Addresses, Citizenship, and the Percentages of Voting and Equity Stock of Stockholders holding 10 percent or more of the Controlling Corporation's Voting Stock</u>

The following two companies each own 50% of the equity and voting shares in KSAT:

- Kongsberg Gruppen ASA and its wholly-owned subsidiary Kongsberg Defence and Aerospace AS (see addresses and citizenships in section (b), above). The Norwegian Ministry of Trade, Industry and Fisheries owns 50.001% of the equity stock and 50.001% of the voting stock in Kongsberg Gruppen ASA. The remainder of the stock is publicly traded on the Oslo stock exchange under the ticker symbol "KOG." No other shareholder owns 10% or more of the company's stock.
- Space Norway AS (see address and citizenship in section (b), above), which is 100% owned (voting and equity stock) by the Norwegian Ministry of Trade, Industry and Fisheries.

Neither company alone is able to control or veto the decisions of KSAT's board of directors. The two companies each appoint two of KSAT's six board members. In accordance with Norwegian public company law, each board member of a limited liability company such as KSAT acts independently, in his or her own private capacity.

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(d) <u>The Assignment is Fully Consistent With the Ownership Requirements of the</u> Communications Act, Section 310

Approval of the assignment of the Station license to KSAT is consistent with Section 310 of the Communications Act of 1934.8 First, it does not run contrary to Section 310(a).9 The Norwegian government's ownership interest in KSAT is indirect and highly attenuated and KSAT's interests are commercial. The Commission has interpreted Section 310(a) to allow for indirect foreign government ownership in a licensee. 10 Accordingly, the grant of this assignment application does not contravene Section 310(a).

Consistent with its interpretation of Section 310(a),¹¹ and by way of example, in 2001, the Commission authorized¹² the assignment of ground station licenses (which even included common carrier licenses) to a Norwegian company, Telenor ASA, via its U.S. subsidiary, Telenor Satellite Inc.¹³ – despite the 79% Norwegian government ownership in Telenor ASA.¹⁴ The license assignments were needed in connection with the

⁸ 47 U.S.C. § 310(d) (2014).

⁹ *Id.* § 310(a).

The Commission has said that "Section 310(a) however, does not expressly prohibit indirect foreign government control of licensees." Review of Foreign Ownership Policies for Common Carrier and Aeronautical Licenses, 26 FCC Rcd. 11703, 11709 ¶ 8 (Aug. 9, 2011). See also Application of VoiceStream Wireless Corporation, Powertel, Inc., Transferors, and Deutsche Telekom AG, Transferee, for Consent to Transfer Control of Licenses and Authorizations Pursuant to Sections 214 and 310(d) of the Communications Act and for Declaratory Ruling Pursuant to Section 310 of the Communications Act, IB Docket No. 00-187, Memorandum Opinion and Order, 16 FCC Rcd. 9779 (2001) ("DT-VoiceStream Order").

See Review of Foreign Ownership Policies for Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended, IB Docket No. 11-133, Second Report and Order, FCC 13-50, ¶8 (Apr. 18, 2013) (quoting *DT-VoiceStream Order, supra* note 10, ¶¶ 41-42) (explaining why Section 310(a) must allow indirect foreign government ownership when Section 310(b)(4) does so even for common carrier licensees).

¹² In the Matter of Lockheed Martin Global Telecommunications, et al., Applications for Assignment of Section 214 Authorizations, Private Land Mobile Radio Licenses, Experimental Licenses, and Earth Station Licenses, Order and Authorization, FCC 01-369 (rel. Dec. 18, 2001) ("Telenor Order").

¹³ Telenor Order, supra note 12, ¶ 1 (granting the application "to assign certain Title II common carrier authorizations and Title III radio licenses held by Comsat to Telenor Satellite.").

See Telenor Order, supra note 12, ¶ 48 n.140 ("Telenor Satellite is subject to the ultimate control of a corporation of which approximately 79% is owned by a foreign government").

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acquisition of certain earth stations and other assets from Comsat/Lockheed Martin.¹⁵ (The Commission authorized Telenor even though the assignment involved Section 214 licenses.¹⁶)

KSAT is an entirely commercial company with transactions based solely on commercial considerations. The transaction for which the requested authorization is needed is totally commercial: KSAT is under contract to a U.S.-based private company, Terra Bella, to provide earth station support and downlinking services for the Terra Bella earth exploration satellite system.

Second, Section 310(b) does not apply because the proposed assignment will not result in KSAT holding the license for a "broadcast or common carrier or aeronautical *en route* or aeronautical fixed radio station."¹⁷

4. Concurrent STA Application

KSAT files this assignment application concurrently with an application for an STA to change the Station's remote control point from Terra Bella's facility in Mountain View, CA, to KSAT's TNOC. The request asks that the STA be granted concurrent with the grant of this assignment application, effective for a 60-day period that commences with notification of the consummation of the assignment of the license. Once the Station license been assigned to KSAT, KSAT will file an application for permanent authority to modify the Station's remote control point. Under the STA, the use of this remote control point will comply with Sections 25.271 and 25.272 of the Commission's rules.

Conclusion

As demonstrated above, KSAT is technically qualified to be the licensee for the Station, the requested assignment is in the public interest, and the legal requirements for assignment of the Station license under Section 310(d) are fully satisfied. Accordingly, KSAT respectfully requests that the Commission grant this assignment application.

¹⁵ In that case, a Telenor subsidiary, Telenor Satellite Services Holdings, Inc. ("TSSH") itself a Delaware corporation, set up another Delaware corporation, Telenor Satellite, Inc., specifically to hold the FCC licenses

¹⁶ *Telenor Order, supra* note 12, ¶ 1.

¹⁷ 47 U.S.C. § 310(b).