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Federal Communications Commission
Office of Secretary 001

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United States Senate

COMMITTEE ON COMMERCE, SCIENCE
AND TRANSPORTATION

WASHINGTON, DC 20510-8126

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April 24, 2001

The Honorable Michael K. Powell
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: IB Docket No. 99-81 (2 GHz MMS Service Rules)

Dear Chairman Powell:

Rural Americans throughout the country, including many of our constituents, are still awaiting the introduction of broadband services. The Commission, recognizing this problem, has allocated spectrum in the 2 GHz band for Mobile Satellite Service ("MSS") and is currently working towards issuing licenses to the first set of applicants. The successful operation of MSS systems will bring to unserved and underserved areas, the same advanced communications capabilities available to urban users and will enhance the capabilities of public safety and military personnel.

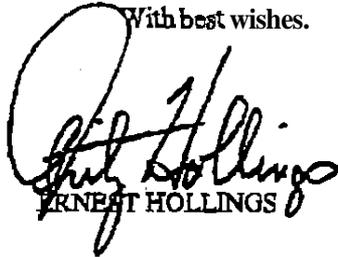
It has come to our attention that the Commission has been asked to authorize ancillary terrestrial use as a complement to 2 GHz MSS. It is our understanding that it may be necessary to provide 2 GHz MSS operators with the flexibility to engage in ancillary terrestrial service in order to ensure the financial viability and the efficient use of 2 GHz spectrum by MSS operators - a concept the Commission has endorsed previously with respect to other satellite service. Two GHz MSS operators will not be able to attract the billions of dollars in financial capital necessary to build and launch their systems without the ability to maximize their spectrum efficiency through an ancillary terrestrial component. Therefore, ancillary terrestrial service will enhance the ability of MSS operators to serve customers by improving the economics of MSS. This proposal does not require allocation of additional spectrum or sharing among different licensees. Additionally, terrestrial service would be allowed only after commercial operation of the satellite service and in a manner consistent with prior Commission decisions on combined use systems.

MSS systems have the unique ability to accomplish a host of public policy goals. If permitted to provide ancillary terrestrial service, 2 GHz MSS operators will be able to provide ubiquitous global connectivity. Since millions of Americans who live in rural areas currently have no mobile voice or data service, an MSS network will be their best, if not their only choice for fast digital connections. In addition, military, maritime, recreational, and public safety users

will benefit from MSS coverage of rural areas. In the case of a natural disaster or other crisis, MSS may provide the only communications link for military, maritime, and public safety personnel, and recreational users.

If the 2 GHz MSS service is to succeed the Commission must decide the issue as quickly as possible, because applicants cannot begin in earnest to raise the enormous sums necessary to design, build, and deploy their systems when they do not yet have licenses and key aspects of the service rules remain under reconsideration. Further delay may be tantamount to denial. Therefore, we urge you to move as quickly as possible to decide the request to add an ancillary terrestrial component to 2 GHz MSS service.

With best wishes.



ERNEST HOLLINGS

Sincerely,



TED STEVENS