



NEWS

Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

News Media Information 202 / 418-0500
TTY 202 / 418-2555
Fax-On-Demand 202 / 418-2830
Internet: <http://www.fcc.gov>
<ftp.fcc.gov>

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NEWS MEDIA CONTACT:
Linda L. Haller at 202-418-1408

FLEXIBILITY GRANTED FOR MOBILE SATELLITE SERVICES

Washington, D.C. -- The Commission has decided to permit certain mobile satellite services (MSS) providers in three frequency bands to provide an ancillary terrestrial component (ATC) to their satellite systems. This new approach permits MSS licensees to integrate ancillary terrestrial components into their MSS networks. Specifically, it allows MSS operators to seek authority to integrate ATC into their networks for the purpose of enhancing their ability to offer high-quality, affordable mobile services on land, in the air and over oceans without using any additional spectrum resources beyond spectrum already allocated and authorized by the Commission for MSS in these bands.

The Commission's Order is the culmination of a complex proceeding involving a Notice of Proposed Rulemaking and petitions by outside parties in which the Commission sought and received comment on various alternatives regarding terrestrial and satellite use of MSS spectrum. The decision covers three spectrum bands: 2GHz, Big LEO and L-band.

The Commission concluded that technically it would be more efficient, feasible and practical to permit MSS licensees to include a terrestrial component in their satellite systems to serve consumers, than to award terrestrial rights in the band to third parties. Its decision balances the traditional goals of effective and efficient use of spectrum with preserving the optimal amount of spectrum for the provision of international satellite services. The Commission found that granting shared usage of the same MSS frequency band to separate MSS and terrestrial operators would likely compromise the effectiveness of both systems. The Commission found that permitting MSS ATC in the manner prescribed in the Order should: (1) increase the efficiency of spectrum use through MSS network integration and terrestrial reuse and permit better coverage in areas that MSS providers could not otherwise serve; (2) provide additional communications that may enhance public protection; and (3) provide new services in the markets served by MSS. Thus, it concluded that making ATC available to licensed MSS operators better serves the public interest than the more limited and technically difficult prospect of attempting to share the MSS spectrum and that grant of ATC, therefore, appears to best balance competing public interest goals.

The Commission's authorization of ATC for these MSS bands is subject to conditions that ensure the integrity of the underlying MSS offering and that these services will not become a stand-alone terrestrial service. Specifically, to include ATC in their satellite systems, the MSS operators must:

- launch and operate their own satellite facilities;

- provide substantial satellite service to the public;
- demonstrate compliance with geographic and temporal satellite coverage requirements;
- demonstrate that the satellite system's ATC will operate only within the licensee's "core" MSS spectrum;
- limit ATC operations only to the satellite system's authorized footprint;
- require that satellite licensees provide an integrated MSS and ATC service; for example by making an affirmative showing that the MSS licenses uses a dual mode handset to provide the proposed ATC service;
- not offer a terrestrial only service to consumers;
- obtain handset certification for MSS ATC devices under the equipment authorization process contained in Part 2 of the Commission's rules.

No ATC operations would be permitted until an MSS licensee filed an application with the FCC demonstrating compliance with these requirements. Once the FCC grants an application, terrestrial operations may commence. These requirements are designed to ensure that MSS operators whose systems include a terrestrial component will continue to provide a substantially satellite service and that the terrestrial component is offered only on an ancillary basis.

The Commission also has adopted technical rules to mitigate the possibility of interference. In the 2 GHz band, the Commission adopted stringent out of band emissions limitations to protect against the possibility of interference to adjacent services including PCS. In the L-band, the Commission limited the number of base stations that could be deployed and a phase-in period of 18 months before the maximum number of stations could be deployed to protect against the possibility of interference to Inmarsat.

In the Big LEO band, the Commission adopted an Notice of Proposed Rulemaking seeking comment on redistributing spectrum in the Big LEO band between two Big LEO licensees, Iridium and Globalstar. To expedite the decision-making process the Commission adopted a short comment cycle, requiring comments to be filed within 30 days of publication in the Federal Register and reply comments to be filed within 15 days thereafter. The Commission tentatively concluded that a rebalancing of the Big LEO band plan will serve the public interest and stated its intention to proceed expeditiously. The Commission noted that it may be necessary and in the public interest to condition a grant of ATC authority that would preserve a full range of options concerning the Big LEO band plan and that would permit grant to Iridium of interim access to additional spectrum pending resolution of the further notice.

Action by the Commission January 29, 2003, by Report and Order and Notice of Proposed Rulemaking (FCC 03-15). Chairman Powell, Commissioners Abernathy, Martin and Adelstein with Commissioner Copps approving in part, dissenting in part and Chairman Powell, Commissioners Abernathy, Copps and Adelstein issuing statements.

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Contacts: Robin Pence, Office of Media Relations (202-418-0505, rpence@fcc.gov); James Ball, International Bureau (202-418-0427, jball@fcc.gov).

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