

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

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| In the Matter of |) | |
| |) | |
| Intelsat LLC |) | |
| |) | SAT-MOD-20030723-00136 |
| Request for Extension of |) | SAT-AMD-20031215-00357 |
| Milestone Dates for the INTELSAT |) | Call Sign S2414 |
| 10-02 (INTELSAT Alpha-2) Satellite |) | |

MEMORANDUM OPINION AND ORDER

Adopted: March 22, 2004

Released: March 22, 2004

By the Chief, Satellite Division, International Bureau:

I. INTRODUCTION

1. By this Order, we grant Intelsat LLC's (Intelsat) request for an extension of milestones for the INTELSAT 10-02 satellite. Specifically, we extend the milestone to complete construction of the INTELSAT 10-02 satellite to March 2004, and extend the launch milestone to July 2004. These extensions will allow Intelsat to correct unforeseen technical problems with the spacecraft, as well as overcome unexpected testing and launch delays with the satellite, while continuing to serve its customers from its existing in-orbit satellite.

II. BACKGROUND

2. In August 2000, the Commission granted Intelsat authority to operate 17 in-orbit C-band and Ku-band satellites then owned and operated by the International Telecommunications Satellite Organization.¹ The Commission also granted Intelsat authority to construct, launch, and operate 10 satellites. At that time, the Commission implemented a construction completion and launch milestone schedule based on a schedule proposed by Intelsat.² The INTELSAT 10-02 satellite (formerly named INTELSAT Alpha-2), one of the planned satellites, was given a construction completion milestone date of September 2003 and a launch milestone date of November 2003.³ The INTELSAT 10-02 satellite is a

¹ See *Application of Intelsat LLC for Authority to Operate, and to Further Construct, Launch, and Operate C-band and Ku-band Satellites that Form a Global Communications System in Geostationary Orbit*, Memorandum Opinion Order and Authorization, 15 FCC Rcd 15460, *recon. denied*, 15 FCC Rcd 25234 (2000), *further proceedings*, 16 FCC Rcd 12280 (2001) (*Intelsat LLC Orders*). The term "C-band" refers here to the 3625 - 4200 MHz and 5850 - 6425 MHz frequency bands; the term "Ku-band" refers to the 10.95 - 11.20 GHz, 11.45 - 11.70 GHz, 12.5-12.75 GHz, and 13.75 - 14.5 GHz frequency bands.

² *Intelsat LLC Orders*, 15 FCC Rcd at 15519 (¶ 156).

³ *Id.* at 15518-19.

replacement satellite for the operational INTELSAT 707 satellite at 1° W.L.⁴

3. In July 2003, Intelsat filed a modification application to extend the construction completion date and launch milestone date for the INTELSAT 10-02 satellite at the 1° W.L. orbital location.⁵ Intelsat requested the construction completion milestone date and launch milestone date be extended to January 2004 and March 2004, respectively.⁶ In December 2003, Intelsat filed an amendment to its application, requesting additional time to complete construction and launch the satellite.⁷ Intelsat now seeks to extend the construction completion date to March 2004 and extend the launch completion date to July 2004.⁸

4. Intelsat states that a brief extension of the milestone schedule is necessary due to unanticipated manufacturing, testing and launch date delays beyond Intelsat's control.⁹ Intelsat explains that since the INTELSAT 10-02 is the first model satellite of its kind (Eurostar 3000) manufactured and tested by EADS Astrium, no prior reference was available when the manufacturer originally established the program duration.¹⁰ Once construction commenced, multiple technical and testing delays arose. Intelsat provided specific examples of problems and technical difficulties requiring re-design and re-testing of various components. Intelsat represents that as of July 23, 2003, the construction of the INTELSAT 10-02 satellite was approximately 85 percent complete.¹¹ In addition, Intelsat's extension requests include copies of photographs of the INTELSAT 10-02 satellite, demonstrating that construction is well underway.¹² Intelsat further asserts that since the INTELSAT 10-02 satellite is a replacement satellite for the existing INTELSAT 707 satellite currently operating at 1° W.L., the short delays in construction and launch will not result in the warehousing of orbital locations.¹³ Both requests were placed on Public Notice¹⁴ and no comments were received in response to the Notice.

⁴ *Id.* at Appendix A, Tables 1 and 2.

⁵ Intelsat LLC Request for Extension of Milestone Dates for INTELSAT 10-02 (INTELSAT ALPHA-2), File No. SAT-MOD-20030723-00136, Call Sign S2414, (July 23, 2003) (*Intelsat Original Milestone Extension Application*). Intelsat also requests a corresponding extension for the scheduled "in-service" date, which is six to eight weeks after a successful launch.

⁶ *See Intelsat Original Milestone Extension Application* at 15.

⁷ Amendment to Intelsat LLC Request for Extension of Milestone Dates for INTELSAT 10-02 (INTELSAT ALPHA-2), File No. SAT-AMD-20031215-00357, Call Sign S2414, (December 15, 2003) (*Intelsat Amended Milestone Extension Application*).

⁸ *See Intelsat Amended Milestone Extension Application* at 14.

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Id.*

¹² *See Id.* at Attachment A.

¹³ *Id.* at 16.

¹⁴ Public Notice, Policy Branch Information, Report No. SAT-00170 (October 10, 2003). Public Notice, Policy Branch Information, Report No. SAT-00182 (December 23, 2003).

III. DISCUSSION

5. Milestones are necessary to ensure that licensees build their systems in a timely manner and that orbital resources and spectrum are not being held by licensees unable or unwilling to proceed with their plans.¹⁵ It is in the public interest to ensure that licensees proceed expeditiously in completing construction of their systems and commencing service and not blocking entry by other qualified service providers. Therefore, the Commission has strictly enforced its milestone schedules.¹⁶ As a general rule, we grant milestone extensions only when the delay is due to circumstances beyond the control of the licensee.¹⁷ For example, unanticipated technical problems encountered during physical construction of the satellite may justify a milestone extension.¹⁸ The situation presented by Intelsat is consistent with this circumstance. In addition, Intelsat has demonstrated that construction is well underway and progressing.

6. The INTELSAT 10-02 satellite is the first of its kind manufactured and tested by the manufacturer EADS-Astrium. As a result, Intelsat provided detailed examples of unanticipated technical problems arising from testing the new equipment which led to the redesign, reworking and retesting of various components. For example, the communications module, C-band hemi-zone antenna and solar array were all delivered approximately one year later than the original delivery date due to technical difficulties that arose during production.¹⁹ Intelsat also provided detailed information regarding the progress of the satellite construction, emphasizing its intention to complete construction and launch the satellite within the timeframe requested. At the time of the original milestone extension filing, the INTELSAT 10-02 spacecraft was undergoing system level thermal vacuum tests. Intelsat provides photographs showing the spacecraft as it was being prepared to go into the Thermal Vacuum chamber.²⁰

7. Additionally, Intelsat describes further unanticipated problems that arose after it filed the original milestone extension application that justify a longer extension. Specifically, Intelsat explains that the satellite's manufacturer, EADS-Astrium, has experienced additional delays in testing the INTELSAT 10-02 satellite due to scheduling conflicts with another satellite the company is manufacturing.²¹ Since the other satellite, Eutelsat W3A, is scheduled to launch prior to the launch of INTELSAT 10-02, Intelsat represents that Astrium has prioritized the completion of the Eutelsat W3A satellite resulting in further delays in completing the INTELSAT 10-02 satellite.²² In addition, Intelsat states that its launch provider, International Launch Services (ILS), has assigned Intelsat a new launch window of May 15-June 14.²³

8. We find that the circumstances that Intelsat has described in its applications are unforeseeable and beyond Intelsat's control and therefore justify an extension of the milestone dates.

¹⁵ Columbia Communications Corp., Application for Amendment to Pending Application to Extend Milestones, *Memorandum Opinion and Order*, 15 FCC Rcd 15566 (Int'l Bur. 2000).

¹⁶ Advanced Communications Corporation, *Memorandum Opinion and Order*, 10 FCC Rcd 13337 (Int'l Bur. 1995).

¹⁷ 47 C.F.R. § 25.117(e); Columbia Communications Corp., 15 FCC Rcd at 15571.

¹⁸ See, e.g., Earthwatch Incorporated, *Order and Authorization*, 15 FCC Rcd 18725 (Sat & Radiocom. Div., Int'l Bur. 2000); AMSC Subsidiary Corp., *Order and Authorization*, 10 FCC Rcd 3791 (Sat. & Radiocom. Div., Int'l Bur. 1995); Loral SpaceCom Corporation, *Memorandum Opinion and Order*, 18 FCC Rcd 21851 (Satellite Div., Int'l Bur. 2003).

¹⁹ See *Intelsat Original Milestone Extension Application* at 15.

²⁰ See *Id.* at Attachment A.

²¹ See *Intelsat Amended Milestone Extension Application* at 15.

²² Since the time Intelsat submitted its amendment, the Eutelsat W3A satellite has been launched.

²³ *Id.*

Under the circumstances presented, it would not be in the public interest to cancel the license of a company that has completed construction of approximately 85 percent of its satellite and provided a concrete plan for completing construction and launching a satellite within the next several months. For these reasons, we find that extending the construction completion milestone and the launch milestone dates will serve the public interest.

IV. CONCLUSION AND ORDERING CLAUSES

9. We find that granting Intelsat's application, as amended, will help ensure the successful launch and operation of the INTELSAT 10-02 satellite and serve the public interest by providing effective use of the limited orbit spectrum resource.

10. Accordingly, IT IS ORDERED, that the Requests for Extension of Milestone Dates for the INTELSAT 10-02 (INTELSAT Alpha-2) Satellite, filed by Intelsat LLC, File Nos. SAT-MOD-20030723-00136 and SAT-AMD-20031215-00357, Call Sign S2414, are GRANTED.

11. IT IS FURTHER ORDERED that the Table in paragraph 156 of the *Intelsat LLC Orders*²⁴, is modified with respect to the entry for the ALPHA-2 satellite as follows, and the INTELSAT 10-02 satellite must be constructed and launched by the following dates in accordance with the technical parameters and terms of its authorization, as modified, or its authorization is null and void:

| Satellite * | Finish Construction | Launch ** |
|----------------|---------------------|---------------|
| INTELSAT 10-02 | March 30, 2004 | July 30, 2004 |

12. Intelsat is afforded 30 days from the date of this Order to decline this authorization as conditioned. Failure to respond within this period will constitute a formal acceptance of the authorization as conditioned.

13. This Order is issued pursuant to 47 C.F.R. § 0.261, and is effective upon release.

FEDERAL COMMUNICATIONS COMMISSION

Thomas S. Tycz
Chief
Satellite Division
International Bureau

²⁴ See *Intelsat LLC Orders*, 15 FCC Rcd at 15519, (¶ 156).

