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July 17, 1992

Ms. Donna R. Searcy
Secretary
Federal Communications Commission
1919 M Street, N.W.
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Amendment of Parts 2, 21, 25 and 94 of the Commission's Rules to Accommodate Common Carrier and Private Op-Fixed Microwave in Bands Above 3 GHz, RM-8004

Dear Ms. Searcy:

Home Box Office ("HBO"), a division of Time Warner Entertainment Company, L.P., by its attorneys, submits this letter in reply to the comments filed on July 2, 1992 in the above-referenced proceeding.

In its own comments, HBO demonstrated that the Commission should reject summarily the proposal of Alcatel Network Systems, Inc. ("Alcatel") to reallocate 80 MHz of the 3.7-4.2 GHz band by making the fixed-satellite service secondary to microwave users for those frequencies. HBO showed that Alcatel's proposal was factually unsupported as well as contrary to Commission policy and practice. Further, adoption of the proposal would seriously harm fixed-satellite users and the general public through an unwarranted 16% reduction in total C-band downlink spectrum. The fixed-satellite service has used the 3.7-4.2 GHz band with singular efficiency for many years. It would be senseless to disrupt the entire television distribution industry by arbitrarily eliminating four transponders per C-band satellite.

Numerous other commenting parties confirmed that the Commission should not propose adoption of the Alcatel proposal. GE American Communications, Inc. ("GE Americom") noted that the Alcatel proposal "will have an adverse impact upon the hundreds of millions of dollars in embedded investment by users in C-band satellite services." Comments of GE Americom at 1. Both the efficiency and value of C-band satellite equipment in space and on the ground would be significantly impaired. Id. at 2-3. GE Americom points out, as did HBO (Comments at 9), the fallacy of

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Alcatel's speculation that C-band satellite operators will voluntarily migrate to higher bands. Comments of GE Americom at 3-4. 1/ GE Americom also points out that Alcatel's proposal is deficient on procedural grounds. Id. at 2.

Hughes Communications Galaxy, Inc. ("HCG") also strongly opposed Alcatel's proposal to make fixed-satellite users secondary to microwave users for 80 MHz of the 3.7-4.2 GHz band. HCG notes that the Alcatel proposal would "stifle the continued growth of the satellite industry" by restricting satellite network expansion, impeding the deployment of new services, and limiting the variety of video programming distributed in the U.S. Comments of HCG at 3, 5-6. HCG notes that numerous parties have invested many millions of dollars in reliance upon the current spectrum allocation, and that "[a]ny departure from this scheme will provide instability in a highly capital intensive industry." Id. at 6. HCG rejects Alcatel's speculation that C-band users have begun a wholesale migration to higher frequency bands. Id. at 6 & n.5. HCG concurs with HBO (Comments at 4-5) that Alcatel has not even attempted to show that the needs of displaced 2 GHz users can be met only through the proposed reallocation of the 3.7-4.2 GHz band. Comments of HCG at 7-8. 2/

GTE Service Corporation ("GTE") echoed the comments of these parties. GTE emphasized that it is imperative for the Commission to require displaced 2 GHz users to comply fully with frequency coordination practices at higher frequencies. Comments of GTE at 6. Noting that Alcatel's proposal exemplifies the old adage about robbing Peter to pay Paul, GTE demonstrated that the Alcatel proposal would cause serious and unacceptable harm to satellite operators and C-band users. Id. at 6-8. GTE categorically rejected Alcatel's suggestion that C-band users are

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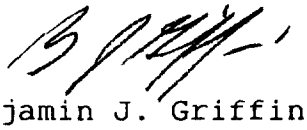
1 A few parties suggested without support or elaboration that the FCC should take steps to encourage the fixed-satellite service to migrate from the C-band to higher frequencies. See Comments of Telecommunications Industry Association at 4; Comments of Harris Corporation at 7. However, there is absolutely no record basis or public policy support for such actions in this proceeding or any other Commission proceeding.

2 Comsearch emphasized the need for substantial "further study" before the Commission could even begin considering the Alcatel proposal. Comments of Comsearch at 4.

migrating, or can be migrated, to higher frequency bands. Id. at 8. GTE agrees with numerous other commenting parties that the Alcatel proposal would create harmful uncertainties in the satellite industry regarding "the reliability and stability of satellite-based technologies." Id. at 9. Finally, the proposed reallocation would cause serious coordination problems between the U.S. and adjacent countries who do not also implement such a reallocation. Id. at 9 n.13.

These comments conclusively demonstrate that the Commission should summarily reject Alcatel's proposal for the reallocation of 80 MHz of the 3.7-4.2 GHz spectrum.

Respectfully submitted,



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cc: counsel of record