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BEFORE THE

Federal Communications Commission

WASHINGTON, D.C. 20554

In the Matters of	)	
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Amendment of the Commission's Rules to Establish Rules and Policies Pertaining to the Mobile-Satellite Service and Radiodetermination Satellite Service in the 1610-1626.5 MHz and 2483.5-2500 MHz Bands.	)	CC Docket No. 92-166
	)	
Amendment of Section 2.106 of the Commission's Rules to Allocate the 1610-1626.5 MHz and the 2483.5-2500 MHz Bands for Use by the Mobile-Satellite Service, Including Non-Geostationary Satellites	)	[redacted]

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RESPONSE OF
CONSTELLATION COMMUNICATIONS, INC.,
ELLIPSAT CORPORATION, AND TRW INC.
TO MSCI/LOSS "JOINTLY FILED COMMENTS"

CONSTELLATION
COMMUNICATIONS, INC.

Robert A. Mazer
Nixon, Hargrave, Devans
& Doyle
One Thomas Circle, N.W.
Suite 800
Washington, D.C. 20005
(202) 223-7200

ELLIPSAT CORPORATION

Jill Abeshouse Stern
Shaw, Pittman, Potts
& Trowbridge
2300 N Street, N.W.
Washington, D.C. 20037
(202) 663-8380

TRW INC.

Norman P. Leventhal
Raul R. Rodriguez
Stephen D. Baruch

Leventhal, Senter & Lerman
2000 K Street, N.W., Suite 600
Washington, D.C. 20006
(202) 429-8970

October 20, 1993

SUMMARY

Constellation Communications, Inc., Ellipsat Corporation, and TRW Inc. (together "the Joint Parties") hereby respond to the "Jointly Filed Comments" that were filed in the instant proceedings by Motorola Satellite Communications, Inc. ("MSCI") and Loral Qualcomm Satellite Services, Inc. ("LQSS"). In this Response, the Joint Parties begin by pointing out that there are several areas of similarity between the MSCI/LQSS proposal and the Joint Parties' own October 8, 1993 Equitable Spectrum Sharing Plan for the 1610-1626.5 MHz and 2483.5-2500 MHz bands -- i.e., the mobile-satellite service/radiodetermination satellite service bands (the "MSS/RDSS bands"). For example, both plans call upon the Government to convince the Russian administration to reconfigure the Russian "GLONASS" system so that MSS/RDSS systems will be able to operate across the entire 1610-1626.5 MHz band; both would limit entry to the MSS/RDSS bands to the current applicants that would operate constellations of nongeostationary satellites; both plans contemplate that each of these systems would be authorized to construct satellites capable of operating across the available bandwidth; and both would strictly enforce rigid construction milestones.

Nevertheless, the differences between the Joint Parties' equitable spectrum sharing plan and the plan proffered

by MSCI and LQSS are profound in two areas -- the respective plans' spectrum assignment policy proposals and the need for stringent basic qualifications standards. The Joint Parties demonstrate that the approach taken by MSCI and LQSS on these two matters is inherently unworkable, internally inconsistent, and would have anticompetitive and exclusionary results.

As for the MSCI/LQSS spectrum assignment proposal -- their "start-big/grow small" approach -- the Joint Parties show that such an approach inappropriately requires applicants to focus on the speed with which they can construct and launch satellites, and provides the first system that becomes "operational" with every incentive to concentrate its energies on keeping the remaining systems from ever becoming operational. The approach also makes it more difficult for applicants to obtain any necessary external financing, and exponentially complicates the international coordination outlook for the U.S. MSS/RDSS systems. The Joint Parties' plan, by contrast, does not postpone the difficult spectrum assignment decisions, and thereby provides both a necessary measure of certainty to applicants and the marketplace alike, and ensures opportunities for meaningful multiple entry on a non-exclusionary basis.

MSCI's and LQSS's call for stringent basic qualification standards is inconsistent with their spectrum

assignment approach, and thus appears to have been interposed in an anticompetitive attempt to impose a regulatory obstacle to multiple entry. If spectrum is not to be assigned until systems are operational, applicants that cannot secure financing will not build and launch satellites and will therefore not be in a position to warehouse spectrum.

The MSS/RDSS is a new service, and the Commission has previously refused to impose strict financial qualifications criteria for such services. In any event, strict enforcement of construction milestones, as urged by the Joint Parties, will keep pressure on applicants to move forward, and will ensure the early dismissal of proposals that cannot gain favor in the marketplace.

Finally, MSCI and LQSS provide no valid justification for the imposition of coverage requirements or technical efficiency standards. Their call for such standards is a thinly-disguised attempt to exclude systems that do not share MSCI or LQSS's technical or market vision, and such standards are unnecessary and inappropriate in cases where competitive multiple entry will exist.

In sum, the Joint Parties call upon the Commission to reject the MSCI/LQSS plan and embrace instead the rational and pro-competitive proposal advanced in the Joint Parties' October 8 filing.

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To: The Commission

RESPONSE OF
CONSTELLATION COMMUNICATIONS, INC.,
ELLIPSAT CORPORATION, AND TRW INC.
TO MSCI/LQSS "JOINTLY FILED COMMENTS"

Constellation Communications, Inc. ("Constellation"), Ellipsat Corporation ("Ellipsat"), and TRW Inc. ("TRW") (together "the Joint Parties"), by their respective attorneys and pursuant to Section 1.45(a) of the Commission's rules, hereby submit their views on the "Jointly Filed Comments" that were filed in the above-captioned proceedings by Motorola Satellite Communications, Inc. ("MSCI") and Loral Qualcomm Satellite Services, Inc. ("LQSS") on October 7, 1993. Although the MSCI/LQSS proposal contains a number of positive suggestions with which the Joint

Parties agree, the Commission must, for the reasons stated below, reject the MSCI/LQSS proposal as unworkable and inequitable. In particular, the Joint Parties question the feasibility of a "start big/grow small" spectrum assignment policy, and urge the Commission not to handicap the new service with inappropriate financial requirements or with spectrum efficiency standards that reflect a specific technical or market approach.

I. INTRODUCTION

Throughout this protracted proceeding, Constellation, Ellipsat, and TRW have sought an equitable spectrum assignment solution that provides a "fair chance" for all of the proposed nongeostationary systems. Unhappy with the uncertainties engendered by the "start-big/grow small" approach, and recognizing MSCI's and LQSS's call for rigid financial and technical qualifications standards as a thinly-veiled attempt to interpose a regulatory obstacle to multiple entry, Constellation, Ellipsat, and TRW (on October 8, 1993) proceeded to file their own "Joint Spectrum Sharing Proposal" -- a plan they believe promotes open entry and accommodates all of the nongeostationary applicants. The Joint Parties continue to believe, however, that a compromise solution to the intraservice sharing issue in the

1610-1626.5 MHz band is attainable and desirable, and stand prepared to resume working with MSCI and LQSS toward that goal.

At the outset, the Joint Parties observe that the MSCI/LQSS Joint Comments and the Joint Parties' Spectrum Sharing Proposal both contain proposals that have the stated objective of expediting the licensing of non-geostationary mobile-satellite service ("MSS")/radiodetermination satellite service ("RDSS") systems in the 1610-1626.5 MHz and 2483.5-2500 MHz bands (the "MSS/RDSS bands"). Each proposal claims to promote meaningful competitive multiple entry into the MSS/RDSS bands, and would permit the marketplace to decide which system(s) will be successful. See Joint Spectrum Sharing Proposal at 15-19, 21; MSCI/LQSS Joint Comments at 4.

Indeed, the two proposals have many ingredients in common, and when both plans are considered by the Commission, the areas of agreement should help facilitate the licensing process for the new MSS/RDSS systems. For instance, both plans call for the U.S. Government to act with all diligence to ensure that "GLONASS," the Russian aeronautical radionavigation system, is reconfigured in such a way as to permit the use of the entire 1610-1626.5 MHz band by MSS/RDSS systems. See Joint Parties' Proposal at 11; MSCI/LQSS Joint Comments at 5-8 and Appendix A. In addition, both plans would limit use of the MSS/RDSS bands to

non-geostationary satellite systems (Joint Parties at 9; MSCI/LQSS at 8); they would authorize all five pending non-geostationary system applicants to construct systems capable of operating across the available bandwidth (Joint Parties at 12-13; MSCI/LQSS at 9-10); and they would impose rigid construction milestones that would in turn be strictly enforced (Joint Parties at 21-22; MSCI/LQSS at 21-22). Most significantly, both the Joint Parties' proposal and the MSCI/LQSS Joint Comments contemplate that the MSS/RDSS band would be segmented in such a way as to permit systems employing code division multiple access ("CDMA") techniques to operate on a full-band interference-sharing basis in one portion of the band while MSCI would be able to employ its time division multiple access/frequency division multiple access ("TDMA/FDMA") techniques on a bi-directional basis in a separate portion of the band.

There are, nevertheless, fundamental differences between the Joint Parties' and the MSCI/LQSS sharing proposals. In this filing, the Joint Parties identify their areas of disagreement with the MSCI/LQSS proposal, and provide specific reasons as to why the corresponding aspect of their own plan is superior. On a general level, however, the core differences between the two plans can be compared as follows:

THE JOINT PARTIES' PLAN	THE MSCI/LQSS PLAN
1. The Joint Parties' Plan rewards success by making additional spectrum available to the MSS/RDSS system(s) that can demonstrate objectively that it needs additional spectrum.	1. The MSCI/LQSS plan punishes success by providing the most spectrum when systems are newly-operational, and reducing the amount of spectrum to which they have access as time passes and the business ostensibly grows.
2. The Joint Parties' Plan provides that each qualified applicant will have guaranteed access to enough spectrum to enable it to establish a commercially viable MSS/RDSS system using its preferred access technique. No system will have to fight its way into the band to which it is assigned.	2. The MSCI/LQSS plan provides the first applicant to commence operation with a tremendous incentive to use every regulatory and judicial tool at its disposal to delay or block the entry by subsequent systems, and to seek to minimize the amount of spectrum that the new start-up is entitled to access once entry is attained.
3. The Joint Parties' Plan replaces rigid financial and technical qualifications criteria with strictly-enforced construction milestones, and thereby puts the marketplace in the position to determine which systems will get built.	3. The MSCI/LQSS plan, by proposing overly-stringent financial qualifications standards <u>in addition to</u> strict milestones, is attempting to have the Commission impose regulatory obstacles to new entry that would act as a surrogate for marketplace decisions. The plan is, on its face, less reliant on market forces than the Joint Parties' Plan.

The Joint Parties call upon the Commission to reject the spectrum assignment and qualifications aspects of the MSCI/LQSS Joint Comments as transparent attempts to limit entry

into the new MSS/RDSS bands.[1/] Although the Joint Parties continue to believe that a requirement that all applicants share the entire MSS/RDSS bands on a full-band interference-sharing basis is the optimal solution -- and the one most consistent with the public interest -- they nevertheless strongly encourage the Commission to embrace the pro-competitive and fundamentally fair spectrum sharing proposal that was advanced in the Joint Parties' October 8, 1993 filing.

II. DISCUSSION

A. The MSCI/LQSS "Start-Big/Grow Small" Proposal Is Inherently Unfair And Ultimately Incapable Of Implementation; It Must Be Rejected If The MSS/RDSS Market Is To Develop.

1. The MSCI/LQSS Plan Provides Incentives For Inhibiting Entry.

The MSCI/LQSS "start big/grow small" approach to spectrum assignment is completely unworkable in concept, and as presented in the Joint Comments, is too poorly defined and speculative for implementation. By creating a scheme that

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1/ For the first time, and contrary to the Commission's commitment as enunciated in the Public Notice accepting the MSCI and initial Ellipsat applications for filing (see Report No. DS-1068, released April 1, 1991), MSCI and LQSS now object to permitting applicants to amend their applicants to bring their system designs into conformance with the Commission's decisions in the above-captioned proceedings. See MSCI/LQSS Joint Comments at 5 n.7.

rewards the first operator to complete 50 percent of its system with access to all or substantially all of the available spectrum regardless of how much service is provided (see MSCI/LQSS Joint Comments at 13-14), MSCI and LQSS have made haste in the construction and launch of satellites every system's overriding initial objective. Although Constellation, Ellipsat, and TRW each has every expectation that it will be the first to implement its proposed MSS/RDSS system, the Joint Parties disagree from a policy standpoint with the MSCI/LQSS approach. The MSCI/LQSS approach is counterintuitive: instead of starting small with a smaller but adequate amount of spectrum and increasing spectrum use as demand for system capacity increases, the MSCI/LQSS approach would encourage applicants to start with more spectrum than they could possibly be expected to need and then scale back just as demand and system use began to increase. As the Commission is aware, it is extremely difficult to dislodge a licensee from spectrum it is using. As a result, the authorized MSS/RDSS systems will be forced into a winner-take-all (or at least most) race for the spectrum that is inconsistent with orderly and market responsive growth.

The Joint Parties' plan, by contrast, does not require the systems to engage in a multi-billion dollar game of "King of the Hill." All applicants will have a right to design their

systems to meet a set of known spectrum parameters under either the Interim Sharing Plan or the Primary Sharing Plan. Although, because of the milestone schedule, each applicant will be motivated to build its system as rapidly as prudent, no system will gain vested rights to spectrum merely by being the first into operation. The focus of the applicants is thus forward looking -- to the marketplace for MSS/RDSS services -- and does not require the applicants either to waste their energies paranoically looking over their shoulders to see where the others are in the construction process or to spend exorbitant sums merely to accelerate the pace of construction. Moreover, under the Joint Parties' plan, once a system gets into operation, its objective will not be to keep others out of the band; indeed, it will have no right to do so. Instead, it will be able to concentrate on maximizing the attractiveness of its service offerings to customers, as it will only gain access to the designated expansion/reserve band(s) if it is filled to capacity and has an objectively demonstrable need for additional spectrum.

2. Financing Is Made More Difficult Under The MSCI/LQSS Plan.

The absence of guaranteed spectrum assignments under the MSCI/LQSS plan means that it will be difficult for any

applicant to secure the heavy external financing that will be required to launch even the most modest of the proposed MSS/RDSS systems. As long as the amount of spectrum a system will ultimately have access to (either on its own or to share on a full-band interference-sharing basis) is not known, lenders and investors will be understandably unwilling to commit hard funds to a project. This is not the way to start a new satellite service; the Joint Parties' plan provides the measure of certainty that investors and financiers will require.

3. The MSCI/LQSS Plan Complicates International Coordination.

If a system somehow secured enough funds under the MSCI/LQSS plan to survive its first construction milestone, its troubles would be far from over. Because spectrum assignments under the MSCI/LQSS plan are fluid (i.e., they are subject to periodic change, and would remain so even after all five systems become "operational" (see MSCI/LQSS Joint Comments at 15)), the U.S. Government would face a daunting task in attempting to coordinate these systems internationally. Specifically, if the Commission is to wait until after launch to coordinate each system to the maximum extent possible under its authorization -- i.e., if CDMA systems are to be coordinated for the entire 1610-

1626.5 MHz band while MSCI's TDMA/FDMA system is to be coordinated bi-directionally in the 1613.8-1626.5 MHz band -- the bilateral and multilateral coordination process would be extraordinarily difficult, if not impossible. Other administrations will be quick to point out that such an approach is inconsistent with the licensing scheme, and does not reflect an articulated national spectrum requirement. The international perception would be that the U.S. was stockpiling spectrum for which it had no current justifiable need, and the Government and the licensees would be placed in the difficult position of providing technical support for the coordination of undefined spectrum assignments. It is therefore no surprise that the MSCI/LQSS Joint Comments are conspicuously devoid of any discussion on the international coordination of systems under the "start big/grow small" approach.

By contrast, early assignment of spectrum, as under the Joint Parties' plan, will provide the certainty of a well-defined initial U.S. MSS/RDSS spectrum requirement, and set a baseline from which each licensee can devote full effort in supporting the Government's international coordination activities. This approach permits the introduction of contingency frequency assignment plans during bilateral and multilateral coordinations, which plans would be put into effect in the event that applicants

fail to implement their systems. Coordination would be able to begin immediately, providing all parties involved with time and opportunity to adjust to the results.

4. The Devil Is In The Details.

Finally, for a proposal that has been touted as having its genesis some seven months ago -- during the MSS Above 1 GHz Negotiated Rulemaking Committee deliberations -- the MSCI/LQSS proposal leaves altogether too many crucial details unstated. Numerous items go either unexplained or are outlined only in the broadest of terms. These unexplained items include such matters as: the amount of spectrum the first system would be entitled to during the period in which it has at least 50 percent (a point that MSCI and LQSS have arbitrarily and inaccurately pegged as when a system becomes "operational"), but not 100 percent of its spacecraft on station (at which point it would be "fully operational"); how sharing would be accomplished among CDMA systems that decided not to share their portion of the band on a full-band interference-sharing basis (the MSCI/LQSS plan curiously contemplates that full-band interference sharing among CDMA systems is "permitted" but not required); how, when, and by whom determinations of the amount of "usable bandwidth" are made; and the nature of the "formula to be adopted by the Commission"

for use in making the "periodic adjustments of spectrum assignment" among "fully operational" and "operational" systems based on "actual usage." See MSCI/LQSS Joint Comments at 12-15.

The absence of clearly-stated parameters for what is to be the backbone of the Commission's MSS/RDSS spectrum assignment policy contributes mightily to the air of gamesmanship that pervades the MSCI/LQSS plan. The Commission cannot take it on faith that these matters will be resolved amicably even among MSCI and LQSS, let alone among the rest of the applicants. Indeed, the scheme set out portends considerable future litigation (both administrative and judicial) and the delays and uncertainties that are inevitably associated therewith.

The Joint Parties' Spectrum Sharing Proposal reaches the lofty goals ostensibly aspired to by MSCI and LQSS, but does so in a pragmatic, up front, and inherently equitable manner. Where the MSCI/LQSS plan leaves the hard decisions as to how much spectrum systems will be able to access for a future date -- when the decisions will be inevitably complicated by claims that it is infeasible or impossible to accomplish design modifications because systems have been partially or fully constructed and dollars have been spent -- the Joint Parties' plan makes those difficult calls today. No applicant can claim now that its design is frozen or that changes to conform to the allocation

scheme envisioned in the Primary Sharing Plan are precluded because of ongoing or finished satellite construction. Every applicant will know what its design objective will be, and yet will still have the opportunity to expand its system (either in the current generation or in future generations of spacecraft) if marketplace developments permit.

In a nutshell, then, the difference between the spectrum assignment plans proposed by the Joint Parties on the one hand, and MSCI and LQSS on the other, comes down to a question of timing. Is it better to make the inevitable decisions on spectrum assignment now, and provide the applicants with certainty as to design objectives and business plan development yet establish an objective and reasonable opportunity for adjustment in assignments based on actual experience, or should those decisions be postponed to some future date where then-extant marketplace conditions will make those decisions exponentially more complicated? The Joint Parties' believe that the former option is the only real option, and their plan provides a rational framework for establishment of the MSS/RDSS service that minimizes future Commission involvement in spectrum assignment matters. The MSCI/LQSS plan is extremely reliant on future Commission involvement (as initial spectrum assignments for all but the first system to become operational are yet to be

made, and "periodic" adjustments of assignments among multiple operating systems are contemplated). It relies upon unrealistic assumptions as to the future cooperativeness of competitors who cannot see eye-to-eye today. Indeed, the difficulty of implementing and administering the MSCI and LQSS approach raises legitimate concerns that the plan is intended to be exclusionary in nature.

In contrast, the Joint Parties' plan seeks to accommodate all of the current nongeostationary applicants by assigning the minimum amount of spectrum each will need to move forward and to reassure the investment community. The Commission should reject the MSCI/LQSS plan because it does nothing more than create uncertainty by postponing critical spectrum assignment decisions to a distant future point, where those decisions will be rendered considerably more difficult than they are now. The only spectrum sharing plan that provides bona fide opportunities for competitive multiple entry into the MSS/RDSS bands on a timely and meaningful basis is the plan tendered by the Joint Parties.

B. The Stringent Financial And Technical Qualifications Standards Advocated By MSCI And LQSS Are Motivated By Anticompetitive Considerations; They Are Rendered Completely Unnecessary By The Strict Enforcement Of Construction Milestones.

In their Joint Comments, MSCI and LQSS call upon the Commission "to establish financial qualifications standards that are at least as rigorous as those standards which currently are in effect for the Domestic Fixed-Satellite Service." MSCI/LQSS Joint Comments at 19 (footnote omitted). MSCI and LQSS also call upon the Commission to adopt "appropriate technical standards for systems operating in the [MSS/RDSS] bands in order to ensure that the limited spectrum resource is used in an efficient manner." Id. at 20.

The Joint Parties agree that only qualified applicants should be licensed. However, the standards proposed by MSCI and LQSS go far beyond achieving the Commission's goals and, in fact, are so wholly inconsistent with their proposed spectrum assignment scheme as to suggest anticompetitive intent.

1. Financial Standards

Strict financial standards developed in the mature domestic fixed-satellite context are inappropriate here. First, such standards are unnecessary because all of the applicants can

potentially be accommodated within the available spectrum. Second, the Commission has refused to impose strict qualifications requirements in new services such as the MSS/RDSS service proposed here.

MSCI and LQSS state that their plan recognizes that it would be contrary to the public interest to set aside spectrum for never-to-be implemented systems, and they note that the Commission has recognized that financial qualifications are necessary to ensure that the orbit-spectrum resource is not tied up by entities that are unable to fulfill their plans. MSCI/LQSS Joint Comments at 19 & n.32 (citation omitted). Although it could be argued that firm financial requirements have a place in cases where spectrum is to be assigned upon the grant of a construction permit, and thus would serve an anti-warehousing purpose there, the same cannot be said for the scheme envisioned by MSCI and LQSS.

Under the MSCI/LQSS scheme, spectrum assignments would not be made until at least 50 percent of the satellites in a system are launched and "operational." If a system does not secure financing, it would not be able to construct and launch satellites, and thus would never even be assigned spectrum in the first place. Strict pre-construction financial requirements are unnecessary under the post-launch spectrum assignment scheme

proposed by MSCI and LQSS, and their interposition by MSCI and LQSS could only have been motivated by an anticompetitive attempt to have the Commission erect a regulatory obstacle to meaningful competitive entry.

The Joint Parties acknowledge that their proposal, which calls for pre-construction spectrum assignments, also calls upon the Commission not to adopt strict financial requirements. See Joint Parties' Spectrum Sharing Proposal at 20-22. The Joint Parties believe that if the Commission adopts their milestone proposal (which calls for strict and generally automatic enforcement of milestone dates), the marketplace will determine which systems will be constructed. As applicants who miss milestones would be dismissed relatively early on, warehousing of spectrum would not be a long-term concern. The Joint Parties' proposal thus avoids warehousing without requiring the adoption of additional regulatory requirements that provide no legitimate public interest benefit.

2. Technical Qualifications Standards

The Joint Parties also agree that MSS/RDSS licensees should meet threshold technical qualification standards. However, these standards should not be a thinly disguised effort to establish a particular technical or market approach as the de

facto Commission standard. Indeed, this is what MSCI and LQSS would have the Commission do.[2/]

The Commission's imposition of a full coverage requirement in other proceedings -- i.e., GEN Docket No. 84-1234 (relied upon by MSCI and LQSS (see MSCI/LQSS Joint Comments at 20)), where a single licensee was granted a domestic monopoly for the provision of MSS services from geostationary orbit in the 1545-1559 MHz and 1646.5-1660.5 MHz bands -- has no relevance here. Whatever justification there may be to make "full and adequate coverage of CONUS" a "basic qualifying requirement" in certain monopoly contexts, there is no justification for such a requirement here, where there will be multiple competing systems.

In GEN Docket No. 84-1234, the Commission indeed held that it was in the public interest to require the monopoly licensee "to provide service to all of the U.S. domestic market, including all fifty states, Puerto Rico, the Virgin Islands and U.S. coastal areas up to 200 miles." Amendment of Parts 2, 22 and 25 of the Commission's Rules to Allocate Spectrum for and to Establish Other Rules and Policies Pertaining to the Use of Radio Frequencies in a Land Mobile Satellite Service for the Provision

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2/ In this vein, the Joint Parties could have sought the imposition of a minimum elevation angle requirement for the MSS/RDSS systems that they could meet, but that MSCI or LQSS could not.

of Various Common Carrier Services, 4 FCC Rcd 6041, 6055 (footnote omitted) (subsequent history omitted). It stated, however, that it was only adopting the coverage requirement "because [the system it was licensing] is the sole MSS-AMSS(R) satellite system to be authorized at this time for domestic communications." Id.

The coverage standard the Commission imposed in GEN Docket No. 84-1234 thus had nothing to do with efficiency, but was instead based solely on the fact that there would not be competition in the new MSS service it was establishing there. The same considerations clearly do not apply in the instant proceedings, where multiple licenses will be awarded.[3/] MSS/RDSS licensees will have every incentive to design systems to serve currently-underserved markets.

If either MSCI or LQSS believes that it is important to provide the coverage they advocate, each should be free to do so (along with any other applicant that feels similarly). It is a far different thing to require all systems to provide such universality of coverage when such coverage may be inimical to the particular service solution one or more systems may be

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3/ MSCI and LQSS's call for "spectrum efficiency standards" (see MSCI/LQSS Joint Comments at 21) is completely unexplained and unsubstantiated, and is inapplicable for the reasons stated here.

envisioning. There is nothing to be gained from the imposition of a threshold coverage requirement, and MSCI and LQSS cite no valid authority to support their suggestion. This element of MSCI and LQSS's proposal should be rejected as an unnecessary impediment to the establishment of a competitive MSS/RDSS service.

In sum, the stringent financial and technical qualifications standards MSCI and LQSS advocate are not only inconsistent with the spectrum assignment scheme MSCI and LQSS themselves propose, they are rendered unnecessary by the suggested reliance on construction milestones (with strict enforcement) for the MSS/RDSS systems -- a suggestion contained in both the Joint Parties' and the MSCI/LQSS proposals. The Commission should refuse to heed MSCI and LQSS's call for the imposition of stringent financial and technical qualifications standards for the MSS/RDSS service, and rely instead on the milestone proposals. As a final matter, the Joint Parties urge the Commission to defer consideration of proposals concerning the actual mechanics of milestone implementation (see, e.g., MSCI/LQSS Joint Comments at 22 n.37) until the framework of a workable scheme is established.