

for maximum flexibility in spectrum assignment while ensuring access by later-entering MSS operators that have met developmental milestones.

The Commission's NPRM provides a framework within which these goals can be substantially achieved. Notably, the NPRM proposes to apply the Big LEO service rules to 2 GHz MSS operators where appropriate¹ and includes a licensing option under which systems that are close to offering commercial services can do so, promptly and flexibly, within the relevant segments of the available 2 GHz MSS bands. The Commission also suggests a set of milestone implementation requirements that will prevent MSS operators that are not close to satellite launch from warehousing spectrum that other systems could use to serve consumers.²

ICO welcomes the Commission's invitation to commenters to develop creative approaches to 2 GHz spectrum licensing.³ ICO's views on this subject have evolved in the course of considering the implications of various licensing approaches, and in these comments ICO proposes rules, based on the framework set out in the NPRM, that will bring prompt, flexible competition at minimum cost to consumers while safeguarding the interest of all qualified applicants in obtaining access to the 2 GHz MSS band. Specifically, ICO supports a negotiated entry option for service link processing that permits early entrants to operate flexibly in the relevant segments of the 2 GHz MSS band, without first engaging in lengthy coordination with other systems that are not close to operational status. As ICO will explain more fully, this approach not only permits flexible operation with minimum delay, it is the approach most likely to minimize disruption of terrestrial 2 GHz incumbents.

¹ *NPRM* at ¶ 71.

² *Id.* at ¶¶ 83-90.

³ A creative approach in this proceeding is necessitated by the presence of nine applicants at widely varying states of readiness, the FCC's apparent willingness not to impose financial qualifications and the Commission's decision to require MSS operators to pay the cost of relocating terrestrial incumbents.

ICO also proposes to refine the negotiated entry option by adding a domestic coordination process and dispute resolution mechanism under which qualified later entrants are guaranteed access to 2 GHz spectrum.

ICO also supports the Commission's proposed implementation milestones for 2 GHz MSS operators, which strongly reinforce the benefits of ICO's proposed domestic intersystem coordination and dispute resolution process. Under ICO's proposed approach, later-entrant systems may begin to coordinate with operational systems when those later entrants have filed a request for ITU frequency coordination, demonstrated that they have entered into an unconditional launch contract and are within one year of launching their first system satellites. Under the Commission's proposed milestone rules, systems that do not achieve these construction and launch milestones within a defined period of time will lose their authorizations to operate at 2 GHz. In combination, the Commission's proposed implementation milestones and ICO's proposed coordination rules will ensure that the cost and effort of intersystem coordination, as well as disruption to incumbent terrestrial systems, will be incurred only when necessary to accommodate MSS operators that are close to operational status. To ensure that market forces determine the assignment of spectrum, ICO also recommends that coordinated spectrum that is not used by any MSS entrants because of failure to meet implementation milestones should become available for coordination with other qualified systems already in the band.

In the following comments, ICO discusses its service link licensing proposals in detail and also responds, in turn, to the Commission's requests for comment on service rules, mobile earth station licensing and international coordination.

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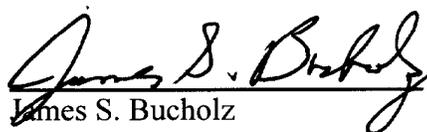
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