

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

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In the Matter of: )	
)	
Appropriate Framework for Broadband )	CC Docket No. 02-33
Access to the Internet over Wireline )	
Facilities )	
)	
Universal Service Obligations of )	
Broadband Providers )	
_____ )	

**COMMENTS OF SES AMERICOM, INC.**

SES AMERICOM (“SES AMERICOM”), by its attorneys, files these comments in the above-captioned proceeding in response to the Federal Communications Commission’s (“FCC” or the “Commission”) request for comments on what universal service obligations providers of broadband Internet access services should have, regardless of the platform over which those services are provided.<sup>1</sup>

SES AMERICOM is a provider of satellite capacity for communications services in the United States. Headquartered in Princeton, New Jersey, SES AMERICOM provides U.S. and international services through a fleet of 16 geosynchronous communications satellites. SES AMERICOM has provided satellite capacity to broadcast and cable television programmers, as well as to the federal government and others. SES AMERICOM has received authorization from the

Commission to launch and operate a fleet of Ka-band satellites that will be capable of providing two-way, interactive broadband service.<sup>2</sup> In addition, last week, SES AMERICOM filed a Petition for a Declaratory Ruling with the FCC to offer satellite capacity to third parties that will provide consumers television reception and two-way Internet and broadband services.<sup>3</sup>

SES AMERICOM does not believe that the Commission should require universal service contributions from satellite operators who directly or indirectly provide broadband Internet access services over their satellites.<sup>4</sup> In fact, applying universal service obligations in this case would be contrary to established Commission precedent.

The Commission has historically not treated new or developing services the same as established services. For example, the Commission established the distinction between “telecommunications services” and “information services” in part to enable new services to develop without application of common carrier regulation.<sup>5</sup> Satellite delivery

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<sup>1</sup> Appropriate Framework for Broadband Access to the Internet over Wireline Facilities, *Notice of Proposed Rulemaking*, FCC 02-42 (2002) (“*Broadband NPRM*”) at ¶ 79.

<sup>2</sup> See GE American Communications, Inc., Application for Authority to Construct, Launch and Operate a Ka-Band Satellite System in the Fixed-Satellite Service, *Order and Authorization*, 12 FCC Rcd 6475, 6476.

<sup>3</sup> See Petition for Declaratory Ruling To Serve the U.S. Market Using BSS Spectrum from the 105.5° W.L. Orbital Location (filed April 25, 2002).

<sup>4</sup> The Commission has previously stated that satellite operators are not required to contribute to universal service on the basis of revenues derived from the lease of bare transponder capacity. See, Federal-State Joint Board on Universal Service, *Fourth Order on Reconsideration in CC Docket No. 96-45*, 13 FCC Rcd 5318, 5479 (1997).

<sup>5</sup> See generally, Regulatory and Policy Problems Presented by the Interdependence of Computer and Communications Services and Facilities, *Notice of Inquiry*, 7 FCC 2d

of Internet services is in the earliest stages of development. While there is some deployment,<sup>6</sup> the public has not widely accepted satellite delivery for such services. The *Third Report* states that “provision of high speed services over satellite technology is still in the early stages of deployment,” accounting for between 50,00 and 150,000 high-speed lines as of June 2001.<sup>7</sup>

For most operators, moreover, satellite broadband services is still on the drawing board. As noted, SES AMERICOM is planning on providing such services but its Ka-band satellites are not scheduled for launch until 2005.

At a time when the service is not widespread and not yet competitive with alternative forms of delivery, requiring satellite operators to pay universal service charges will further disadvantage and delay introduction of this mode of delivery.

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11 (1966); Amendment of Section 64.702 of the Commission’s Rules and Regulations, 77 FCC 2d 384 (1980).

<sup>6</sup> See Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, *Eighth Annual Report*, FCC 01-389, ¶ 62 (describing EchoStar and DirecTV broadband satellite service and noting analysts’ question of satellite’s competitiveness); Inquiry Concerning the Deployment of Advanced Telecommunications Capability, *Third Report*, FCC 02-33.

<sup>7</sup> *Id.* at ¶ 60.

For the reasons stated above, the Commission should decline to require satellite operators to contribute to support universal service.

Respectfully Submitted,

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