



February 5, 2014

FILED ELECTRONICALLY

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street N.W.
Washington, D.C. 20544

Re: Written *Ex Parte* Presentation – MD Docket Nos. 13-140, 12-201, and 08-65

Dear Ms. Dortch:

The Satellite Industry Association (“SIA”), which represents leading satellite operators, service providers, manufacturers, launch services providers, and ground equipment suppliers,¹ requests that the Commission undertake a cost-based rebalancing of regulatory fees as between earth station and space station licensees as part of its ongoing review of the regulatory fee structure. The current apportionment of the regulatory fee burden between these categories is based on outdated information that does not reflect significant streamlining of the space station licensing process. As a result, the share of fees currently borne by space station licensees is too high, and the share borne by earth station licensees is too low.

¹ Since its creation almost twenty years ago, SIA has advocated for the unified voice of the U.S. satellite industry on policy, regulatory, and legislative issues affecting the satellite business. For more information, visit www.sia.org. **SIA Executive Members include:** The Boeing Company; The DIRECTV Group; EchoStar Corporation; Harris CapRock Communications; Intelsat S.A.; Iridium Communications Inc.; Kratos Defense & Security Solutions; LightSquared; Lockheed Martin Corporation.; Northrop Grumman Corporation; Rockwell Collins Government Systems; SES Americom, Inc.; and SSL. For the purposes of this filing, **SIA Associate Members include:** Artel, LLC; ATK Inc.; Cisco; Cobham SATCOM Land Systems; Comtech EF Data Corp.; DigitalGlobe, Inc.; DRS Technologies, Inc.; Encompass Government Solutions; Eutelsat America Corp.; Globecom Systems, Inc.; Inmarsat, Inc.; Exelis, Inc.; Marshall Communications Corporation.; MTN Government; NewSat America, Inc.; O3b Networks; Orbital Sciences Corporation; Panasonic Avionics Corporation; Raytheon Space and Airborne Systems; Row 44, Inc.; Spacecom, Ltd.; Spacenet Inc.; TeleCommunication Systems, Inc.; Telesat Canada; The SI Organization, Inc.; TrustComm, Inc.; Ultisat, Inc.; ViaSat, Inc., and XTAR, LLC.

SIA has participated actively in the Commission's regulatory fee proceedings to express its deep concern that the current high regulatory fees for satellite network operators are disconnected from the actual costs expended by the Commission given the low and decreasing regulatory burdens associated with Commission oversight of the satellite industry.² In its filings, SIA has emphasized that the Commission must conduct a function-based analysis of full-time equivalents ("FTEs") throughout the Commission in order to ensure that current direct and indirect costs are fairly allocated. With respect to the International Bureau specifically, this review is critical to ensure that the regulatory fees the Commission imposes are accurately linked to the resources expended to regulate the satellite industry, as required by the Communications Act.³

A number of parties have observed that the Commission should update the allocation of FTEs between earth stations and space stations as part of this broader reassessment,⁴ and SIA agrees. Since 1998, the last year that data regarding FTEs was compiled,⁵ the satellite licensing process has changed dramatically. Most significantly, in 2003, the Commission replaced the lengthy and time-consuming "processing round" procedure for assigning space station licenses with "first-come, first-served" satellite licensing.⁶ This streamlined approach substantially altered both the time and effort required by International Bureau staff in issuing satellite licenses, but the current fee assessment structure does not take this decreased administrative burden into account.

In the upcoming further notice in this proceeding, SIA urges the Commission to recognize that given the dramatic changes to satellite licensing, the current fee structure needs to be changed to reflect direct costs for space station and earth station licensees. This rebalancing will ensure that fees are assessed more accurately and fairly, consistent with the mandates of the Communications Act.

Please contact the undersigned if you have any questions.

² See Comments of the Satellite Industry Association, MD Docket Nos. 12-201, 08-65 (filed Sept. 17, 2012); see also Reply Comments of the Satellite Industry Association, MD Docket Nos. 12-201, 08-65 (filed June 26, 2013); see also Letter from Patricia A. Cooper, President, Satellite Industry Association, to Marlene H. Dortch, Secretary, Federal Communications Commission, Notice of Oral Ex Parte Presentation, MD Docket Nos. 12-201, 08-65, 13-140 (filed Nov. 22, 2013).

³ The Communications Act mandates that regulatory fees "reasonably relate[] to the benefits provided to the payor of the fee." 47 U.S.C. § 159(b)(1)(A).

⁴ See, e.g., Reply Comments of Intelsat at 5, MD Docket Nos. 12-201, 08-65 (filed Oct. 23, 2012); Reply Comments of Sirius XM Radio Inc. at 4, MD Docket Nos. 12-201, 08-65 (filed Oct. 23, 2012).

⁵ See *Procedures for Assessment and Collection of Regulatory Fees and Assessment and Collection of Regulatory Fees for Fiscal Year 2008*, Notice of Proposed Rulemaking, MD Docket Nos. 12-201, 08-65, 27 FCC Rcd 8458, ¶ 8 (2012).

⁶ See *First Space Station Reform Order*.

Respectfully submitted,

/s/

SATELLITE INDUSTRY ASSOCIATION

A handwritten signature in black ink, appearing to read "Patricia Cooper". The signature is fluid and cursive, with the first name "Patricia" being more prominent than the last name "Cooper".

Patricia Cooper, President
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Attachment
cc (via email):

Thomas Buckley
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