Cover sheet for response to an Ofcom consultation

BASIC DETAILS
Consultation title: Procedures for the Management of Satellite Filings – Charges and amendments to procedures
To (Ofcom contact): Stephen Limb
Name of respondent: John A Nelsen
Representing (self or organisation/s): SES Satellites (Gibraltar) Limited
Address (if not received by email):
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Name: John A Nelsen



John A. Nelsen
Vice President Business Operations

December 19, 2007

Stephen Limb Floor 03.123 Space Services Unit Riverside House 2A Southwark Bridge Road London SE1 9HA Fax: 020 7981 3208

stephen.limb@ofcom.org.uk

Dear Sir,

SES Satellites (Gibraltar) Limited ("SES-G")¹ hereby provides input to the November 8, 2007, Consultation regarding charges and amendments to the Procedures for the Management of Satellite Filings ("Procedures") adopted by Ofcom in March 2007.

General Comments

SES-G is a Gibraltar satellite operator whose satellite activities are regulated by the Gibraltar Regulatory Authority ("GRA"). Currently, SES-G operates two satellites licensed by Gibraltar under the Outer Space Act². SES-G also operates a satellite control centre and teleport facility under licenses issued pursuant to Gibraltar's Teleport Facilities Ordnance. For over a decade, SES-G development plans have been supported though filings processed by the GRA and its predecessors, and filed at the ITU by the Radiocommunications Agency (RA), and since 2003 by Ofcom. SES-G is aware that there exists a difference of opinion between the GRA and Ofcom as to the application of the Procedures to Gibraltar filings and operators. This Consultation response should not be interpreted by Ofcom as SES-G's acceptance of the application the Procedures to Gibraltar based filings.

At the April Ofcom workshop on the new Procedures, operators and administrations of Overseas Territories, Channel Islands and Isle of Man

¹SES S.A. wholly owns three market-leading satellite operators, SES ASTRA in Europe, SES AMERICOM in North America, and SES NEW SKIES, which provide global coverage and connectivity. The company also holds strategic participations in SES Sirius in Europe, Ciel in Canada and Quetzsat in Mexico. SES S.A. provides outstanding satellite communications solutions via a fleet of 37 satellites in 25 orbital positions around the globe. SES-G is a wholly owned subsidiary of SES AMERICOM.

expressed strong concerns about the provisions of the new Procedures. Ofcom's intention to amend these new Procedures, and consult the industry is welcomed.

Proposed Amendments

SES-G understands that Ofcom's intent, as detailed in the Consultation, to amend the Procedures is as follows:

- Cost Recovery Fees Adopt a single fee structure, Ofcom's preferred approach being one of scaled charges, to be applied to UK operators and operators of the Overseas Territories, Channel Islands and Isle of Man.
- Due Diligence Relaxation of the requirements in the Procedures to allow an operator to propose a milestone date by which construction and launch services contracts are expected to be signed as a prerequisite for filing a co-ordination request at the ITU. The Procedures apply this due diligence requirement to UK operators and operators of the Overseas Territories, Channel Islands and Isle of Man.
- Suppression of Filings Ofcom is obliged to suppress ITU filings when requested to do so by the relevant UK operator or administration of an Overseas Territories, Channel Islands or Isle of Man

Answers to the Questions

Q1. Are there any other options for cost recovery we should consider? If so, what are they?

 Ofcom's fees should be entirely based on the recovery of administrative costs for satellite filings and coordination. In the case of filings submitted to the ITU on behalf of the GRA, these costs should be de minimis. Ofcom recognized in the 2005 Statement leading to the Procedures that reduced fee structures should be applied to the Overseas Territories, Channel Islands and Isle of Man in so far as there was a reduction in workload resulting from responsibilities and functions taken on by administrations of those territories.³
 Methodologies for cost recovery proposed in the Consultation do not take this into account.

³ Statement on Procedures for the Management of Filings and International Coordination for Satellite Networks, March 2005 §3.57: "Fees charged for filings on behalf or territories Ofcom represents would take into account any reduction in workload resulting from functions carried out by the administrations of those territories. To the extent that a UK-represented territory relieves Ofcom of certain responsibilities and functions, the fee would be lower." http://www.ofcom.org.uk/consult/condocs/satellite_networks/statement/satellite.pdf

- Q2. Do you agree with Ofcom's choice of preferred option for the basis of setting cost-recovery fees for satellite filings and co-ordination? If not, what alternative would you propose and why?
 - The GRA provides significant support and oversight of Gibraltar operator filings to include monitoring of ITU IFICs to identify new filings that may cause harmful interference into Gibraltar networks, generation of draft correspondence for transmittal by Ofcom to the ITU and other administrations, support and oversight of Gibraltar operator coordination activities, and support as part of UK delegations to ITU fora (e.g. WRC 2007). SES-G directly reimburses the GRA for this effort. As recognized by Ofcom, to charge SES-G on the same basis as a UK operator without taking the above into consideration would not be appropriate. Ofcom should adopt a reduced or no fee structure in relation to Gibraltar operators reflecting the responsibilities and functions taken on by the GRA.
- Q3. Do you agree with the proposal that the Procedures should be amended so that, before submitting a request for co-ordination to the ITU, Ofcom should accept evidence of the existence of construction and launch contracts, or a firm date on which they are expected to be signed as a sufficient basis for submission of a request for co-ordination to the ITU?
 - SES-G continues to maintain that Ofcom's expectation that
 construction and launch contracts would be entered into by a UK
 operator prior to submission of a request for co-ordination to the ITU, is
 not realistic. Acceptance by Ofcom of target dates for signing of such
 contracts is a welcomed change to the Procedures. Setting of target
 dates in line with the requirements of RES 49⁴ should be Ofcom's
 expectation.
- Q4. Do you agree that Ofcom should suppress filings at the ITU if operators request it to do so without inviting expressions of interest from other UK operators?
 - SES-G agrees with Ofcom's proposed amendment to the Procedures.

Recommendations

SES-G recommends Ofcom modify its Procedures as follows:

 Cost Recovery Fees – Ofcom should adopt a reduced or no fee structure in relation to Gibraltar operators reflecting the responsibilities and functions taken on by that administration.

⁴ ITU Radio Regulations, Resolutions and Recommendations, Annex 1 to RES 49, §4: "An administration requesting coordination for a satellite network under §1 above shall send to the Bureau as early as possible before the end of the period established as a limit to bringing into use in No. **9.1**, the due diligence information relating to the identity of the satellite network and the spacecraft manufacturer specified in Annex 2 to this Resolution."

- Due Diligence Ofcom should adopt the proposed amendment.
- Suppression of Filings –Ofcom should adopt the proposed amendment.

Jahney Nelsen

Sincerely,