

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

In the Matter of

COMSAT CORPORATION File No. 32-SAT-LA-96

Application for authority to participate
in the launch of the Inmarsat-3 (F-1)

ORDER AND AUTHORIZATION

Adopted: March 8, 1996;

Released: March 21, 1996

By the Chief, Satellite and Radiocommunication
Division:

1. The Commission has under consideration the above-captioned application filed by the COMSAT Corporation on November 10, 1995, for authority to participate in the launch, positioning and in-orbit testing of the Inmarsat-3 (F-1) satellite. The application appeared on the Commission's Public Notice on January 24, 1996. No comments were received.

2. Authority for COMSAT to participate in Inmarsat's procurement and construction of Inmarsat-3 (F-1) satellite was granted in an order (FCC File No. CSS-90-001-LA) released September 25, 1992.¹ The satellite has been constructed and delivered. Current Inmarsat-3 (F-1) deployment plans call for the launch to take place on April 1, 1996, utilizing an Atlas launch vehicle. This satellite will be drifted to its operating position of 64° East Longitude in the Indian Ocean Region (IOR).

3. The estimated costs associated with the Inmarsat-3 (F-1) satellite are as follows (all amounts in real year dollars):

Cost of Spacecraft Manufacture (including delivery price, engineering changes and amendments)	\$ 61.9 million
Launch Support Service	\$ 1.9 million
Performance Incentives	\$ 24.4 million
Lease Interest Cost, Capitalized	\$ 23.0 million ²
Consultancy	\$ 2.6 million
Launch services	\$ 62.8 million
Launch Insurance	\$ 8.0 million
In-house Launch Cost	\$ 8.2 million
TOTAL Inmarsat cost	\$192.8 million
TOTAL COMSAT cost (based on current ownership share of 23.0%)	\$ 44.3 million

4. The Commission has already determined that Comsat's participation in the procurement of the Inmarsat-3 (F-1) satellite is required to meet traffic requirements. We therefore find that the public interest will be served by a grant of Comsat's application for the launch of the Inmarsat-3 (F-1) satellite as conditioned.

5. Accordingly, IT IS ORDERED that Comsat's application to participate in the launch and test program of the Inmarsat-3 (F-1) satellite to be positioned at 64° East Longitude, IS GRANTED subject to the following terms and conditions:

(a) This authorization is limited to the described program. Any change in the authorized location due to a launch delay or other circumstances will be considered upon a proper request by Comsat for authority;

(b) Comsat shall furnish via the Inmarsat-3 (F-1) satellite only those channels of communication for commercial service which have been, or may be, authorized by the Commission under Section 214 of the Communications Act of 1934, as amended;

(c) Within 30 days after completion of the testing program, Comsat shall provide the Commission with a summary report of its results and, upon request, shall make the detailed test data available;

(d) Conduct of the program authorized herein shall be without interruption of commercial satellite service now authorized at U.S. earth stations;

(e) Neither this authorization nor any right granted herein shall be assigned or otherwise transferred without approval of the Commission; and

(f) Unless extended or modified for good cause, this authorization shall terminate six months after the release date of this order.

6. This order is issued under Section 0.261 of the Commission's Rules and is effective upon adoption. Petitions for reconsideration under Section 1.106 or applications for review under Section 1.115 of the Commission's Rules may be filed within 30 days of the date of public notice of this order (*See* Section 1.4(b)(2)).

FEDERAL COMMUNICATIONS COMMISSION

Thomas S. Tycz
Chief, Satellite and
Radiocommunication Division
International Bureau

the Petition for Reconsideration.

² Based on COMSAT's internal capitalization rate for Inmarsat's third generation satellite program.

¹ See Communications Satellite Corporation Application to Participate in Inmarsat Third Generation Satellites, 7 F.C.C. Rcd. 6278 (1992), petition for reconsideration pending. Our authorization today in no way prejudices Commission action on

12. ACCORDINGLY, IT IS ORDERED, That the Application for Review filed on September 20, 1993 by ECI License Company, L.P. IS HEREBY DENIED.

FEDERAL COMMUNICATIONS COMMISSION

William F. Caton
Acting Secretary