

SEPARATE STATEMENT OF COMMISSIONER KATHLEEN Q. ABERNATHY

Re: Flexibility for Delivery of Communications by Mobile Satellite Service Providers in the 2GHz Band, the L-Band, and the 1.6/2/4 GHz Bands and Review of the Spectrum Sharing Plan Among Non-Geostationary Satellite Orbit Mobile Satellite Service Systems in the 1.6/2.4 GHz Bands, IB Docket No. 01-185 and IB Docket No. 02-364 (adopted January 29, 2003)

By granting flexibility to mobile satellite service providers we are maximizing the value of the radiocommunications spectrum resource to deliver benefits to consumers consistent with the Commission's statutory obligations. In this proceeding the Commission was faced with balancing several public interest goals in determining how to maximize the efficiency of the spectrum resource in the 2 GHz, the Big Leo and the L bands. I believe that granting mobile satellite service providers the ability to add an ancillary terrestrial service component to their service offerings balances these goals in a manner that best serves the public interest.

Specifically, the record in this proceeding demonstrates that the shared usage of these bands by separate MSS operators and terrestrial operators would likely result in the inability for both systems to operate effectively. This is especially the case for L-band and Big Leo satellite operations. Therefore, the Commission was faced with a difficult decision: it could either isolate out the terrestrial rights from the satellite rights and auction these licenses separately despite the technical limitations, or allow integrated ancillary terrestrial use of these bands by MSS operators. In permitting an ancillary terrestrial component, the Commission will enable enhanced operations by the MSS licensees. While some had argued the terrestrial component of the spectrum should be auctioned, such an option would have devalued the amount of spectrum usable by any entity and denied services to consumers.

The record reflects many public interest benefits associated with the provision of global mobile satellite services, including the ability of these systems to provide service to rural and remote locations where traditional services may not yet operate. In addition, satellite operators have the potential to develop ubiquitous mobile telecommunications and broadband services. The Commission has adopted stringent requirements that must be met by the satellite operator to ensure that an ATC applicant will provide its terrestrial component consistent with the ancillary use requirement. These include requirements that the ATC applicant provide substantially a satellite service and that the provision of any terrestrial service remains an integrated service component of the overall satellite system.

Spectrum is important because it is a finite natural resource with immense potential value to the American people. That value is derived from commercial services, public safety and national security. Of course, fallow spectrum in general has little value. So the Commission's goal is to create regulatory policies that foster effective investment to deliver services. I believe that today's action helps to move this goal forward in the near future.