

June 30, 2008

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Federal Communications Commission
Bureau / Office

Via Hand Delivery
Helen Domenici, Chief
International Bureau
Federal Communications Commission
445 12th Street, SW
Washington, DC 20054

**RE: XM Radio Inc.
Call Signs S2118; S2119; S2616; S2617
Annual Status Report (July 1, 2007 – June 30, 2008)**

Dear Ms. Domenici:

Pursuant to Section 25.144(c) of the Commission’s Rules, XM Radio Inc. (“XM Radio”) hereby submits its annual status report for its satellite Digital Audio Radio Service (“SDARS”) system. XM Radio currently operates a fleet of four SDARS spacecraft. XM-3 (call sign S2617) and XM-4 (call sign S2616) provide primary service from the nominal 85° W.L. and 115° W.L. orbital locations, respectively. XM-1 (call sign S2118) and XM-2 (call sign S2119) are not currently in active service but are authorized as in-orbit spares and are both positioned at the nominal 85° W.L. orbital location.

47 C.F.R. § 25.144(c)(1) Status of space station construction and anticipated launch date, including any major problems or delay encountered

XM-5 (Call Sign TBD). As XM Radio previously advised the Commission, it is constructing a fifth satellite, XM-5, at its own risk. See Letter of James S. Blitz, Vice President & Regulatory Counsel, XM Radio, to Helen Domenici, Chief, International Bureau, dated June 28, 2007 at 2.

47 C.F.R. § 25.144(c)(2) A listing of any non-scheduled space station outages for more than thirty minutes and the cause(s) of such outages

No unscheduled outages for more than thirty minutes were experienced on XM-1, XM-2, XM-3, or XM-4 during the subject period.

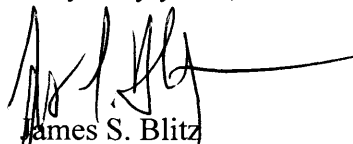
47 C.F.R. § 25.144(c)(3) Identification of any space station(s) not available for service or otherwise not performing to specifications, the cause(s) of these difficulties, and the date any space station was taken out of service or the malfunction identified.

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XM-1 and XM-2, which are both presently in-orbit spares, are currently able to operate within the parameters of the Commission's authorization. However, as previously disclosed to the Commission, both satellites suffer from premature and progressive solar array degradation common to all Boeing spacecraft with solar array concentrators (*i.e.*, the first five launched Boeing 702 spacecraft and the first launched Boeing geo-mobile (GEM) spacecraft). *See* XM Radio Inc., Annual Status Report, at 3 (June 28, 2006). This condition was first identified to XM by Boeing in August 2001.

Please contact the undersigned with any questions regarding this matter.

Very truly yours,



James S. Blitz
Vice President, Regulatory Counsel

cc: Columbia Operations Center, FCC