

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

In the Matter of)	
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Assessment and Collection of Regulatory Fees for Fiscal Year 2001)	MD Docket No. 01-76
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MEMORANDUM OPINION AND ORDER

Adopted: April 1, 2003

Released: April 9, 2003

By the Commission:

1. This memorandum opinion and order denies the Petition for Reconsideration of COMSAT Corporation (COMSAT), filed August 6, 2001. COMSAT seeks reconsideration of that portion of the Assessment and Collection of Regulatory Fees for Fiscal Year 2001, 16 FCC Rcd 13525 (2001) (2001 Fee Order) that held COMSAT liable for regulatory fees under 47 U.S.C. § 159(g) (Section 9).

2. Until fiscal year 2000, the Commission held that COMSAT was exempt from regulatory fees with respect to the satellites that COMSAT operated as the United States signatory to INTELSAT. Following the decision of the United States Court of Appeals for the District of Columbia Circuit in Panamsat Corp. v. FCC, 198 F.3d 890 (D.C. Cir. 1999), however, the Commission modified its analysis and held that COMSAT was liable for fees under Section 9. Assessment and Collection of Regulatory Fees for Fiscal Year 2000, 15 FCC Rcd 14478 (2000) (2000 Fee Order). Subsequently, in the 2001 Fee Order, the Commission again held that COMSAT was liable for the Section 9 regulatory fee.

3. In its petition for reconsideration, COMSAT notes that it appealed the 2000 Fee Order and asserts that the Commission should reconsider the 2001 Fee Order for the reasons set forth in the appeal of the 2000 Fee Order. COMSAT argues that assessing a regulatory fee against it with respect to the INTELSAT satellites is inconsistent with congressional intent and that, in any event, the fee should be reduced pro rata to reflect COMSAT's limited use of the satellites' transponder capacity. Alternatively, COMSAT asks the Commission to hold its petition for

reconsideration in abeyance pending resolution of the appeal of the 2000 Fee Order.¹

4. On March 22, 2002, the United States Court of Appeals for the District of Columbia Circuit upheld the 2000 Fee Order. COMSAT Corp. v. FCC, 283 F.3d 344 (D.C. Cir. 2002). In so doing, the court rejected COMSAT's contention that it should not be held liable for the Section 9 regulatory fee and its proration argument. Thus, the basis on which COMSAT asks the Commission to reconsider the 2001 Fee Order has been resolved by the court of appeals, and there is no justification for granting reconsideration on grounds that the court has rejected.

5. ACCORDINGLY, IT IS ORDERED, That the Petition for Reconsideration of COMSAT Corporation, filed August 6, 2001 IS DENIED.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary

¹ COMSAT also requested a reduction in its fee for fiscal year 2001 pursuant to 47 C.F.R. § 1.1166. See Letter from Robert A. Mansbach to Andrew S. Fishel (Sept. 24, 2001). See also Letter from Lawrence W. Secrest, III to Ms. Marlene Dortch, Secretary (May 6, 2002); Letter from Lawrence W. Secrest, III to Ms. Marlene Dortch, Secretary (Oct. 7, 2002). In addition, in a May 6, 2002 ex parte presentation, COMSAT asked for a reduction in its fiscal year 2000 fee. These waiver requests are unrelated and will be addressed separately by the Office of the Managing Director