



FEDERAL COMMUNICATIONS COMMISSION

May 31, 2011

JULIUS GENACHOWSKI
CHAIRMAN

The Honorable Charles E. Grassley
United States Senate
224 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Grassley:

Thank you for your letter regarding the Commission's work with respect to LightSquared's operation in the MSS L-Band. The Commission remains committed to identifying opportunities to make spectrum available for mobile broadband to secure the Nation's leadership in the mobile space and enhance our overall global competitiveness.

As I have stated previously to Congress, the Commission will not permit LightSquared to begin commercial service without first resolving the Commission's concerns about potential widespread harmful interference to GPS devices. The FCC International Bureau's Order of January 26, 2011 (*Order*) outlines our interference concerns, and unambiguously conditions LightSquared's commercial operation on first resolving those challenges to our satisfaction. Under no circumstances would I put at risk our nation's national defense or public safety.

In addition to providing this reassurance, I would like to take this opportunity to correct two misperceptions about the LightSquared matter: first, that the *Order* granted "a waiver which allowed it access to a band of spectrum which is adjacent to the spectrum used by the Global Positioning System (GPS)," and second, that the Commission has acted on a "dramatically accelerated timetable."

The *Order* was not the trigger to permit LightSquared access to the spectrum in the band adjacent to GPS. LightSquared's predecessors have had access to this L-Band satellite spectrum since 1995 and have been authorized to provide terrestrial service since 2004. LightSquared itself gained access to that spectrum in March 2010, after an extensive comment and consideration period.¹ The *Order* merely conditionally waived the Commission's "integrated service rule." Under this conditional waiver, customers of LightSquared's wholesale MSS/ATC service will not be permitted to offer stand-alone terrestrial service at retail unless LightSquared complies with a variety of waiver conditions that ensure it continues to offer an integrated satellite/terrestrial service.

¹ Harbinger Capital Partners Funds (which became LightSquared) and SkyTerra Communications filed transfer-of-license applications with the Commission in April 2009. The Commission began its comment period on June 5, 2009, which featured 30 days for petitions to deny, 10 days for the applicants' responses and 5 days for replies.

It should be no surprise to anyone involved in the LightSquared matter that the company was planning for some time to deploy a major terrestrial network in the spectrum adjacent to GPS. For example, the March 2010 Commission Order transferring control from Skyterra to Harbinger (now LightSquared) explained that Harbinger planned to construct a hybrid satellite-terrestrial network and noted that the terrestrial component of the network would cover 90% of the U.S.² A second March 2010 Order addressed all of the technical standards, including granting the request to increase the power level of the base stations to the exact level the GPS industry is only now criticizing. All interested parties had ample time to comment in advance of these orders. Indeed, the Harbinger/SkyTerra license-transfer proceeding was pending at the Commission for nearly a year.

Moreover, the GPS industry actively participated in these proceedings. As early as July 2009, the U.S. GPS Industry Council raised concerns about potential emissions into the GPS band. One month later, however, the Council filed a joint letter with Skyterra agreeing that the GPS interference issues *had been resolved*.³ The FCC also coordinated its draft decisions with the National Telecommunications and Information Administration, which in turn played its role of coordinating with other interested federal agencies. No formal objections were raised relative to GPS interference. In fact, after the GPS Industry Council withdrew their initial concerns, no one raised *any* objections to the proceedings relative to GPS interference until after the two March orders were adopted and released.

None of this is to say that the current interference concerns are not serious or that we should not take them very seriously. They are and we do. My aim merely is to emphasize that the FCC has proceeded in an open, thorough, and fair way – and that the *Order* about which you inquire must be viewed in context. The *Order* reflects the continued commitment of Commission staff to work thoughtfully and carefully through the various interference issues that have arisen.

Specifically, the *Order* directs LightSquared to organize and participate in a GPS interference technical “working group,” in which interested parties can work directly with LightSquared to resolve potential GPS compatibility problems and interference concerns due to either LightSquared transmissions or GPS receiver. In addition, LightSquared is required to submit monthly progress reports, and must submit a final report no later than June 15, 2011, demonstrating the compatibility of its proposed operations. This process is ongoing, with

² SkyTerra Communications, Inc., Transferor and Harbinger Capital Partners Funds, Transferee Applications for Consent to Transfer Control of SkyTerra Subsidiary, LLC, IB Docket No. 08-184, *Memorandum Opinion and Order and Declaratory Ruling*, 25 FCC Rcd 3059 (IB, OET, WTB, rel. March 25, 2010) at ¶ 56 (“Harbinger’s network will cover 100 percent of the U.S.. population via the satellite component and ultimately over 90 percent of the population via its terrestrial component.”)

³ SkyTerra Subsidiary LLC Application for Modification Authority for an Ancillary Terrestrial Component, File No. SAT-MOD-20090429-00047, Call Sign: AMSC-1, File No. SAT-MOD-20090429-00046, Call Sign: S2358, File No. SES-MOD-20090429-00536, Call Sign: E980179, *Order and Authorization*, 25 FCC Rcd 3043 (Int’l Bur., rel. March 26, 2010) at ¶4 and n. 15 (“SkyTerra and USGPS subsequently submitted a joint letter resolving the concerns raised in the USGPS comments.”)

participation from a broad range of stakeholders, including branches of the Armed Forces. LightSquared submitted its initial report on the working group's progress to the FCC on February 25, 2011, and their subsequent reports on March 15, April 15, and May 16, 2011, respectively. The Commission and NTIA will review the final report, and will establish a public comment cycle and give parties further opportunities to present their views. The Commission will then consider thoroughly all the viewpoints and technical evidence included in the final report and the comments filed in response to that report, and will not permit LightSquared to provide commercial service until it is clear that potential GPS interference concerns have been resolved.

I remain focused on ensuring that the Commission takes full advantage of the incredible economic opportunities that underutilized spectrum presents. This includes the opportunity presented by LightSquared, which if successfully realized, would result in billions of dollars of new private investment and the creation of tens of thousands of jobs. More efficient utilization of spectrum has been the source of tremendous growth for our country, and its potential to create jobs and drive the economy for the foreseeable future is substantial. I look forward to working with you and your colleagues to ensure that we use this precious resource wisely, and that we maximize the economic, public safety and national security potential it affords us.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Genachowski', with a stylized flourish at the end.

Julius Genachowski