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Stephen Limb via e-mail to: stephen.limb@ofcom.org.uk
Ofcom
Riverside House
London SE1 9HA

Dear Stephen,

Procedures for the Management of Satellite Filings Charges and amendments to procedures

Telesat is pleased to offer its comments on the Ofcom consultation on the Procedures for the Management of Satellite Filings - Charges and Amendments to Procedures. Telesat appreciates the efforts expended by Ofcom in initiating a consultation on this matter.

As Ofcom is aware, on 31 October 2007 there was a merging of the companies Loral Skynet and Telesat Canada. The resulting company is known as Telesat. In conjunction with this merger, the company Loral Skynet (IOM) Limited has been re-named Telesat (IOM) Limited, an Isle of Man company. Telesat maintains several UK/Ofcom registered orbital slot filings through Telesat (IOM) Limited via special arrangement with ManSat Limited, therefore we are affected by decisions that will be made by Ofcom as a result of the consultation currently being undertaken.

In this response we first offer some general remarks on cost recovery, and then responses to the questions raised by Ofcom are provided.

Notwithstanding the foregoing, today we have seen Ofcom's publication, through its website, of 19 December 2007 which offers additional information on cost recovery (and related issues) we wish to consider this additional information carefully to establish to what extent it may further affect the costs that Ofcom proposes to extend to affected parties such as Telesat. We look forward to offering additional comments by the new deadline set by Ofcom, where necessary amending the related views expressed in this response.

General Remarks:

Cost Recovery

We note that Ofcom's primary objective is to recover its costs for satellite filing and coordination work ("satellite filing work"), currently estimated at £400,000 per year. Ofcom has acknowledged the view of the responders to an earlier consultation, who stated that cost recovery should be transparent and proportionate and subject to consultation on detail.

We appreciate the efforts of Ofcom in producing the Consultation and detailing many of the related aspects. However, the information provided thus far is insufficient for Telesat to make a complete assessment of the matter, and to provide a fuller response. It is felt that additional information is needed on the following:

- i) More details and a breakdown of the total Ofcom costs: It was stated that six people are involved in this work. It would be helpful to identify the job functions of the six people and the percentage of their time spent on satellite filing work.
- ii) Possible delegation of work to the Isle of Man. Ofcom stated in its policy Statement issued following an earlier consultation that "Fees charged for filings on behalf of territories Ofcom represents would take into account any reduction in Ofcom workload resulting from functions carried out by the administrations of those territories. To the extent that a UK-represented territory relieves Ofcom of certain responsibilities and functions, the fee would be lower". Telesat would like to ensure that ManSat and/or Isle of Man undertakes some of the functions for satellite filing as may be appropriate in accordance with our arrangement with ManSat Limited.
- iii) Ofcom has stated that its preferred option is the "scaled fee", which levies an equal charge per filing. Ofcom has not expanded its justification sufficiently to demonstrate that each filing requires the same amount of Ofcom's manpower resources. For example, Ofcom has not stated whether the 1st stage-Initial Application fee would be assessed at the time of submission of the Advance Publication filing or at the time of submission of the Coordination Request filing. The ITU, in determining its Cost Recovery fees, acknowledged that the cost for processing an Advance Publication filing is negligible and therefore assesses no charge-back to the administration for Advance Publication filings.

Responses to questions raised by Ofcom:

Response to Question 1: As stated under General Remarks above, it is difficult to assess the matter completely and provide a comprehensive response in the absence of key

information or greater transparency of costs. Telesat proposes that Ofcom provide detailed information on the breakdown of its costs and the possible delegation of work to the IOM or territories. This would allow consideration of further options that may be available for cost recovery.

Response to Question 2: Telesat proposes that the scaled fee could result in assigning disproportionate costs to operators by charging fees for Advance Publication filings. If Ofcom's objective is that something close to true cost is to be recovered, an hourly charge could well be a better option.

Response to Question 3: Telsat proposes the amendment to the procedures for section 5.1 Table 1, as stated in paragraph 1.10 of the consultation published 8 November 2007, should be modified by deleting the reference to a "firm" date by which the contracts are expected to be signed. Ofcom has not indicated what the affect on the filing or operator would be if such a "firm" date were to be missed. We propose section 5.1 Table 1 be modified to indicate a "planned" date for signing these contracts as they are extremely complicated and often take extended periods of time to negotiate to their final version, which needs to be mutually agreed on by the relevant parties.

Response to Question 4: Yes, Telesat agrees with this proposal

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Robert Condurso', with a stylized, flowing script.

Robert Condurso