



August 1, 2002

Chantal Beaumier
Director, Space and International Regulatory Activities
Radiocommunications and Broadcasting Regulatory Branch
Industry Canada
Floor 15 - Jean Edmonds Tower North
300 Slater Street
Ottawa, Ontario
K1A 0C8

BY FACSIMILE (613) 952-9871

Dear Ms Beaumier.:

RE: Notice No. DGRB-003-02 – Call for Expressions of Interest in Orbital Positions Using a New Broadcasting-Satellite Service Band (17.3-17.8 GHz) and for Satellite Network Information to Initiate International Coordination

This is to express the interest of Bell ExpressVu Limited Partnership (“ExpressVu”) in the use of new broadcasting-satellite service (“BSS”) bands at 82° WL and at 91° WL, and to advise the Department that it may wish to use these bands in additional slots at a future time.

ExpressVu is a limited partnership. The limited partner is BCE Inc; the general partner is Bell ExpressVu Inc., which is a wholly-owned subsidiary of BCE Inc.

ExpressVu’s Status as a Licensed Canadian Broadcasting Undertaking or a Canadian Satellite Carrier

ExpressVu holds licenses issued by the Canadian Radio-Television and Telecommunications Commission, under the *Broadcasting Act*, to operate a direct-to-home (“DTH”) satellite broadcasting distribution undertaking and a satellite relay distribution undertaking (“SRDU”). It also holds licences too operate pay-per-view programming undertakings that are distributed by ExpressVu’s DTH undertaking. Both distribution undertakings are currently operated on the Nimiq satellite located at 91° WL. Early in 2002, ExpressVu’s DTH and SRDU businesses will operate on Nimiq 1 at 82° WL and Nimiq 2 at 91° WL, respectively. ExpressVu owns the transponders on both

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satellites, but the satellites are operated by Telesat Canada ("Telesat"), which is the carrier.

ExpressVu has a strong relationship with Telesat and anticipates that it would make an arrangement for the new BSS frequencies in these orbital bands similar to the business arrangement that it now has with Telesat in respect of the Nimiq satellites. ExpressVu does not expect, at this time, that it will become a carrier.

ExpressVu's use of the New BSS frequencies at 82° WL and at 91° WL would best serve the broadcasting interest of Canada

ExpressVu supports the Department's position, as stated in the Notice, that this new BSS band 17.3-17.8 GHz, along with its associated feeder link band 24.75-25.25 GHz, is a valuable resource to advance the Canadian broadcasting system.

As the incumbent user of BSS frequencies at these orbital locations, ExpressVu would be the best candidate to ensure optimal use of the new BSS frequencies to benefit the Canadian broadcasting system.

DTH is an integral component in our domestic broadcast industry. It generates more than \$1 billion in gross revenues of which more than \$600 million is from Bell ExpressVu. This in turn has significant spin-off effects on Canadian program production, jobs and investment. Apart from the positive economic impact DTH has on Canadian Broadcasting, both the 1995 Government Order on DTH and the ensuing CRTC regulatory framework cites DTH as an important factor in the evolution of competition in Canadian broadcasting distribution. It is also worth noting that we are the prime competitive alternative to unauthorized and illegal DTH services from the US.

ExpressVu is now approaching 1.2 million residential Canadian subscribers to its DTH service, and anticipates that it may have close to 2 million subscribers by 2008, when these new frequencies become available.

The Canadian broadcasting system is not static, but is constantly evolving. We are currently witnessing the early stages of the introduction of interactive television and the transformation to high-definition television ("HDTV"). These applications require considerably more bandwidth than digitally-compressed television signals that are transmitted today. If interactivity and HDTV become the established standard for conventional broadcasters, specialty services, and premium pay services in Canada, the capacity on Nimiq 1 and Nimiq 2 will become quickly exhausted. In that event, in order to further contribute to the growth and development of the Canadian broadcasting system, and to sustain and ensure the long-term viability and growth of ExpressVu, it will need additional bandwidth at those orbital locations.

Another reason that ExpressVu would also be the logical best candidate to use those frequencies is the conflict, as noted by the Department, with those currently assigned to the Nimiq satellites. ExpressVu would be in a unique position to ensure the management of the conflicting bands to maintain the integrity of its existing business, and to optimize the value and use of the new frequencies. On the other hand, allowing others to use such bands would introduce an element of risk to ExpressVu's business.

Other Satellite Slots

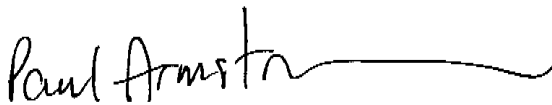
Depending on the evolution of the Canadian broadcasting distribution market, ExpressVu may also have interest in using the BSS frequencies in other satellite slots. At this time, ExpressVu has not identified specific locations, and would expect to work with carriers that obtain licences for satellites in the future.

Other Information

We are advised that Telesat is preparing, in its expression of interest, information related to potential design and service characteristics of the satellites, as requested in the Notice. Please note that as the user of these frequencies, ExpressVu anticipates that any plans for the design of the satellites will evolve over the coming years, as the needs evolve for ExpressVu and the Canadian Broadcasting system to distribute HDTV, interactivity, or any new applications. ExpressVu will work with the satellite operator to ensure that its needs are met for the new BSS frequencies at 82°, 91° and other orbital locations, as required.

I would be pleased to provide any further information that you require.

Yours truly,

A handwritten signature in black ink, appearing to read "Paul Armstrong", followed by a long horizontal flourish.

for/Chris Frank
VP, Programming and Government Affairs

cc: Mr. P. Bush, Telesat Canada