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Abridged

August 1, 2002

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

Dear Ms. Beaumier:

Re: *Canada Gazette Notice DGRB-003-02 – Call for Expressions of Interest in Orbital Positions using the new BSS Band (17.3 – 17.8 GHz)*

On June 15, 2002, Industry Canada ("the Department") released the above referenced Gazette Notice ("the Notice") announcing a *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*. As indicated in the Notice, this new broadcasting-satellite service ("BSS"), along with its associated feeder link band 24.75 – 25.25 GHz, used at appropriate orbital positions, is a valuable resource to advance the Canadian broadcasting system. With this letter, Telesat Canada ("Telesat") is advising the Department of its interest in developing space stations within the 17 GHz BSS band in select orbital positions for which the Department submitted Advance Publication Information ("API") filings with the International Telecommunication Union ("ITU") on April 1, 2002.

As stipulated in the Section 3.2 of the Notice, parties interested in any of the orbital positions for which the Department has submitted API filings with the ITU must provide pertinent information, to the extent that it is available, regarding the following matters:

- status as a licensed Canadian broadcasting undertaking or Canadian satellite carrier,
- number and location of orbital positions in which interested,
- satellite plans and design overview, and
- prospective users.

This expression of interest addresses each of the above information requirements in turn.

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*** This document is subject to the Confidentiality Claim on page 2. ***

In addition, as indicated in section 3.3 of the Notice, respondents are to provide, for each satellite position identified in their expression of interest, the coordination information set out in Appendix 4 of the ITU *Radio Regulations* respecting their proposed satellite network. As agreed to with the Department, Telesat will provide this detailed information for each position identified herein before the end of August.

As contemplated by the Department in section 4.1 of the Notice, certain portions of this submission contain sensitive technical and/or commercial information. In particular, identification of the specific orbital locations of interest to Telesat and the proposed designs of Telesat's competitive operations within the new BSS band are of a confidential or proprietary nature, or both. Release of this information into the public domain would compromise Telesat's plans or bestow an undue competitive advantage on prospective competitors and/or weaken Telesat's negotiating position with potential business partners or customers, while providing little or no public benefit. Telesat consistently treats this type of information as confidential. Further, the proprietary information contained in this submission is the direct result of Telesat's efforts, conducted at its own expense, and belongs to Telesat alone.

Telesat therefore claims the full protection allowed under the *Access to Information Act*, and section 20(1) specifically, for keeping all sensitive or proprietary information confidential. It is provided solely for the purposes of the Department's consideration of Telesat's expression of interest in the new BSS bands. Telesat does not authorize the Department to waive any applicable privilege and does not consent to the release, reproduction, or any other disclosure of this information to any third parties. Telesat further requests that all confidential and proprietary information provided herein will be returned and not used by the Department in the event that Telesat is not awarded an orbital location to which the information relates. Telesat also expects that the Department will inform the Company of any request it may receive for the disclosure of any information for which Telesat has claimed confidentiality. An abridged version of this submission which excludes the confidential information is being provided for the public record.

1. Licensed Status

In their expressions of interest, respondents are to provide information on their status as a licensed Canadian broadcasting undertaking or a Canadian satellite carrier, including information on any existing or potential alliances or partnerships.

Telesat currently holds four space station licenses from the Department for the operation of three fixed satellite service ("FSS") satellites, namely Anik F1, E1 and E2, and for the Direct Broadcast

Satellite ("DBS") Nimiq. In addition, Telesat has received approval in principle from the Department for the construction and launch of Anik F2, and has been awarded use of the 118.7° West longitude ("WL") orbital location at C and Ku-band as well. Telesat has also been authorized to use a second Canadian DBS orbital location at 82° WL. In holding these authorizations, Telesat is in full compliance with the Canadian ownership and control requirements set out in section 10(2)(d) of the *Radiocommunication Regulations*.

Regarding existing or potential alliances or partnerships, Telesat is a member of the BCE group of companies, being 100% indirectly owned by BCE.

2. Orbital Positions of Interest

The Notice requires respondents to identify the specific satellite positions for which they are interested, and to indicate: (1) why it would best serve the broadcasting interest that the specific positions be obtained, and (2) any alternative positions to the specific position that may be acceptable, or, if no alternative is acceptable, why this is the case.

At this time, Telesat is interested in _____ for which the Department submitted API filings with the ITU on April 1, 2002.

These locations

Each of these orbital positions also has excellent coverage of _____ and would thus contribute to the Canadian public policy objective of ensuring that _____ have ready and affordable access to the full range of communications and broadcasting services.

While each of the _____ orbital positions for which the Department filed API submissions with the ITU will have their own advantages,

3. Satellite Plans & Design Overview

Respondents are to provide an overview of their satellite plans and the relationship of these plans to any satellite facilities currently used by the respondent, reserved under contract from a Canadian operator, or otherwise assigned by the Department. Additional information is also requested, including: the potential design of the satellite network, its capacity, the anticipated in-service date and life expectancy of the potential satellite, the Canadian coverage areas, any potential non-Canadian coverage areas, the associated transponder plan and antenna beam pattern, and the potential ground segment characteristics.

As noted above, Telesat currently owns and operates three FSS satellites, as well as the Nimiq DBS. In addition, Telesat has another FSS and another DBS satellite under construction, with the former scheduled for launch in 2003 and the latter scheduled for launch later this year. Telesat also has another FSS satellite in the planning stages which is to be launched in 2005. Telesat's plans to operate facilities in the new BSS bands would allow the Company to augment and expand its range of satellite facility offerings. This in turn would allow Telesat to achieve

scale and scope economies and thus better enable the Company to compete against the much bigger foreign satellite operators, both in liberalized domestic and international markets.

The key feature of Telesat's satellite designs is

The anticipated in-service date for the system would be early 2007. Expected satellite life would be 12 to 15 years. The following four charts outline Telesat's preliminary satellite system design plans, with additional information provided in the Attachment. More specifically, Chart 1 provides

Charts 2 and 3 provide some detail which could be offered, while Chart 4 provides

However, it must be emphasized that, at this point in time, the satellite designs and configurations set out herein are of a preliminary nature and are subject to change. Telesat continues to refine these designs and it is expected that performance improvements will be possible based on advances in the state of the art prior to satellite construction. The final design details will be known only after a full business plan has been developed and finalized and construction of the satellite system has commenced.

Chart 1:

Chart 2:

Chart 3:

Chart 4:

4. Prospective Users

As prospective satellite operators, interested parties are to indicate the nature of their intended relationship with potential users of the satellite capacity and identify, to the extent possible, anticipated major users of their capacity.

In response, it should first be noted that

However, Telesat expects that

the major users would

In this regard, Telesat would operate as a satellite

facilities provider

Telesat would

in

developing the 17 GHz BSS orbital positions. The Company's approach would be

5. Coordination Information

As indicated in the Notice, as Canadian access to these orbital resources will be subject to the first-come, first-served nature of the ITU satellite filing process, it is important that the Department submit coordination information to the ITU in a timely manner. To this end, respondents are required to provide, for each satellite position identified in their expression of interest, the information set out in Appendix 4 of the ITU *Radio Regulations*. As the Department can appreciate, preparation of this information is a time-consuming and costly undertaking and must be both rigorous and thorough if it is to withstand scrutiny in the international coordination process. As indicated above, Telesat will be in a position to provide this detailed information to the Department by the end of August as agreed.

Telesat is also aware that the Notice expressly stipulates that “[l]icensees must participate, at their own expense, in the coordination of satellite networks with other Canadian satellite and terrestrial networks and with the satellite and terrestrial networks of other countries” (section 3.5 at page 6). Telesat is experienced in international coordination and is an active participant in ITU WG 6S where a number of studies relevant to BSS service are developed. Telesat is prepared to perform the coordination work at its own expense for those orbital positions for which it obtains approval in principle from the Department. However, Telesat would object if any preliminary coordination work that the Company performs concerning orbital positions subsequently awarded to others were to be used to benefit competitors.

Because international coordination is such a time-consuming and costly process, Telesat would also urge the Department to move with all reasonable speed in determining what process to follow for awarding orbital positions in the 17 GHz BSS band to qualified applicants and in making those awards. Typically it requires several months of dedicated effort for satellite operators to negotiate and finalize coordination agreements. Given the substantial time commitment and expense involved, operators can reasonably be expected to make these time and cost commitments only if they know for certain which, if any, orbital positions they will be allowed to develop by the Department. Timely approval of applications is therefore a critical requirement for operators to proceed with the coordination activities which must be concluded before the new BSS services contemplated in this proceeding can be offered to Canadians.

Contact Information

The designated Telesat contact for this application is:

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Conclusion

Telesat appreciates the opportunity to submit this expression of interest in the new BSS bands and commends the Department for its foresight and effort in preparing the way for Canada to have access to these valuable spectrum and orbital resources. Telesat looks forward to participating in the subsequent stages of this important proceeding, and would be pleased to discuss any questions the Department may have regarding this submission or any matter regarding the Company's plans for development of the new BSS band in the best interests of all Canadians.

Respectfully submitted this 1st day of August, 2002.

A handwritten signature in black ink, appearing to read "Paul D. Bush". The signature is written in a cursive style with a large initial "P" and "B".

Paul D. Bush
Vice President – Corporate Development

Attachment

ATTACHMENT:

17.3 – 17.8 GHz BSS: SATELLITE DESIGN

**(Note: The Information Contained In This Attachment Is
Preliminary & Subject To Change)**

Note: no Attachment is provided in this abridged version as the entire document is Telesat Canada Confidential & Proprietary.