

FHH Telecom Law
April 2005

**Limits Laid for Land-Based
Sat Service Systems**

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The FCC has clarified its rules governing terrestrial repeaters for Mobile Satellite Service (MSS). In 2003, the FCC first allowed the use of tower-mounted antennas called Ancillary Terrestrial Components (ATCs) to improve satellite phone service in areas where satellite reception/transmission is blocked by terrain or buildings. Now the FCC has addressed objections raised by various parties and clarified other operational and licensing matters.

Cell and PCS companies were concerned that the ATC networks of MSS providers would morph into entirely terrestrial competitors. But the FCC reaffirmed that ATCs must operate in conjunction with MSS, and not as a separate stand-alone service. MSS providers can prove that integration by offering dual-mode handsets, *i.e.*, phones capable of sending/receiving both satellite and ATC transmissions. To give MSS operators flexibility, however, the FCC rejected proposals to set specific minimum traffic requirements over the satellite portion of MSS/ATC networks, although it will entertain complaints that providers' ATC facilities are not truly ancillary to their satellite service. The FCC also confirmed that MSS operators cannot offer ATC-only subscriptions.

Next, the FCC addressed uplink and downlink interference issues. The new order changes the basis for uplink interference protection in the MSS L-Band from specific technical requirements to more general limits on how much uplink interference the new ATC systems can cause to other MSS operators. For downlink interference, the FCC will now permit power limits on most ATC base stations 8 dB higher than previously allowed. New testing by the FCC since 2003 has also resulted in special limits on geographic location and power levels near airports and navigable waterways, designed to protect aircraft and marine communications from ATC base station interference.

Finally, over objections from Cingular, the FCC reaffirmed that new ATC licenses are not subject to the rules requiring auctions for new spectrum licenses. Since the ATC facilities operate in the same spectrum bands as the primary MSS satellite service, the new licenses are not modifications that are so different or large as to require competitive bidding. Rather, MSS applications to build and operate ATC facilities will be treated as applications for minor modifications, subject to public notice and comment.

AT&T Wireless and Verizon Wireless still have a court challenge pending to all of the ATC rules.

