

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Procedures for Assessment and Collection of Regulatory Fees)	MD Docket No. 12-201
)	
Assessment and Collection of Regulatory Fees for Fiscal Year 2008)	MD Docket No. 08-65
)	

REPLY COMMENTS OF THE SATELLITE INDUSTRY ASSOCIATION

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The Satellite Industry Association (“SIA”) pursuant to Sections 1.415 and 1.419 of the Commission’s Rules (47 C.F.R. §§ 1.415 & 1.419), hereby replies to the comments of other parties on the above-captioned Notice of Proposed Rulemaking (the “Notice”).¹ SIA’s initial comments² demonstrate that the proposals in the Notice that would significantly increase fees paid by satellite operators are inconsistent with the underlying statutory requirements and cannot be justified. Other parties regulated by the International Bureau echo these concerns.³ The Commission must accordingly revise its proposed fee assessment methodology to ensure that the costs of activities for which regulatory fees are to be collected – enforcement, policy and

¹ *Procedures for Assessment and Collection of Regulatory Fees and Assessment and Collection of Regulatory Fees for Fiscal Year 2008*, Notice of Proposed Rulemaking, MD Docket Nos. 12-201 & 08-65, FCC 12-77 (rel. July 17, 2012).

² Comments of the Satellite Industry Association, MD Docket Nos. 12-201 & 08-65, filed Sept. 17, 2012 (“SIA Comments”).

³ See, e.g., Comments of América Móvil, S.A.B. de C.V., MD Docket Nos. 12-201 & 08-65, filed Sept. 17, 2012 (“América Móvil Comments”); Comments of AT&T Inc., MD Docket Nos. 12-201 & 08-65, filed Sept. 17, 2012 (“AT&T Comments”); Letter of Globalstar, Inc., MD Docket No. 12-201, filed Oct. 17, 2012 (“Globalstar Reply”); Comments of the Global VSAT Forum, MD Docket Nos. 12-201 & 08-65, filed Sept. 17, 2012 (“GVF Comments”); Joint Comments of International Carrier Coalition, MD Docket Nos. 12-201 & 08-65, filed Sept. 17, 2012 (“International Carrier Comments”); Comments of the North American Submarine Cable Association, MD Docket Nos. 12-201 & 08-65, filed Sept. 17, 2012 (“NASCA Comments”); Comments of Telstra Incorporated and Australia-Japan Cable (Guam) Limited, MD Docket Nos. 12-201 & 08-65, filed Sept. 17, 2012 (“Telstra Comments”).

rulemaking, user information, and international activities – are fairly spread among regulatory fee categories.

I. INTRODUCTION AND SUMMARY

The central problem posed in the Notice is how to update the methodology for assessing regulatory fees to reflect current information. As the Commission explains, for the past decade and a half, regulatory fees have been allocated based on the results of detailed time card data compiled using an accounting system that was abandoned after 1998.⁴ The Notice suggests that the 1998 data for Commission Full Time Employees (“FTEs”) may no longer accurately reflect how Commission employees’ time is spent.⁵ In lieu of continuing to rely on this data, the Notice proposes to set regulatory fees going forward based on FTE data for the four core licensing bureaus of the Commission: Wireless Telecommunications, Media, Wireline Competition, and International.⁶

The record in this proceeding makes clear, however, that this proposed framework is at odds with the underlying statutory command. The statute mandates that adjustments to fee allocations be based on FTE information reflecting the benefits to the fee payer of specific types of regulatory activities.⁷ Whatever the flaws of the Commission’s abandoned time-card based accounting system, it at least was designed to produce data that satisfied these requirements: it tracked time spent for the specific activities on which regulatory fees are to be based and linked those costs to individual categories of regulatory fee payers who are the beneficiaries.⁸

⁴ Notice at ¶¶ 7-8.

⁵ *Id.* at ¶ 12.

⁶ *Id.* at ¶ 24.

⁷ *See id.* at ¶¶ 4-5, quoting 47 U.S.C. § 159(a)(1).

⁸ *See* U.S. Government Accountability Office, *Federal Communications Commission, Regulatory Fee Process Needs to Be Updated*, GAO-12-686 (August 2012) (“GAO Report”) at 10 n.17 (the time card accounting system identified direct costs and assigned the costs to fee

The Notice proposes to perform fee assessments going forward using current FTE data but without making any attempt to recreate the supporting information on which the 1998 allocations were based. In place of the detailed information collected by the accounting system, the new approach would rely on rough-cut calculations based solely on counts of FTEs in the four core licensing bureaus.

This proposal is completely out of sync with the Commission's structure and would sacrifice fairness and adherence to the statutory directives in favor of simplified administration. The result would be to unfairly burden satellite operators and other entities regulated by the International Bureau with huge fee increases despite the fact that their operations generate only a tiny fraction of the regulatory activities for which fees are to be collected.

The Commission must abandon its proposal to rely solely on FTEs in the core licensing bureaus to assess regulatory fees. Instead, the Commission should perform a closer analysis of the time expenditures of its employees to ensure that costs of regulatory activities are recovered in a just and lawful manner.

II. USING ONLY FTES IN THE FOUR CORE LICENSING BUREAUS TO SET REGULATORY FEES WOULD VIOLATE THE STATUTE AND THE COMMISSION'S FAIRNESS GOAL

As SIA and a number of other commenters observe, in order to conform to the statute, the regulatory fee assessment framework implemented by the Commission must focus on the Congressionally-defined post-licensing activities for which regulatory fees are to be collected

categories in an apparently rational and systematic manner); International Carrier Comments at 17-18 (the imperfections of the time card approach are plain, but it "has the virtue of actually attempting to *measure* the key statutory variable, which neither of the proposals in the NPRM does") (emphasis in original).

and assess those costs against the fee payers who benefit from those activities.⁹ The most glaring omission in the Notice is its failure to explore ways to separate FTE costs for the activities specified in the statute – enforcement, policy and rulemaking, user information services, and international activities – from FTE costs for licensing and other activities that Congress intended to be excluded from regulatory fee assessment. This key defect guarantees that the fee assessment methodology proposed in the Notice is at odds with the statutory mandate. In short, the Commission cannot accurately determine costs for regulatory fee activities using FTEs in the four core licensing bureaus as a proxy.

The reason for this disconnect is tied to the organizational structure of the Commission. At the time Congress enacted the regulatory fee statute, personnel within the then-existing core licensing bureaus were responsible for all the activities for which regulatory fees were to be collected. Thus, for example, the Common Carrier Bureau included employees who worked on all types of issues, including developing policies and rules, addressing complaints or other types of rule violations, managing consumer issues, and conducting international meetings involving spectrum and market access matters for the industry. As a result, FTEs within the core licensing bureaus represented almost all the costs for the regulatory fee activities specified in the statute.

That is no longer the case, however. Since the regulatory fee statute took effect, responsibility for three of the four areas subject to regulatory fee assessment has been shifted to stand-alone bureaus: the Enforcement Bureau, the Consumer and Governmental Affairs Bureau, and the International Bureau. Only policy and rulemaking matters are still handled within the licensing bureaus under the current structure.

⁹ See SIA Comments at 3-4; *see also* GVF Comments at 3-5; International Carrier Comments at 3; NASCA Comments at 6.

The proposal in the Notice to use FTEs in the four core licensing bureaus as proxies to set regulatory fees ignores this significant organizational shift. As a result, it would guarantee that fee assessments do not reflect the costs intended to be the basis for regulatory fees.

Satellite operators and other fee payers regulated by the International Bureau would be disproportionately harmed by the Commission's failure to accurately track regulatory fee costs and instead rely on raw FTE numbers for the core licensing bureau. As an initial matter, the Commission's proposed methodology would significantly inflate the number of International Bureau FTEs assigned to satellite operators by including both personnel involved in satellite licensing, whose costs are already covered by high satellite application processing fees,¹⁰ and International Bureau personnel whose work benefits a broad variety of licensees. At the same time, the Commission's approach would result in unreasonably low numbers of FTEs assigned to other regulatory fee categories because it would not include personnel outside the core licensing bureaus who have primary responsibility for regulatory activities that benefit specific classes of fee payers. As a result, the proportion of FTEs assigned as direct cost to entities regulated by the International Bureau would be unfairly high. The adverse impact of this distorted allocation of direct costs would be compounded by the Commission's plan to use the percentage of FTEs assigned to International Bureau fee payers as the basis for allocating overhead costs.

The result would be a skewed fee assessment framework that violates both the statutory dictates and the Commission's goals for fee structure reform. Commenting parties agree that the most important objectives for the regulatory fee collection system are compliance

¹⁰ As SIA and others explain, the vast majority of the work involved in satellite regulation occurs during initial licensing, so a significant portion of the workload of employees within the Satellite Division is focused on licensing activities. *See* SIA Comments at 22; GVF Comments at 5.

with the statutory mandate¹¹ and fairness.¹² The methodology set forth in the Notice does not satisfy either objective.

The few commenters that support the Commission's proposed approach emphasize its ease of administration,¹³ but that cannot justify turning a blind eye to the obvious flaws of the proposal. The Notice emphasizes that adherence to the statute must be the primary goal of the regulatory fee reform process.¹⁴ The Commission cannot sacrifice both faithfulness to the statute and fundamental fairness in order to simplify administration of the regulatory fee program.¹⁵

Instead, the Commission must undertake additional analysis of its costs to support reform of the regulatory fee system.¹⁶ As SIA explained in its comments, a return to the time-card-based methodology abandoned after 1998 is not necessary.¹⁷ However, the Commission must make reasonable efforts to develop and apply objective data regarding the FTE costs associated with post-licensing regulatory activities and to attribute those costs to specific classes of fee payers, as discussed below.¹⁸

¹¹ See SIA Comments at 5-6; GVF Comments at 3.

¹² See AT&T Comments at 2; GVF Comments at 2-5.

¹³ See Comments of the United States Telecom Association, MD Docket Nos. 12-201 & 08-65, filed Sept. 17, 2012 ("USTelecom Comments") at 5-6; Comments of Verizon and Verizon Wireless, MD Docket Nos. 12-201 & 08-65, filed Sept. 17, 2012 ("Verizon Comments") at 4.

¹⁴ See Notice at ¶ 13.

¹⁵ See AT&T Comments at 2 ("the Commission should not sacrifice fairness in support of a marginally more administrable system"); International Carrier Comments at 6 (the proposals in the Notice may be administrable due to their simplicity, but they are neither fair nor sustainable).

¹⁶ See International Carrier Comments at 18 ("it is incumbent upon the Commission in carrying out its statutory responsibilities to make a much more thorough internal analysis of its staff's workload than is found in the NPRM").

¹⁷ See SIA Comments at 19.

¹⁸ See also GAO Report at 30 (suggesting that the Commission ensure "that the division of fees among fee categories is aligned with a reasonably current measure of the division of regulatory activities among fee categories").

III. COSTS OF THE COMMISSION'S INTERNATIONAL ACTIVITIES MUST BE COLLECTED FROM ALL BENEFICIARIES

In order to comply with the statutory directive that regulatory fee assessments cover the costs of the Commission's international activities, the Commission must allocate International Bureau FTEs fairly among classes of regulatory fee payers based on benefits to the payer.¹⁹ SIA's comments demonstrate that satellites represent a small and shrinking proportion of Commission costs for post-licensing regulatory activities.²⁰ Other parties regulated by the International Bureau make a similar showing.²¹ Yet these providers already pay the highest per-system regulatory fees assessed by the Commission, at levels that cannot be justified by any corresponding benefits to the payers.²²

Given the declining level of regulatory activity required for ongoing management of satellites and other providers of international services, a cost-based regulatory fee assessment methodology would produce lower fees for these categories. The suggestion in the Notice that all International Bureau FTEs should be charged to payers regulated by the International Bureau, resulting in a more than tripling of these fees, is therefore illogical on its face and completely unsupported by the facts.²³

¹⁹ See SIA Comments at 12-16; International Carrier Comments at 7-8.

²⁰ See SIA Comments at 7-12; see also Globalstar Reply at 1; GVF Comments at 3.

²¹ See, e.g., América Móvil Comments at 2-3 (increasing the regulatory fee for submarine cables is inconsistent with the streamlining of submarine cable regulation that has taken place since 1998); AT&T Comments at 2 ("the proposed significant increase in the percentage of fees allocated to the International Bureau would not appear to reflect any increase in the Commission's international activities since 1998, as there has been a substantial reduction in the International Bureau's regulation of the U.S. international market in this period"); NASCA Comments at 10 (a "tiny number of FTEs" is involved in regulation of submarine cables).

²² See International Carrier Comments at 8 (the existing high regulatory fees for international submarine cables should be more than sufficient to pay for the limited Commission regulatory activity affecting these carriers); NASCA Comments at 10 (submarine cable operators already pay disproportionately high fees).

²³ See International Carrier Comments at 7 (there is no evidence that would support a tripling of International Bureau regulatory fees based on benefits to the payer).

Instead, the record before the Commission clearly supports reallocating to other fee categories at least half of the International Bureau FTEs.²⁴ This distribution of costs is justified by the fact that International Bureau personnel have broad responsibility for issues affecting a wide range of service providers.²⁵ For example, América Móvil notes that in June, the International Bureau concluded a bilateral meeting with Mexico that benefited wireless licensees by reconfiguring bands and expanding spectrum availability.²⁶ NASCA observes that personnel within the International Bureau manage interference matters involving cross-border terrestrial domestic broadcasting and terrestrial wireless operations.²⁷ A number of parties highlight the work being done to revise the Commission’s foreign ownership policies, which apply to broadcast and common carrier licensees.²⁸

In short, there is ample evidence buttressing the International Bureau’s estimate that half of its FTEs do work relating to services not regulated by the International Bureau. In contrast, the arguments made by parties who oppose reassigning half of these FTEs are self-serving and unpersuasive.

For example, USTelecom suggests that if the work performed by personnel of SAND or other International Bureau divisions truly is not limited to industries regulated by the International Bureau, the Commission should reorganize itself to move those personnel out of the

²⁴ See América Móvil Comments at 3-4; GVF Comments at 7; International Carrier Comments at 11; Telstra Comments at 2.

²⁵ See América Móvil Comments at 3-4 (“the Commission must recognize that a significant number of the International Bureau’s FTEs are engaged in activities that benefit licensees regulated by other Bureaus”); GVF Comments at 6-7 (both the Strategic Analysis and Negotiations Division – SAND – and the Policy Division of the International Bureau have responsibilities that benefit wireless, wireline, and broadcast providers); International Carrier Comments at 12.

²⁶ América Móvil Comments at 5.

²⁷ NASCA Comments at 10-12.

²⁸ See, e.g., América Móvil Comments at 6; NASCA Comments at 13-14.

International Bureau.²⁹ Unless and until that happens, USTelecom argues that the costs for these personnel should be recovered solely from entities regulated by the International Bureau.³⁰ As the SIA Comments explain, however, the International Bureau was established to achieve operational efficiencies that have nothing to do with regulatory fee collection.³¹ USTelecom's suggestion that instead regulatory fee allocation should be the driving force in the way the Commission is organized is a clear example of the tail wagging the dog.

The National Association of Broadcasters ("NAB") also takes issue with the Commission's proposal (based on input from International Bureau management) to treat fifty percent of International Bureau FTEs as indirect FTEs.³² NAB suggests that the alternate proposal is somehow "unfair"³³ because it would require Media Bureau licensees to pay a slightly higher proportion of total fees than they now pay (37.54 percent of total fees, rather than 31.9 percent of total fees³⁴). If raising broadcaster fees by a few percentage points is "unfair," however, surely raising International Bureau fees by 230 percent is that much more unfair.

NAB also argues that the proposal to reallocate International Bureau FTEs is "unsupported" both because there is no "data" to show that International Bureau work benefits non-International Bureau licensees.³⁵ To the contrary, it is NAB's assertion that is unsupported, as the responsibilities of the International Bureau are set forth in the Commission's rules and well documented in the Bureau's prior activities. As discussed above, it is a matter of public record that both the International Bureau generally and SAND in particular devote substantial

²⁹ USTelecom Comments at 6.

³⁰ *See id.*

³¹ *See* SIA Comments at 15.

³² Comments of the National Association of Broadcasters, MD Docket Nos. 12-201 & 08-65, filed Sept. 17, 2012 ("NAB Comments") at 3-5.

³³ *Id.* at 6.

³⁴ *See* Notice at ¶¶ 24-27.

³⁵ NAB Comments at 4.

time to activities benefiting licensees of all core bureaus.³⁶ Much of that work specifically benefits NAB's members.³⁷

NAB also complains that the Commission's proposal to reallocate some International Bureau FTEs mixes a collection approach based on core licensing bureau FTEs with one based on actual workload.³⁸ NAB goes on to argue that if the Commission intends to use a workload-based approach, "then it should do so consistently."³⁹ SIA strongly agrees with the NAB on this point. As SIA has emphasized, only by allocating FTEs throughout the Commission based on the employees' actual workloads can the Commission satisfy the clear statutory requirements for regulatory fee cost collection and achieve a fair outcome.⁴⁰

IV. COSTS OF COMMISSION ENFORCEMENT, POLICY AND RULEMAKING, AND USER INFORMATION ACTIVITIES MUST BE FAIRLY ASSESSED

The statute also obligates the Commission to use more detailed data to assign costs of the FTEs engaged in enforcement, policy and rulemaking, and user information activities to appropriate fee categories. The Notice proposes to treat all FTEs for personnel outside the core licensing bureaus as overhead and allocate them among fee categories based on the proportion of direct FTEs assigned to that category.⁴¹ There is no evidence, however, to suggest that this methodology would result in an allocation of non-core bureau FTEs that

³⁶ See, e.g., NASCA Comments at 11-15.

³⁷ See *id.* at 12 (describing the International Bureau's management of interference issues involving domestic terrestrial broadcasting near the Canadian and Mexican borders), citing *Letter of Understanding Between the Federal Communications Commission of the United States of America and Industry Canada Related to the Use of the 54-72 MHz, 76-88 MHz, 174-216 MHz and 470-806 MHz Bands for the Digital Television Broadcasting Service Along the Common Border*, available at <http://transition.fcc.gov/ib/sand/agree/files/can-bc/can-dtv.pdf>.

³⁸ NAB Comments at 4.

³⁹ *Id.*

⁴⁰ SIA Comments at ii.

⁴¹ Notice at ¶ 21.

complies with the statute by matching costs to fee payment categories. Instead, these FTEs should be assigned based on calculations reflecting the extent to which specific groups of fee payers benefit from the work performed.

As the SIA comments explain, the specialized roles of certain Commission divisions justify assigning their FTEs directly to the regulatory fee payers who benefit from that work.⁴² The FTEs of Commission personnel whose work is limited to handling matters such as pole attachment disputes or slamming complaints should be considered direct costs for the industries that generate those enforcement proceedings. Imposing any portion of those costs on satellite operators is demonstrably unfair and inconsistent with the statutory purpose.

The Commission must also fairly allocate costs for parts of the Commission that have responsibility for matters affecting all regulatory fee payers.⁴³ For example, costs of the Commissioners' offices FTEs could be distributed among fee payers based on the percentage of Commission-level decisions issued in a year that relate to a given category of fee payers.⁴⁴ Similarly, costs of the Enforcement Bureau's Investigations and Hearings Division, whose work includes processing of indecency complaints against broadcasters, handling cases involving abuse of procedures for auctions of wireless spectrum, and enforcing the terms of common carrier merger rulings, should be allocated among fee categories based on how much of the division's annual workload relates to a given fee category.⁴⁵ Satellite operations generate only a

⁴² SIA Comments at 16-19; *see also* GVF Comments at 7-8

⁴³ SIA Comments at 19-21.

⁴⁴ *Id.* at 21.

⁴⁵ For example, the Enforcement Bureau's website states that the Commission "devotes considerable staff resources to processing, reviewing and investigating allegations of obscenity, indecency and/or profanity," with "17 attorneys and 16 other support personnel" in the Bureau working on these matters. *See* <http://transition.fcc.gov/eb/oip/Handle.html>. Costs for these FTEs should be assigned directly to the broadcasting industry.

tiny fraction of enforcement proceedings, and allocation of Enforcement Bureau FTEs should reflect that fact.

Supporters of the allocation proposal set forth in the Notice fail to provide any demonstration that it would produce a fair result. USTelecom, for example, suggests that the mere fact that the Enforcement Bureau and other Commission offices were established supports treating their costs as overhead, arguing that “the very creation of a non-core bureau recognizes that its function is common to most or all Commission regulatees.”⁴⁶ This claim ignores the fact that the Commission’s organizational decisions were made to increase operational efficiency, not to affect regulatory fee allocation.

USTelecom falls back on the assertion that the proposal in the Notice for allocation of non-core bureau FTEs should be adopted because it is “administratively simple.”⁴⁷ Again, however, administrative ease cannot justify the adoption of an allocation methodology that violates the statute. Fidelity to the purposes specified by Congress requires that costs of FTEs for Commission regulatory activities identified in the statute be imposed on the entities that benefit from those activities.

V. IMPLEMENTATION OF ANY SIGNIFICANT INCREASE IN SATELLITE REGULATORY FEES SHOULD BE DELAYED

Allocation of Commission FTEs based on cost-causation as discussed above should result in regulatory fee rates for satellite networks that are stable or even decreasing. If the Commission instead adopts a methodology that results in a significant fee increase for the satellite industry, implementation should be deferred or phased in. The SIA Comments explain that the satellite industry cannot absorb the costs of a major flash-cut increase in regulatory fees,

⁴⁶ USTelecom Comments at 5.

⁴⁷ *Id.* at 7.

and that delayed implementation would allow the Commission to reflect the impact of ongoing streamlining in satellite regulation.⁴⁸

USTelecom opposes phase-in of fee increases, claiming that payers whose fees would go up under a new assessment methodology have been underpaying for years.⁴⁹ In USTelecom's view, the wireline telephone industry has been "paying excessive fees for over a decade" and has been cross-subsidizing other industries.⁵⁰ There is no evidence, however, to support USTelecom's claim.

First, the assertion by USTelecom that the wireline industry has been overpaying is based only on information indicating that revenues for that industry peaked in 2000 and have been declining since then.⁵¹ But Congress mandated that regulatory fees be assessed based on the cost of regulatory activities for an industry, not industry revenues, and USTelecom provides no evidence of a drop in Commission regulatory costs associated with the wireline industry.

Furthermore, the analysis performed by the GAO indicates that adjustments made by the Commission since 1998 to the regulatory fee structure have cut the fees paid by the wireline industry and required all other industries to pay higher fees.⁵² This suggests that any cross-subsidization may have been in favor of the wireline industry, not the other way around.⁵³

⁴⁸ SIA Comments at 23-25; *see also* GVF Comments at 5 n.10.

⁴⁹ USTelecom Comments at 3 and n.6.

⁵⁰ *Id.* at 2.

⁵¹ *Id.*

⁵² *See* GAO Report at 8 n.15 (GAO calculated that the cumulative effect of adjustments made by the Commission was that for fiscal year 2011, the Commission expected the wireline telephone industry to pay about \$8.6 million less than it would have paid using the allocation percentages resulting from the 1998 cost accounting system, and each of the other industries paid a higher level of fees to compensate for those adjustments).

⁵³ GAO emphasized, however, that because the Commission has not performed "a current FTE analysis by fee category, it is not possible to determine the extent that cross subsidization is occurring between fee categories, or which fee categories are cross subsidizing other fee categories." *Id.* at 18.

Thus, USTelecom’s assertion that industries other than the wireline industry have been paying insufficient regulatory fees must be rejected.

VI. THE COMMISSION SHOULD SEEK REFUND AUTHORITY

In its analysis of the Commission’s regulatory fee methodology, the Government Accountability Office demonstrated that the Commission has routinely collected more in fees than was required, by an average of \$6.7 million per year.⁵⁴ The SIA Comments explain that the Commission should endeavor to avoid future overcollections by revising the payment assumptions factored into fee calculations.⁵⁵ SIA also agrees with the commenters who suggest that the Commission should request authority from Congress to refund the \$66 million in excessive fees it has already collected.⁵⁶

⁵⁴ GAO Report at 28.

⁵⁵ SIA Comments at 6 n.17; *see also* Verizon Comments at 3 (“the Commission should focus on accurately assessing the fees so that it no longer habitually over-collects fees”).

⁵⁶ USTelecom Comments at 7-8; Verizon Comments at 2-3.

VII. CONCLUSION

For the foregoing reasons and those set forth in the SIA Comments, the Commission should abandon the proposed fee assessment methodology proposed in the Notice and instead set regulatory fee levels based on a more detailed analysis of FTE costs that links those costs to the categories of fee payers who benefit.

Respectfully submitted,

SATELLITE INDUSTRY ASSOCIATION

A handwritten signature in black ink, appearing to read "Patricia A. Cooper". The signature is written in a cursive style with a large initial "P".

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