



REGULATORY FEES FACT SHEET

Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

September 10, 2014

WHAT YOU OWE – INTERNATIONAL AND SATELLITE SERVICES LICENSEES FOR FY 2014

Each year, the Commission is required to collect regulatory fees. Licensees and regulatees are assessed fees as set forth in *Assessment and Collection of Regulatory Fees for Fiscal Year 2014, Report and Order*, (released August 29, 2014) (“FY 2014 Regulatory Fees, *Report and Order* and *Further Notice of Proposed Rulemaking*”). The Commission also publishes industry-specific guidance in *Who Owes Fees & What Is My FY 2014 Fee*, which can be found on the Commission website at <http://www.fcc.gov/regfees>.

The Commission’s automated filing and payment system (“Fee Filer”) is available for filing and viewing of FY 2014 regulatory fees. While FY 2014 regulatory fees will not become effective until the rulemaking is published in the Federal Register, regulatees at their own discretion, may submit payments at any time before the effective due date of FY 2014 regulatory fees. **Regulatory fee payments must be RECEIVED¹ by the Commission no later than 11:59 PM, Eastern Daylight Time, on September 23, 2014.**

This *Fact Sheet* applies to providers of international bearer circuits, earth station licensees (Part 25), geostationary space station licensees (Part 25) and direct broadcast satellite licensees (Part 100), non-geostationary orbit satellite system licensees (formerly low earth orbit satellite systems) (Part 25), and submarine cable licensees (*see also, Public Notice: Submarine Cable Systems –FY 2014*).

Licensees owe regulatory fees for each license held as of October 1, 2013, and payment is due even if a license expired after October 1, 2013. In instances where a license or authorization is transferred or assigned after October 1, 2013, the fee must be paid by the party that is the licensee or holder of the authorization on the date that the fee payment is due.

If an earth station's license limits its operational authority to a particular satellite system that is not yet operational, a regulatory fee payment for the earth station is not due until the first satellite in the system becomes operational pursuant to section 25.121(d) of our rules.

Earth Stations

Who Must Pay: VSAT and Equivalent C-Band Antennas: These facilities are earth station systems comprising very small aperture terminals making up authorized networks operating in the 12 and 14 GHz bands that provide a variety of communications services to other stations in the network. Each system, authorized pursuant to blanket licensing procedures in Part 25 of the Commission’s rules, consists of a network of technically-identical small fixed-satellite earth stations which often includes a larger hub station. Entities holding these types of authorizations will be assessed a regulatory fee per authorization or registration, as well as a fee for each associated Hub Station.

¹ The Commission has instituted a mandatory electronic payment policy, which means that licensees will no longer be able to make regulatory fee payments by check, money order, or cashier’s check. Only credit card, ACH, and wire transfer payments will be accepted. Please make sure that your electronic fee payment is made and the transaction is complete by the due date of FY 2014 regulatory fees.

Mobile Satellite Earth Stations: Mobile satellite service providers operate under blanket licenses for mobile antennas (transceivers) which are smaller than one meter and provide voice or data communications, including position location information, for mobile platforms such as cars, buses or trucks.

Earth Station Antennas: Transmit/Receive and Transmit-Only Antennas: These licensees include private carriers and common carriers that operate fixed-satellite earth station antennas to provide telephone, television, data, and other forms of communication, including antennas used to transmit and receive and transmit-only. Also included in this category are telemetry, tracking and control (TT&C) earth stations and transportable earth stations.

Earth Station Antennas: Receive-Only Antennas: The Commission does not assess regulatory fees for receive-only earth station antennas.

Notice of Billing: Earth Station licensees will not receive a pre-completed regulatory fee bill (FCC Form 159-B) in the mail for their Earth Station licenses. A regulatory fee bill will be created, but this bill will be available for viewing only by accessing Fee Filer. Earth Station licensees are also required to make regulatory fee payments for all other regulatory fees that they owe.

Fee Calculation: \$295 per license or authorization, and \$295 for each associated Hub Station.

Geostationary Orbit Space Stations and Direct Broadcast Satellite Service

Notice of Billing: Geostationary orbit space station and Direct Broadcast Satellite (DBS) licensees will not receive a pre-printed regulatory fee bill (FCC Form 159-B) from the Commission for their satellite space station authorization(s). A regulatory fee bill will be created, but this bill will be available for viewing only by accessing Fee Filer. Geostationary space station licensees are also required to make regulatory fee payments for all other fee categories as well.

Who Must Pay: Entities authorized to operate space stations in geostationary orbit² in accordance with section 25.121(d) and direct broadcast satellites (Part 100).

Fee Calculation: \$122,400 per operational space station in geostationary orbit in accordance with section 25.121(d) as of October 1, 2013. A fee payment is required “upon the commencement of operation of a system's first satellite as reported annually pursuant to sections 25.142(c), 25.143(e), 25.145(g), or upon certification of operation of a single satellite pursuant to section 25.121(d).” Multiple technically identical geostationary satellites collocated at the same orbital location will be considered one station for the purpose of per-space station regulatory fee calculation.

Non-Geostationary Orbit Satellite Systems

Notice of Billing: Non-Geostationary orbit space station and DBS licensees will not receive a pre-printed regulatory fee bill (FCC Form 159-B) from the Commission for their satellite space station authorization(s). A regulatory fee bill will be created, but this bill will be available for viewing only by accessing Fee Filer. Non-Geostationary space station licensees are also required to make regulatory fee payments for all other regulatory fees that they owe.

² Domestic and international satellites, positioned in orbit to remain approximately fixed relative to the earth, authorized to provide communications between satellites and earth stations on a common carrier or private carrier basis in accordance with section 25.121(d).

Who Must Pay: Entities authorized to operate systems of satellites in non-geostationary orbit under Part 25 to provide communications between satellites and earth stations on a common carrier or private carrier basis.

Fee Calculation: \$132,850 per operational system in non-geostationary orbit.³ A fee payment is required “upon the commencement of operation of a system’s first satellite as reported annually pursuant to sections 25.142(c), 25.143(e), 25.145(g), or upon certification of operation of a single satellite pursuant to section 25.121(d).”

International Bearer Circuits

Who Must Pay: In a *Second Report and Order* (“*Submarine Cable Order*”) released on March 24, 2009, the Commission adopted a new submarine cable bearer circuit methodology that assessed regulatory fees on a per cable landing license basis, with higher fees for larger submarine cable systems and lower fees for smaller systems, without distinguishing between common carriers and non-common carriers.⁴ For the other categories of international bearer circuits - common carrier and non-common carrier satellite facilities and common carrier terrestrial facilities - the *Submarine Cable Order* retained the existing regulatory fee methodology of assessing fees on a per 64 kbps circuit basis. For these categories of bearer circuits, the fee amount should be based on active circuit counts (used or leased) as of December 31, 2013.

International Terrestrial and Satellite. Regulatory fees for International Bearer Circuits are to be paid by facilities-based common carriers that have active (used or leased) international bearer circuits as of December 31, 2013 in any terrestrial or satellite transmission facility for the provision of service to an end user or resale carrier, which includes active circuits to themselves or to their affiliates. In addition, non-common carrier satellite operators must pay a fee for each circuit sold or leased to any customer, including themselves or their affiliates, other than an international common carrier authorized by the Commission to provide U.S. international common carrier services. “Active circuits” for these purposes include backup and redundant circuits. In addition, whether circuits are used specifically for voice or data is not relevant in determining that they are active circuits.

Fee Calculation: \$0.21 per active 64 KB circuit or equivalent.

| TYPE OF FEE | REGULATORY FEE PAYMENT | PAYMENT TYPE CODE |
|---|--|-------------------|
| International Bearer Circuits: Terrestrial Common Carrier; Satellite Common Carrier; and Satellite Non-Common Carrier. Capacity as of December 31, 2013 | \$0.21 per active (used or leased) 64 KB circuit or equivalent | 1476 |

³ A LEO system consists of one or more satellites operating in a non-geostationary satellite constellation. Payment is required for any LEO System that has one or more satellites operating pursuant to sections 25.142(c), 25.143(e), 25.145(g), or upon certification of operation of a single satellite pursuant to section 25.121(d) as of October 1, 2009.

⁴ See *Assessment and Collection of Regulatory Fees for Fiscal Year 2008*, Second Report and Order, 24 FCC Rcd 4208, ¶ 1 (May 12, 2009) (“*Submarine Cable Order*”).

Submarine Cable Systems

Submarine Cable: Regulatory fees for submarine cable systems will be paid, per cable landing license, for all submarine cable systems operating as of December 31, 2013.

| TYPE OF FEE Submarine Cable Systems (capacity as of December 31, 2013) | REGULATORY FEE PAYMENT | PAYMENT TYPE CODE |
|--|------------------------|----------------------|
| < 2.5 Gbps | \$10,250 | 1486 |
| 2.5 Gbps or greater, but less than 5 Gbps | \$20,500 | 1487 |
| 5 Gbps or greater, but less than 10 Gbps | \$40,975 | 1488 |
| 10 Gbps or greater, but less than 20 Gbps | \$81,950 | 1489 |
| 20 Gbps or greater | \$163,900 | 1490 |

International Public Fixed Radio and International (HF) Broadcast Stations

After a 90-day Congressional notification period in which we did not receive any objections, the fee categories of International Public Fixed Radio and International High Frequency (HF) Broadcast Stations were eliminated from regulatory fee assessment on August 18, 2009. The elimination of these two categories is based on the Commission's actions in the FY 2009 Regulatory Fees *Notice of Proposed Rulemaking and Order* and the FY 2009 Regulatory Fees *Report and Order*.⁵ Hence, there is no regulatory fee obligation for licensees holding International Public Fixed Radio and International (HF) Broadcast Station licenses.

⁵ See *Assessment and Collection of Regulatory Fees for Fiscal Year 2009*, MD Docket No. 09-65, Notice of Proposed Rulemaking and Order, 24 FCC Rcd 5966 (2009) (“FY 2009 NPRM and Order”), and *Assessment and Collection of Regulatory Fees for Fiscal Year 2009*, MD Docket No. 09-65, Report and Order, 74 FR 40089 (August 11, 2009) (“FY 2009 Report and Order”).

SUMMARY OF FEES FOR INTERNATIONAL SERVICES

| TYPE OF FEE | REGULATORY FEE PAYMENT | PAYMENT TYPE CODE |
|--|---|-------------------|
| Earth Stations | \$295 per station or Hub Station | 1473 |
| Geostationary Orbit Space Stations and Direct Broadcast Satellite Service Licensees | \$122,400 per operational station | 1474 |
| Non-Geostationary Orbit Satellite Systems | \$132,850 per operational system | 1475 |
| International Bearer Circuits: Terrestrial Common Carrier; Satellite Common Carrier; and Satellite Non-Common Carrier (capacity as of December 31, 2013) | \$0.21 per active 64 KB circuit or equivalent. *See further guidance and table below. | 1476 |
| < 2.5 GBps | \$10,250 | 1486 |
| 2.5 GBps or greater, but less than 5 Gbps | \$20,500 | 1487 |
| 5 Gbps or greater, but less than 10 Gbps | \$40,975 | 1488 |
| 10 Gbps or greater, but less than 20 Gbps | \$81,950 | 1489 |
| 20 Gbps or greater | \$163,900 | 1490 |

* Equivalent circuits include the 64 KB circuit equivalent of larger bit stream circuits (e.g., the 64 KB equivalent of a 2.048 MB circuit is 30) and analog circuits such as 3 and 4 KHz circuits used for international services. The number of equivalent 64 KB circuits for analog television channels is given by the following table:

| ANALOG TELEVISION CHANNEL SIZE (MHz) | NO. OF EQUIVALENT 64 KB CIRCUITS |
|--------------------------------------|----------------------------------|
| 36 | 630 |
| 24 | 288 |
| 18 | 240 |

| <u>Actual Speed</u> | <u>in 64 Kbps Units</u> |
|---------------------|-------------------------|
| 1 T-1 | 24 |
| 1 E-1 | 30 |
| 1 DS-3 | 630 |
| 1 STM | 1,890 |
| 5 Gbps | 60,480 |
| 10 Gbps | 120,960 |

MANDATORY USE OF FEE FILER

The use of the online Fee Filer system for filing regulatory fees has not changed since the process was first initiated in FY 2009: licensees and regulatees must first enter the Commission's Fee Filer system with a valid FRN and password, and follow the online prompts to review their data and submit an electronic fee payment. Use of the online Fee Filer system is mandatory, and payments in the form of checks, money orders, and cashier's checks are no longer accepted.⁶ A Form 159-E voucher will only be accepted when the regulatee is making a wire transfer payment. Instructions on the use and submission of Form 159-E vouchers are available on the Commission's website.

For wire transfers, a Form 159-E should be transmitted via FAX ((314) 418-4232)) to U.S. Bank so that the Commission can associate the wire payment with the corresponding regulatory fee payment.

LIMITATIONS ON CREDIT CARD TRANSACTIONS

The U.S. Treasury will not process credit card transactions greater than \$49,999.99. Treasury Financial Manual (TFM) No. A-2012-02 (February 2012) directs agencies to limit credit card collections amounts not to exceed \$49,999.99. The revised policy, effective June 30, 2012, lowers the maximum dollar amount for a credit card transaction from \$99,999.99 to \$49,999.99, and eliminates the maximum dollar limit for a debit card transaction.

In addition, the U.S. Treasury will reject multiple credit card transactions from a single credit card in a single day that total more than \$49,999.99. The system will also reject transactions charged to a credit card on that day that exceed the total daily dollar limit of \$49,999.99. The FCC policy will conform to the U.S. Treasury policy. Fee payors needing to remit amounts of \$50,000.00 or greater must use alternative methods of payment: debit card, ACH or FedWire. The FCC will post warnings on FCC websites to remind licensees of the U.S. Treasury policy. Additional information can be found at <http://www.fcc.gov/regfees>.

Regulatory fee payments that exceed the U.S. Treasury limit and are rejected by Treasury, causing a payment not to meet the required payment deadline, will be subject to interest, fees, and a 25% late payment penalty.

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⁶ Payors should note that this change will mean that entities that have previously paid both regulatory fees and application fees at the same time by paper check will no longer be able to do so because regulatory fees payments by paper check will no longer be accepted.