



Telesat Canada
1601 Telesat Court
Gloucester, Ontario
K1B 5P4

October 13, 2005

Ms. Diane Rhéaume
Secretary General
Canadian Radio-television &
Telecommunications Commission
Ottawa, Ontario
K1A 0N2

Dear Ms. Rhéaume:

Re: PN 2004-1: Review and Disposition of Deferral Accounts for the Second Price Cap Period – Applications for Costs

Telesat Canada (Telesat) is in receipt of the TELUS Communications Inc. (TELUS) letters of October 3 and 4, 2005, in the above referenced proceeding. In these letters, TELUS submits that Telesat should be identified as a cost respondent with respect to applications filed by the Canadian Association of the Deaf and the BC Public Interest Advocacy Centre. In previous correspondence in this proceeding, TELUS also suggested that Telesat should be identified as a cost respondent with respect to the applications filed by ARCH and the Consumer Groups. Telesat objected to being so identified in its letter to the Commission dated August 18, 2005, and, for the same reasons, does not believe that it should be identified as a cost respondent in regard to the CAD or the BC Public Interest Advocacy Centre applications either.

As Telesat noted in its letter of August 18, Telesat's participation in this proceeding was limited to the filing of comments and reply to proposals made by other parties to use deferral accounts to fund broadband expansion into rural and remote areas of Canada, based on the Company's own experience in serving these regions using satellite technology. Telesat did not offer any comment on any of the other proposals to use the fund for different purposes. Moreover, Telesat was not involved in the multiple interrogatory processes established in this proceeding.

Telesat believes that the TELUS suggestion that Telesat should be named as a cost respondent is also arbitrary. In particular Telesat notes that other alternative service providers were just as active in this proceeding and yet have not been singled out by TELUS to be cost respondents. In this regard, Telesat further notes that no other party suggested that Telesat should be a cost respondent in this proceeding.

The TELUS suggestion that Telesat should be identified as a cost respondent in this proceeding should therefore be ignored or rejected as being inappropriate.

Yours truly


Robert Power
Director, Regulatory Matters & Policy Initiatives

c.c.: Parties to PN 2004-1