



Duncan Hunter
U.S. House of Representatives
50th District, California

January 23, 2017

The Honorable Robert O. Work
Deputy Secretary of Defense
1000 Defense Pentagon
Washington, DC 20301

Dear Secretary Work:

I am concerned with DARPA's Robotic Servicing of Geosynchronous Satellite (RSGS) program, which as I understand, is not based on a Department of Defense requirement, duplicates much of the technical development funded for NASA's Restore-L program, and inappropriately competes with commercial investment in satellite servicing by providing a DARPA-funded capability to a single commercial satellite service provider, as stated in DARPA's R-1 budget book for FY17.

My concern is supported by the U.S. National Space Policy, which directs government agencies to avoid distorting commercial space markets by directly funding or indirectly subsidizing space-related activities that private enterprises are willing and able to carry out on their own. In particular, the National Space Policy of June 2010 mandates that federal agencies adhere to these guidelines:

- (1) Develop space systems only when it is in the national interest and there is no suitable, cost-effective U.S. commercial or, as appropriate, foreign commercial service or system that is or will be available;
- (2) Refrain from conducting space activities that preclude, discourage or compete with U.S. commercial space activities, unless required by national security or public safety;
- (3) Ensure that government space technology and infrastructure are made available for commercial use on a reimbursable, noninterference and equitable basis to the maximum practical extent.

It appears that DARPA's current plan for RSGS conflicts with these provisions. Further, it is my understanding that under the current plan, DARPA will provide a multi-million dollar subsidy to a single company in the form of a free launch and a fully developed robotic satellite payload with all the related intellectual property. This enormous subsidy to a single firm could dramatically disrupt normal market conditions by making it impossible to openly compete in the emerging in-space satellite servicing sector because a single "winner" will have significantly lower pricing enabled by the DARPA subsidy. This is unlike other public-private partnership

arrangements that offer incentives to multiple contractors and eventually select a few for operations.

Furthermore, this program could adversely affect domestic and international private investment in advanced technology. For example, one U.S. company has already committed approximately \$200 million of its private investment over the next two years to develop, build, launch, and operate the industry's first commercial in-space satellite servicing system, about three years prior to launch of RSGS. They have a customer and a launch on contract and significant interest from other large-fleet commercial operators. Their decisions about further investment in advanced robotic capabilities based on market forces is sure to be undermined by a DARPA subsidy to a single firm.

Additionally, the RSGS effort appears duplicative of NASA's significant investment to its Restore-L satellite servicing program, which leverages exactly the same government developed robotics from the Naval Research Lab. Putting significant government funding in a program that has no government requirement but is designed to create a commercial industry by subsidizing a single company is counter to U.S. space policy, jeopardizes private investment in commercial satellite servicing business and wastes taxpayer dollars. Therefore, I request a detailed response as to why DARPA is not pursuing strategies that demonstrate the desired capabilities but also incentivize broad industry investment and partnership to advance pre-competitive space robotics technology.

Thank you for your attention to this important matter. I look forward to your prompt response.

Sincerely,



Duncan Hunter
Member of Congress