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Congress Daily

Congress Under Watchful Eyes Of Satellite Imagery Firms

by Chris Strohm

The Obama administration is moving forward with plans to buy more satellite imagery from private companies while Congress grapples with developing a long-term strategy to ensure U.S. military and intelligence agencies have access to the images they need.

The National Geospatial-Intelligence Agency issued a classified request two weeks ago asking firms that operate remote-sensing or imaging satellites for information on how they could meet U.S. government needs.

The agency plans to award major contracts to commercial imagery providers next spring under its EnhancedView program, which calls for augmenting the capabilities of powerful U.S. spy satellites.

The contracts are expected to boost revenue and sales for the nation's two largest imagery providers, GeoEye of Dulles, Va., and DigitalGlobe of Longmont, Colo. Both companies are already under contract with NGA.

Key members of Congress support the concept of turning to the private sector for large amounts of satellite imagery, which has been an expressed priority of both the Bush and Clinton administrations. But lawmakers are wrangling over how best to ensure that U.S. government needs are met in the future.

And, in what could spark a clash with the industry, Congress is backing a plan under which the government would build a new array of satellites that might ultimately compete with those of the commercial providers.

Conference Deal

Last week's conference agreement for the FY10 defense authorization bill includes a little-noticed provision directing the Defense Department to develop commercial-grade electro-optical satellites - one with a 1.1-meter aperture and a second with a more powerful 1.5-meter aperture. The House approved the agreement Thursday; the Senate is expected to do so this week.

According to the conference report accompanying the bill: "The conferees agree that [the Defense Department] should consider obtaining the capabilities of 1.5-meter aperture EO satellites for multiple reasons: to hedge against the risk of gaps in national intelligence collection capabilities; to determine how well 1.5-meter EO satellites can meet imagery collection requirements; to better support combatant commander requirements for point-target and area imagery; and to ensure that U.S. industry retains world leadership in commercial remote sensing."

But key lawmakers and committees have yet to agree on a long-term strategy for replacing the nation's aging spy satellites. The Obama administration proposed earlier this year to buy large, expensive satellites for intelligence and military operations, a plan that was supported by the House Intelligence Committee.

But the Senate Intelligence Committee balked and put forward an alternative plan that would allow the government to buy more satellites, although they would be cheaper and less sophisticated.

House Intelligence Technical and Tactical Subcommittee Chairman C.A. (Dutch) Ruppberger, D-Md., said an agreement is being negotiated as part of the House-Senate conference talks on the FY10 intelligence authorization bill.

"Because the Senate has a point of view, doesn't mean that we're wrong and they're right," he said. "But we better be ready for our argument with the Senate, and that's what you do when you come into conference. The Senate raised some extremely good issues on where we need to go in the future and how this is very important what they talked about."

On Time, On Budget

Even though a long-term plan has yet to materialize, the National Geospatial-Intelligence Agency believes it is prudent to award new contracts for commercial imagery in the spring.

"We are still working with the Hill on the FY10 budget, while concurrently moving forward with our plans," the agency said in response to questions. "The U.S. government continues to support the U.S. commercial imagery industry; we will continue to rely on commercial data providers in the near future."

Companies like GeoEye and DigitalGlobe boast that they are able to launch satellites on time and on budget compared to the government, whose expensive programs have experienced delays and in some cases outright failures.

DigitalGlobe, for example, launched a new satellite Thursday called WorldView-2.

GeoEye, for its part, is moving forward with plans to launch a satellite called GeoEye-2, said the company's spokesman, Mark Brender. But the company wants to be assured that the government will continue to buy its imagery through contracts such as those to be awarded by NGA next year, he said.

"We have taken all the necessary steps including contracting with ITT [Defense Electronics & Services] for the long-lead items such as the camera and camera electronics and have realigned our finances so we're ready to respond to any new acquisition opportunities," he said. "We're in a position to launch GeoEye-2 about three years after any contract award."

But the commercial providers are closely following proposals in Congress that might have an impact on the millions of dollars in revenue they get each month from selling images to the government.

When asked about the directive in the defense authorization bill for the government to build two new commercial-grade satellites, Brender gave a carefully worded response.

"The authorizers have spoken. Whatever comes of this I am hopeful we'll have a seat at the table when these decisions are being made," he said.

All About The Resolution

Notably, Congress is taking a major step toward relaxing restrictions on the resolution of imagery that private companies like GeoEye and DigitalGlobe can sell commercially.

The defense authorization conference agreement directs the Obama administration to review whether changes should be made. Companies are now prohibited from selling commercially imagery that reveals details greater than half a meter.

"The conferees agree that controls remain necessary on what targets the [commercial providers] can image for commercial sale, but are skeptical that the current limit on resolution makes sense," the conference report says. "The conferees direct that the Secretary of Defense request that the Office of Science and Technology Policy undertake an interagency review of current regulatory policy."

The administration is expected to provide the results of the review to congressional intelligence and defense committees by June 1.

"We do welcome the review of the resolution limits since this will allow U.S. industry to maintain its leadership position in the face of increasing foreign competition," Brender said.

DigitalGlobe did not respond to questions for this article.