

CHAPTER 13

DOD SUPPORT TO UNITED STATES COMMERCIAL SPACE ACTIVITIES

1301 **PURPOSE.** This chapter provides reimbursable policy and procedures for the sale of DoD support to U.S. commercial space activities.

1302 **BACKGROUND.** Title 49, United States Code, sections 70101-70119, “Commercial Space Launch Activities;” Title 15, United States Code, section 5807, “Use of Government Facilities;” and DoD Directive 3230.3, “DoD Support for Commercial Space Launch Activities,” encourage cooperation with the U.S. private sector in the development of commercial space launch operations and other related commercial space activities.

1303 **APPLICABILITY.** This chapter applies to DoD organizations that provide support to U.S. commercial space activities, including support provided by Major Range and Test Facility Base (MRTFB) activities.

1304 **PRICING**

130401. **General Pricing.** Title 15 of the United States Code, section 5807, authorizes DoD to allow commercial activities to use its space related facilities provided that DoD is reimbursed for its direct costs accrued in supporting the commercial space activities. The term commercial means having private capital at risk, and primary financial management responsibility for the activity residing with the private sector. Direct costs, for the purposes of this chapter, is defined as the actual costs that are associated with a commercial launch effort or other commercial space activity that would not be borne by the DoD in the absence of the commercial launch effort or other commercial activity. Such costs may include labor, material, utilities, equipment, supplies, transportation, mission-specific construction, and any other resources required, consumed, or damaged in providing government support or services.

130402. **Pricing of Space Launch Property and Services to U.S. Private Sector Launch Vehicle Operators and Other Commercial Space Activities**

A. **Space Launch Property** Space launch property consists of item built for, or used in, the launch preparation or launch of a launch vehicle.

1. **By Sale.** Space launch property that is excess or otherwise not needed for public use, may be sold or transferred by other transaction instead of sale to U.S. private sector launch vehicle operators and other commercial space activities (e.g., payload retrieval services, payload processing services). The transaction shall be valued at the fair market value as defined in Chapter 3 of this volume.

2. **By Lease/License.** Space launch property that is excess or otherwise not needed for public use may be leased/licensed to U.S. private sector launch vehicle

operators and other commercial space activities. The transaction shall be priced to recover direct costs, as defined in paragraph 130401. In addition to the costs identified in paragraph 130401, direct costs include specific wear and tear and property damage incurred by the Department as related to the launch property acquisition. Property damage costs represent the costs necessary to replace or restore the property, or site, to its condition before the lease/license.

B. Space Launch Services. Space launch services are those activities involved in the preparation of a launch vehicle and its payload for launch and the conduct of a launch. For space launch services, including utilities, otherwise not needed for public use, the acquisition price represents an amount equal to the direct costs, including the basic pay of Government civilian and contractor personnel incurred as a result of the acquisition.

130403. Articles and Services Provided from the Department of Defense Working Capital Funds. Standard prices/stabilized rates shall be charged for articles and services provided by activities and businesses operated with DoD Working Capital Funds.

130404. Upgrades or Modifications to DoD Owned Property. Upgrades or modifications to DoD owned property, facilities or equipment for commercial space activities shall be reimbursed in accordance with the provisions contained in Chapter 1 of this volume. Such upgrades or modifications must have documented approval from the parent DoD organization in accordance with DoD Directive 3230.3, "DoD Support for Commercial Space Launch Activities."

130405. Government-owned Production Facilities. Government-owned production facilities or related equipment used to support the production of a private sector commercial launch vehicle or a commercial launch process shall be provided on a direct cost basis, with terms and conditions established by a standard contract for DoD support to United States commercial space activities.

130406. Test and Evaluation. Commercial operators performing test and evaluation activities related to commercial space launch efforts using DoD facilities shall be charged on a direct cost basis.

130407. Fixed Price Estimates. Commercial space launch contractors may be offered fixed price quotes for the sale of launch services based on reasonable estimates of direct costs only when there is (a) a well defined contractor requirement and (b) a reliable cost history of similar previous sales.

1305 BILLING

130501. Invoices for support provided shall be completed and transmitted to the commercial space activity within 30 days after the rendering of such support.

130502. The payment due date shall be no more than 30 calendar days from the date of the invoice.

1306 DISPOSITION OF COLLECTIONS

130601. Proceeds from the sale of articles and services from activities operated with DoD Working Capital Funds shall be deposited to the Department of Defense Working Capital Funds.

130602. Proceeds from the sale of launch property by other than a DoD Working Capital Funds activity shall be:

A. Deposited to the Miscellaneous Receipts Account of the U.S. Treasury when the launch property is not to be replaced.

B. Deposited to the DoD appropriation account or fund, currently available for the procurement of the launch property, if the launch property is to be replaced.

130603. Proceeds from the license of launch property shall be deposited to the DoD appropriation account or fund currently available for financing the direct costs incurred. Proceeds from leases shall be deposited to the Miscellaneous Receipts Account of the U.S. Treasury.

130604. Proceeds from the sale of launch services shall be deposited to the DoD appropriation account or fund that financed the provisioning of those launch services. These proceeds must be credited to the fiscal year in which the DoD Component provided the services.

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