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SUBCOMMITTEE ON STRATEGIC FORCES
HOUSE ARMED SERVICES COMMITTEE
UNITED STATES HOUSE OF REPRESENTATIVES

DEPARTMENT OF THE AIR FORCE
PRESENTATION TO THE HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON STRATEGIC FORCES
UNITED STATES HOUSE OF REPRESENTATIVES

SUBJECT: FY26 Space Budget Hearing
STATEMENT OF: Major General Stephen G. Purdy,
Acting Assistant Secretary of the Air Force for Space Acquisition and Integration

May 14, 2025

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OVERVIEW

Chairman DesJarlais, Ranking Member Moulton, and distinguished members of the sub-committee, thank you for inviting me to testify before you today.

I want to personally thank the sub-committee for elevating the responsibilities of my position in the FY24 National Defense Authorization Act (NDAA) and permitting me to serve as the Acting Assistant Secretary of the Air Force for Space Acquisition and Integration (ASAF (SA&I)). You have empowered the Service Acquisition Executive for Space (Space SAE) to transform space acquisition with the following new authorities we have already implemented: Contractor Responsibility Watch List (CRWL); permitting continuous iterative prototyping and fielding for Middle Tier of Acquisition (MTA) for an unlimited number of subsequent periods; and Senior Advisor for C2.

I am committed to building on the innovative acquisition practices implemented over the past few years. Specifically, our focus shifted to building smaller while minimizing non-recurring engineering, awarding executable contracts, and delivering capabilities that work and are executed on schedule and on cost to give our warfighters a strategic edge. The cumulative effect of these changes has been to drive speed into acquisition, adopt best practices from across the national security space enterprise, and capitalize on innovation in the commercial sector. We realized improvements and I will provide more details throughout my statement.

Our adversaries continue to view the exploitation of the space domain as critical to their theory for victory in future conflicts. Specifically, peer adversaries have demonstrated their willingness to either violate international norms of behavior or conduct themselves irresponsibly in space in an increasingly unsafe and unprofessional manner by developing and/or fielding systems such as nuclear weapons in space, direct ascent weapons, nesting dolls, robots, directed energy, and jammers. We must continue to evolve our way of doing business to provide timely and relevant capabilities to the joint warfighter.

EVOLVING SPACE ENTERPRISE

Space acquisition is in a good place compared to years ago, and trending better. We have pushed accountability, improved software acquisition, implemented contract reform, established system engineering at the portfolio level, and embraced commercial solutions all with the goal of delivering capability to the warfighter faster. Our challenge is to expand the scope, and accelerate the pace, to continue evolving the business and culture of space acquisition. To that end, we need to develop a space acquisition culture and space acquisition professionals that will ensure new and current programs are structured and managed to deliver warfighting capabilities with speed and discipline. Our sustained and strategic advantage in space is threatened when we have programs delay deliveries or overrun cost. For this reason, we are prioritizing commercial technologies across all contracting actions and taking advantage of the Executive Order "Modernizing Defense Acquisitions and Spurring Innovation in the Defense Industrial Base" to elevate Other Transaction Authority (OTA) and Rapid Capability Offices' policies. These pathways continue to play a critical role in fast-tracking advanced aerospace capabilities, including artificial intelligence-enabled space systems in space servicing, and autonomy. Here are some of the key initiatives we have implemented that have resulted in measurable successes.

Accountability. As the Acting Space SAE, I am managing and holding programs accountable. Since May 2022, 15 major acquisition programs have had contracts, or even entire programs, restructured or cancelled due to cost, schedule, performance issues. This includes 12 contract terminations (6 of which are classified efforts), 2 program terminations (1 of which is classified), and 1 program restructure. Additionally, I applaud Congress for transferring oversight of the CRWL from the Commander of Space

Systems Command (SSC) to the Space SAE in the FY25 NDAA. Utilizing the CRWL at the SAE level allows us to apply appropriate pressures across the entire space enterprise. The SAE's oversight of the CRWL is another step toward ensuring accountability as an enterprise perspective. We are also willing to hold our acquisition leaders accountable by removing Program Managers when necessary.

Software Acquisition. We shifted the space portfolio away from massive, monolithic, winner-take-all ground software programs like Enterprise Ground Services (EGS) and Global Positioning System (GPS) Next-Generation Operational Control System (OCX). Instead, we've broken out our ground software acquisition into multiple components, using open architecture frameworks and tapping into Silicon Valley style software production contractors. We've learned and improved as we've moved from EGS, to Protected Tactical Enterprise Service, to Rapid Resilient Command and Control, to Future Operationally Resilient Ground Evolution (FORGE), and then to Evolved Strategic SATCOM ESS GRIFFON segment. Our use of the Software Acquisition Pathway (SWP) increased by 350% since mid-2023, now including 9 programs, aligning with the March 2025 Secretary of Defense memo on the preferred use of the software pathway.

Contract Reform. We appreciate Congress' and the Executive Order focus on utilizing and tapping into innovative contracting mechanisms. OTA utilization has significantly increased over the last few years, with new Other Transaction (OT) awards across the space portfolio increasing from 15 in FY22 to 86 in FY24, which is a 473% increase. The Space Development Agency (SDA) has used OTs extensively since its inception in 2019 and it is the default instrument for research and development awards. This flexibility has yielded significant efficiencies in crafting and releasing solicitations with simplified award terms and conditions and overall streamlining source selection documentation. SSC has also been a front-runner with OTs, using the Space Enterprise Consortium (SpEC) OTA since 2017. Demand for SpEC OTA was so high that the ceiling was increased from $6 billion to $12 billion in 2022. All SSC Program Executive Officers (PEO) have OTs in their portfolio, with average timelines to award ranging from 38 to 150 days depending on the organization and the complexity.

While there is a learning curve to using OTs, when used appropriately they clearly enable faster awards and, more importantly, earlier delivery of capability to the warfighter in critical mission areas. We have utilized OTs for space control, space domain awareness, assured access to space, and space sensing.

The MeshOne-T program leveraged an OTA contract through SpEC OTA as a pathfinder to rapidly deploy 15 node sites and communications in 20 months across U.S. Northern Command and U.S. Indo-Pacific Command (USINDOPACOM) to support Initial Operating Capability (IOC) of the next air defense system under Command, Control, Communications & Battle Management/Advanced Battle Management System called Cloud Based Command & Control.

Another example is Satellite Control Network (SCN) capacity. Currently, more than 450 satellite contacts occur daily to support critical on-orbit operations. The legacy SCN—a primary enabler of these activities—is increasingly overburdened. Growth in on-orbit capabilities will drive scheduling conflicts and capacity limitations resulting in reduced support for missions that rely on the SCN, jeopardizing operational readiness. We are concurrently working efforts at SSC and Space Rapid Capabilities Office (SpRCO) to get after this problem and "compete" the best solution. By leveraging SSC's Joint Antenna Marketplace (JAM), a flexible marketplace model, JAM will enable dynamic, real-time satellite C2 through adaptive scheduling of satellite contacts and data transport workloads at speed and scale using a marketplace to broker government or commercial antennas. The program takes a software-centric approach utilizing the Department's SWP and leverages OTAs to take advantage of innovation in commercial industry. SpRCO's Satellite Communication Augmentation Resource is relocatable, electronically steerable satellite comm systems (antennas, electronics, software) to expand satellite control comms bandwidth and flexibility that is designed to make multiple contacts simultaneously.

We are also seeing an increase in Commercial Solutions Openings (CSOs). SSC awarded the first CSO to increase National Security Space Launch (NSSL) Space Vehicle (SV) processing capacity. The team awarded 6 months from receiving commercial solutions for Western Range SV processing capabilities and is set to beat that timeline for the Eastern Range. Overall, this strategy saved over a year compared to traditional requirement development processes and back and forth with industry pre- and post-Request for Proposal, or 5+ years compared to a government-owned military construction effort. Operational Test and Training Infrastructure (OTTI) is also pursuing a CSO in four different areas of interest, currently completing Phase II pitches and is poised to move to Phase III which will result in contract awards.

We favor these strategies as they are easier for commercial and small businesses to more rapidly bring their capabilities to bear for the warfighter.

FORGING NEW SPACE ACQUISITION PATHWAYS

The Rapid Response Trailblazer-1 mission, launched on 16 December 2024, demonstrated an ability to execute launches on a condensed timeline with the launch campaign condensed from 24 months to less than five months and the SV07 pre-launch processing timeline reduced from six to three months. The launch showed the ability to rapidly deploy capabilities to meet warfighter needs. We are initiating a second rapid response mission to swap the GPS III-7 (SV08) and GPS IIIF-1 (SV11) missions between United Launch Alliance (ULA) and SpaceX. The swap enables SV08's Initial Launch Capability (ILC) in early Summer 2025 while maintaining SV11's May 2027 ILC. Further, this move provides payload processing relief in late Summer/Fall 2025 while saving tens of millions due to the change from Falcon Heavy to Falcon 9.

The Remote Modular Terminal program delivers first-of-their-kind small, low-cost transportable systems to conduct ground-based electronic warfare against space systems in support of the Joint Force. A 38-business day contract award to start work resulted in the delivery of the first units in November 2023 representing contract award to delivery to the warfighter in 14 months.

Portfolio Systems Engineering. While empowered by statute, the office of the ASAF (SA&I) was limited in the resources it could apply towards technical integration of capabilities across PEO portfolios. This challenge slowed efforts down and increased costs to build consensus around standards, interfaces, and sometimes drove rework to adjust interfaces across programs. It also led to delays in some programs optimizing for the capability delivery in lieu of adopting enterprise capabilities such as defensive cyber operations.

To overcome these challenges we onboarded a Highly Qualified Expert responsible for the Space Systems Integration Office (SSIO) who also serves as the senior ASAF (SA&I) advisor for technical integration. Having a senior advisor of this caliber is essential to conducting the technical oversight of all space acquisition efforts. As the most technologically advanced service, this expert advises the SAE on technical aspects throughout all phases of acquisition to ensure capabilities are delivered and integrated to meet combatant command requirements for the joint warfighter. The near-term focus area is to assess the effectiveness of C2 systems from the sensor to the shooter to connect U.S. Space Command (USSPACECOM) warfighters to the missions. Under the auspices of SSIO, we are building PEO scorecards as an independent assessment of programs meeting U.S. Space Force (USSF) strategic guidance and progress towards capability integration. The PEO scorecards will focus on using data-in-the-system to measure attributes like "kill chain closure," "compliance with Force Design," and "cyber security integration."

Embracing Commercial Solutions. To fully embrace commercial opportunities in space acquisitions we must adapt our thinking and processes to take full advantage of the capabilities present in the competitive space marketplace. Through OTAs we are tapping into a diverse and innovative commercial launch industry base to ensure that National Security Space capabilities can be delivered on time, at a reasonable cost and with appropriate risk. In June 2024, we awarded the Phase 3, Lane 1 contract that allows a pool of qualified vendors to compete for launch task orders hyper-specific to space vehicle customer needs, including tailored mission assurance and accelerated integration timelines. This lane utilizes annual on-ramps of new providers, increasing competition and resiliency. Lane 1 procures risk-tolerant, commercial-like missions. In 2024, NSSL Lane 1 launch task orders were awarded to SpaceX for seven SDA launches and one National Reconnaissance Office (NRO) mission-set. These missions are on contract to begin launching a full year sooner than the traditional 2-year integration timeline. In March 2025 two new providers were onboarded onto Phase 3, Lane 1 to bring the total pool of providers to five and meets the Title 10 requirements to sustain a robust space launch industrial base. Initial awards saved $40 million per mission compared to the average cost of Lane 2 missions with comparable profiles. These cost savings lower the costs of launches for national security space systems.

On 4 April 2025, we awarded Phase 3, Lane 2 Launch Service Procurement Firm Fixed-Price, Indefinite-Delivery Requirements contracts to SpaceX, ULA, and Blue Origin. Phase 3, Lane 2 procures launches for the most technically demanding, no-fail national security missions. The government anticipates awarding 54 missions from FY25 through FY29. Forty-seven of these missions will be divided between SpaceX, as the Requirement 1 provider, and ULA as the Requirement 2 provider, with SpaceX receiving 60% and ULA receiving 40%. The remaining 7 of the 54 missions will go to Blue Origin, as the Requirement Phase 3, Lane 2 provider. Blue Origin missions begin in the second order year. This contract saves $1.7 billion compared to the Government's estimate for Phase 3, Lane 2 contracts while securing national security launch capacity and supply chain stability.

To close the gap between commercial provider advances and traditional space acquisition, the Space Force established the Commercial Space Office (COMSO) two years ago, which aligns with the DoD Commercial Space Integration Strategy and the USSF Commercial Space Strategy. Through this endeavor, the Space Front Door was created as the primary entry point for the commercial space sector to connect industry and the investment community with the right space enterprise agents. This encourages their ability to showcase technologies, learn about mission area requirements, and receive assistance with submitting their investment opportunities. The COMSO recently launched a revamped web industry engagement portal that successfully captured 656 vendor submittals of new ideas, products, and services. The tool currently integrates all Field Commands, USSPACECOM, and the Air Force Research Lab and will eventually integrate the NRO, National Geospatial-Intelligence Agency (NGA), National Aeronautics and Space Administration, and North Atlantic Treaty Organization Headquarters. The tool has been utilized to facilitate over 18 Government hosted Industry Engagement events with access to over 1,850 vendors in the system.

A recent Front Door success occurred with Orbital Watch, a new initiative designed to enhance unclassified threat information sharing with commercial space companies. The Commercial Satellite Communications Office (CSCO) continues to be the "one-stop shop" for all the DoD's Commercial SATCOM needs. In 18 months, CSCO supported 1,100 orders from Army, Navy, Air Force, and Marine Corps to deliver commercial satellite communications to warfighters. The Space Force is rolling out the Commercial Augmentation Space Reserve Framework (CASR), a contractually managed framework that ensures DoD has access to commercial capabilities in peacetime that can be surged and scaled to meet warfighter demands. CASR aims to enhance Space Force capabilities including international investment and collaboration to ensure access throughout the spectrum of conflict. In two short years, we have awarded four pilot awards, conducted our first CASR Wargame, with 14 companies participating, have conducted a commercial mission area analysis with USINDOPACOM, and have an ongoing effort with

U.S. European Command. Finally, we have established partnerships with NRO, NGA, and the Space Information Sharing and Analysis Center, allowing the Space Force to collaborate on requirements and encourage cost sharing while investing in industry and dual-use capabilities. This ensures our warfighters have access to the latest American and International partner innovation so that our acquisition programs deliver with speed and discipline.

Direct Warfighter Support. The Space Force continues to minimize barriers for commercial integration with operations through the USSF – Space Commercial Integration Office, which is composed of the Joint Commercial Operations cell (JCO) and the Commercial Integration Cell (CIC). The JCO operationalizes commercial data and analytics to augment space domain awareness for USPACECOM and other Combatant Commands. Working alongside the CIC and in a matrixed relationship with the Commercial Space Office and all Space Force Component Commands, the JCO leverages the agility of the commercial space sector to enhance national security. Composed of approximately 100 active, reserve, civilian, and contractor personnel, the JCO rapidly onboards commercial vendors, having trained and validated 18 companies. The JCO purchases commercial space domain awareness data through the Global Data Marketplace and places it in the USSF Unified Data Library for access across the DoD. While the JCO works to augment government capabilities with those provided by industry, the CIC uses government capabilities and processes to protect commercial space companies while receiving insights from attached industry liaisons. The JCO fosters collaboration by gathering anomalies and information from allies, partners, and commercial entities to establish clear notification thresholds for Notices to Space Operators. They have issued over 200 such notifications since 2021, proactively enhancing space flight safety. The JCO's comprehensive common operating picture is essential for the National Space Defense Center's critical operations.

While a budget reduction from $35 million to $9 million in FY25 has necessitated adjustments to the number of commercial contracts, the JCO continues to maximize its resources and remains a vital component in integrating commercial space capabilities into national security efforts, demonstrating the power of public-private collaboration.

The Space Force's OTTI, established with a single PEO in 2023, has revolutionized procurement for live, digital, and connected space ranges. OTTI rapidly developed cyber, range command and control, and electronic warfare testing capabilities, significantly increasing training exercises and fielding critical equipment. Since its inception OTTI has grown 7-fold, from 7 Cyber exercises in 2023 to over 50 in 2024 and 2025, as well as the Transportable Range Operations Center, an essential tool that supports offensive and defensive electronic warfare test and training. This capability has been essential to Crimson Stars, Vermillion Stars, and Scarlet Stars, key training and exercise events where we train and hone the operational acumen of cyber, Electronic Warfare, and Orbital Warfare specialists. Their innovative use of commercial space openings, Other Transaction Authorities, and interagency partnerships has accelerated acquisition and maximized investment returns, drastically improving the Space Force's ability to assess weapon system effectiveness and achieve space superiority.

ACQUISITION WORKFORCE DEVELOPMENT

The Space Force Acquisition Workforce shares a civilian acquisition workforce with the Air Force and will continue to develop civilians with deep space expertise capable of leading acquisition programs across the Department of the Air Force. The small size of the Space Force officer corps necessitates new approaches for growing Guardians who can work seamlessly across development, operations, and sustainment and can rapidly integrate Space Force capability with the Joint Force. We are responding to directed changes and external factors affecting acquisition career progression, leadership opportunities, and program stability.

Along these lines, I am also the functional authority for all engineers and program managers in the Space Force and am committed to developing the requisite breadth and depth to ensure our programs are led by purpose-developed leaders with operational experience and program management acumen. In late 2024, the Space Force established a new Officer Training Course (OTC) for all new Guardian officers. OTC will provide Guardians with a foundational understanding of Space Operations, Intelligence, Cyber Operations and an introduction to space acquisition. Upon completing OTC, all officers will serve in a 3- to 4-year operational tour. Officers will then likely meet a board to determine if they will transition into an Acquisition Specialist or Generalist track. In partnership with the Defense Acquisition University the team is building the first-ever acquisition Initial Qualification Training (IQT) to deliver an integrated program manager and engineer training course in order to better prepare our workforce to hit the ground running and immediately make a difference in delivering capability to the warfighter. This new IQT offering will provide all Guardians entering into their initial acquisition assignment with space specific acquisition training required to fill acquisition workforce positions. We are looking to expand this construct in the future with additional space specific acquisition training opportunities for mid-career and senior USSF acquisition workforce members.

As the Space Force implements OTC, operational tours, and stands up Mission Deltas, we will determine any impacts to manning and mission performance in acquisition organizations. The Space Force's decision to repurpose acquisition Lieutenant billets to support OTC and operational tours combined with looming reductions in the civilian workforce and Advisory and Assistance Services contractor reductions increase risk to program execution. The risk grows with the potential looming increase in Space Force acquisition programs. To mitigate the risk posed by the transition to a smaller workforce, the Space Force is evaluating our acquisition manpower needs and identifying opportunities for efficiency in accordance with Executive Orders and administration priorities. As decisions are finalized on current initiatives to resize the civilian workforce and to eliminate unnecessary programs and requirements, we will move quickly to adapt to the new acquisition workforce environment.

Fundamentally, the Space Force acquisition workforce remains focused on program execution: delivering programs on cost and schedule that work. Thus, we are developing an agile civilian and military acquisition workforce who is not only committed to providing paramount support to the warfighter, but one that can leverage the full range of acquisition authorities to move faster and more efficiently.

CHALLENGES

Transforming the space architecture to combat threats requires us to deliver warfighter capabilities on cost and schedule. Some challenging legacy programs remain, but we are aggressively managing these programs to ensure they deliver. I am committed to ensuring all PEOs remain accountable for their programs. As the Acting SAE, I continue to conduct quarterly program reviews to ensure both legacy and new programs remain on track. As stated earlier, these reviews have resulted in 15 contracts being cancelled or restructured to align with SAE guidance. I am closely following three long-standing troubled programs -- GPS Next-Generation OCX, Advanced Tracking and Launch Analysis System (ATLAS), and Military GPS User Equipment Increment 1 (MGUE Inc 1) and Increment 2 (MGUE Inc 2) – which need to get over the finish line.

OCX. The OCX program remains challenging, highlighting the difficulties of developing complex C2 systems concurrently with large-scale software – a practice we aim to avoid in the future. Despite this, we've achieved measurable success in 2025, testing 100% of all requirements, passing 613 of 623 (98%) requirements through developmental testing (as of April 18th), and making approximately 130 live operational contacts with legacy GPS satellites (IIR, IIR-M, and IIF) using all three SCN antenna types.

Key milestones include: first navigation payload initialization, successful Kalman filter convergence, and first broadcast of an OCX-generated signal tracked by an OCX monitoring station. By conducting site acceptance testing, integrated systems test, and transition risk reduction operations in parallel, we're maximizing test time and proactively resolving system issues, saving cost and schedule. Additionally, the program administers' personnel surges as required to meet test event schedule demands. Furthermore, the program has realized test execution efficiencies with the new Mission Delta organizational construct through dedicating operator support and test assets to test events. We anticipate government acceptance of OCX and achieving the Ready to Transition to Operations milestone in September 2025, after which the SpOC Commander will make a fielding decision.

Upon approval, the active constellation transfer and OCX trial period will begin in early FY 2026. OCX's Constellation Transfer "CTX" event assumes control of the GPS constellation through an 8-week, three-stage approach to ensure seamless transition for GPS users. It compares and gains confidence in system data (Stage 1), transferring vehicle control (Stage 2), and culminating in full operational capability. Fallback to the legacy system Architecture Evolution Plan (AEP) remains an option throughout CTX, with a successful Stage 3 (OCX Mission Operations Transfer) closing the CTX success criteria, at which point the 2d Navigation Warfare Squadron has confidence to reduce its crew size to primarily operate one command and control segment. At week 7 OCX will be in control of the complete GPS constellation and is the timeframe where there is confidence that the legacy system, AEP can start to reduce its crew size. The final program milestone is Operational Acceptance, in April 2026, where the SpOC and USSF – Space (S4S) complete validation of all OCX operational system requirements.

ATLAS. Since we divided ATLAS into more manageable deliverables, the program has made significant progress and is on schedule to deliver capability to be operationally accepted by September 2025; in accordance with the FY24 NDAA, if the USSF misses this date which was provided to the Congressional Defense Committees in April 2024, then it must cancel the ATLAS program. When coupled with existing Space Force C2 systems, ATLAS will provide sufficient capability to enable the decommissioning of the legacy Space Defense Operations Center (SPADOC) system. During the most recent integrated test event, ATLAS was in use for three weeks of rigorous 24/7 operations by the Space Force and coalition crews. The remaining development and test activities remain on track; as of 30 April 2025, 137 of 190 open Deficiency Reports (DR) have been resolved through development activities with the majority pending ops/test validation. DR closure timeline has been trending at around 100 days on average, with the most recent DR closures averaging less than 60 days. By the end of May 2025, the Space Force plans to transition ATLAS into an operational trial period, with SPADOC only running in backup mode with no plans to use SPADOC from that point forward.

MGUE Inc 1 and Inc 2. MGUE Inc 1 continues to improve. Since the January 2021 re-baseline, MGUE Inc 1 has successfully completed several major milestones in line with the Acquisition Program Baseline (APB). The final milestone for the ground system circuit card was completed in March 2021, and that card is in production. The aviation/maritime card completed Manufacturing Readiness Assessment in May 2023, enabling it to enter Low-Rate Initial Production which ultimately led to the completion of the program's second to last APB milestone: PEO Certification for the U.S. Navy Arleigh Burke Class Destroyer on 27 September 2024. Additionally, on 24 October 2024 the SAE pivoted aviation lead platform from the U.S. Air Force B-2 Bomber to the U.S. Army Gray Eagle MQ-1C to ensure timely capability delivery to the warfighter. The MQ-1C is on track to complete Developmental Testing by May 2025. Complete PEO Certification of the Aviation card (Program of Record's last APB milestone) is expected in Summer 2025, and Operational Testing by Fall 2025. Lastly, in accordance with FY24 NDAA Section 1685, the USD (A&S) stood up the M-Code Aviation Receiver Enterprise (MARE) JPO to unify all the Air Force receiver programs. The MGUE Inc 1 sustainment effort will be transferred to the Air Force MARE JPO in the near future; a current plan of action is being approved.

Currently, the MGUE Inc 2 program has minimized a significant amount of risk: one of the two vendors do not require an Application-Specific Integrated Circuit re-spin and the second vendor will know if a re-spin is required in the next 3 months. This is a significant feat as industry has a very low first-pass yield rate (30%). Additionally, on 9 April 2025, an agreement was reached to transfer program responsibility of the Acquisition Category 1D MGUE Increment 2 from the USSF to the USAF. The PEO for Military Communications and PNT (USSF) and PEO for Electronic Systems (USAF) will jointly develop a plan of actions and milestones to enable a smooth transition of Milestone Decision Authority, funding profile, and any non-personnel related considerations.

National Security Space Launch (**NSSL).** In NSSL Phase 2, the ULA Vulcan program has performed unsatisfactorily this past year. Major issues with the Vulcan have overshadowed its successful certification resulting in delays to the launch of four national security missions. Despite the retirement of highly successful Atlas and Delta launch vehicles, the transition to Vulcan has been slow and continues to impact the completion of Space Force mission objectives. To address these challenges ULA has increased its engineering resources and management focus to resolve design issues. Government and Federally Funded Research and Development Center personnel have increased involvement in technical and program management challenges. ULA has also lost launch opportunities on the NSSL Phase 3, Lane 1 contract due to not having a certified launch vehicle until April 2025. ULA completed certification of their Block 0 design for the Eastern Range on 25 March 2025 with open work. Risk reduction plans have been agreed to and signed between the Space Force and ULA to reduce known risks to flyable "Low-Medium" prior to the first NSSL Vulcan launch. The first NSSL Vulcan mission is USSF-106 with an ILC date in July 2025. Elevated mission risks are assessed and accepted by the Space Flight Worthiness Certification authority during the Flight Readiness Review (FRR) prior to every NSSL launch. The FRR is typically scheduled 1-2 weeks prior to launch.

For these programs, the prime contractors must re-establish baselines, establish a culture of accountability, and repair trust deficit to prove to the SAE that they are adopting the acquisition principles necessary to deliver capabilities at speed, on cost and on schedule.

ENERGIZING THE SPACE ACQUISITION ENTERPRISE

The expanded acquisition authorities mentioned earlier have allowed us to engage with and incorporate commercial capabilities more rapidly than ever before. While this is now yielding results, we recognized that internally we needed to do a better job understanding and writing space acquisition program requirements. We, in conjunction with our S2 (intelligence), S5 (requirements), and SSC (program office) counterparts, are aggressively reviewing these requirements to identify tradeoffs that deliver capability faster and are restructuring programs with warfighter input based on those reviews. We first applied this change to the Space Domain Awareness portfolio and have already seen the benefits of this review.

Recognizing the need in 2024, we restructured the Geosynchronous (GEO) Space Situational Awareness Program (GSSAP) follow-on effort around requirement tradeoffs for faster delivery. The Space Force issued a market research RFI to understand industry's current space domain awareness capabilities in GEO. Based on feedback to the RFI, this mission area presented an optimal opportunity for commercial competition, especially based on what technology is commercially available. On 28 February 2025, I issued an Acquisition Decision Memorandum (ADM) which directed SSC to come to me with a plan for a proliferated, GEO Space Domain Awareness-capable reconnaissance and surveillance architecture. Particularly, this ADM focused on maximizing competition based on mature technology. Moreover, the

Space Force wants to leverage existing government and industry investments to increase capability, technology refresh rates, and capacity to drive down system cost.

Tradeoff Analysis. We learned from this effort that we needed a more refined process to relook at requirements to incorporate advancements being made across the commercial space enterprise. To codify these changes, as part of the February ADM, the GSSAP PEO evaluated industry capabilities versus Space Force mission requirements. The goal was to determine what requirements could be delayed to integrate commercial capability now. By integrating capability now, we open future opportunities to build up a tranche-style architecture—like those used by the Space Development Agency—to rapidly deliver capability based on desired requirements. Finally, I recently issued a second ADM to the GSSAP program, which directed the PEO to leverage the Middle Tier Acquisition pathway. The Space Force understands the Administration's desire to move quickly and believe this path affords us that opportunity. This program is trailblazing the way the Space Force streamlines acquisitions and will be a major win as it pertains to delivering capability to our warfighters.

To ensure consistent direction across the enterprise, I also requested evaluations of seven other program structures and risk exposures by issuing seven additional ADMs consistent with the GSSAP follow-on ADMs. This direction was reaffirmed when the Administration issued directives aimed at reforming defense acquisition and pulling more private sector capabilities into the federal government.

The ADM guidance makes it clear that PEOs must be accountable to prevent challenges we've faced in our past. To that end, examples of key deliverables include:

- Tasking certain PEOs with investigating alternative architectures, prototypes, alternatives, and acquisition approaches
- Driving modifications for ground segments and user terminal solutions
- Incorporating commercial capabilities
- Evaluating pros/cons, cost, schedule performance, risks and barriers
- PEOs providing the Space SAE with updates on what they find so we can respond to the Executive Order targeting speed, innovation and commercial integration in acquisition strategy

This portfolio-wide review will continue to assess how lessons learned from programs like GSSAP could be incorporated to accelerate capabilities or reduce risk.

Another tool used to manage the enterprise is the Space Acquisition Council (SAC) as it serves as a mechanism for fostering integration. Thanks to Congress, the SAC continues to be an integration forum among key leaders in the National Security Space community. Monthly meetings have covered a wide range of key topics with all major space stakeholders. The SAC remains a valuable tool to ensure coordination and synchronization of the National Security Space enterprise. The SAC has been instrumental in evaluating sensor-to-shooter information flows to close four mission threads identified by USSPACECOM. SSC proposed a Phased Increment Plan based on Missile Defense Agency practices to prioritize resources for delivering capabilities to USSPACECOM. In February 2025, SSC provided status on 13 Risks, Issues, and Gaps which included an update on its partnership with Space Training and Readiness Command to deliver the first increment of C2 capabilities in 2026.

Venture Capital. Another exciting avenue we are pursuing across the enterprise focuses on incorporating Venture Capital (VC)/Investment into space acquisition. The Space Force is embedding VC

principles and private investment signals into its acquisition and capability development processes. Historically, space acquisition lacked the tools and cultural fluency to fully leverage the momentum of the commercial investment sector, which now exceeds $50 billion annually. This gap limited our ability to adopt cutting-edge innovations at the pace required in a contested and dynamic space domain. To close this gap, we are scaling the use of flexible acquisition pathways such as OTAs and expanding strategic partnerships with organizations like SpaceWERX and Defense Innovation Unit (DIU). These efforts are enabling us to adopt VC-style decision-making that is rapid, risk-tolerant, and outcome-driven.

Through this new perspective, we looked at elements of how successful VC firms identify, assess, support, and scale startups to adopt the appropriate elements into defense acquisition workflows. This approach represents a significant shift from traditional DoD procurement, which is typically slow, risk-averse, and compliance-driven.

This resulted in a relook at five key areas where we are applying VC principles: 1) Portfolio –Based Risk Management, 2) Speed and Iteration over Perfection, 3) Market Signaling and Co-Investment, 4) Founder and Team Assessment, and 5) Stage Gated Capital Deployment. Utilizing these VC principles nets benefits including:

- Encouraging innovation and tolerance for failure, accelerating the discovery of breakthrough capabilities.
- Enabling faster fielding of usable solutions and avoiding over-engineered, outdated systems.
- Aligning DoD funding with scalable, dual-use companies already validated by the commercial market.
- Avoiding over-reliance on legacy primes and tapping high-performing entrepreneurial talent.
- Reducing waste and creating accountability while maintaining agility.

Innovative Acquisition and Development. Innovative businesses continue to face challenges in navigating the lengthy and complex DoD contracting process—particularly in crossing the "Valley of Death," where promising technologies stall before operational transition. SpaceWERX, a directorate within AFWERX and the Space Force's innovation arm, is designed to close that gap. By empowering collaboration with innovators, non-traditional vendors, and venture capitalists, SpaceWERX is accelerating capability delivery to the warfighter. To date, SpaceWERX has executed over 1,000 contracts through its Ventures, Spark, and Prime programs. These pathways are tailored to strengthen the U.S. defense industrial base and help commercial startups scale. Ventures has invested $32 million in Small Business Innovation Research (SBIR) funds with 18 companies focused on Tactically Responsive Space—generating $792 million in follow-on government contracts and $570 million in private capital investment. In FY24–25, Ventures is executing $93 million in Strategic Funding Increase (STRATFI) awards to 8 companies in coordination with mission partners like Air Force Research Lab, SSC, and USSPACECOM. Across STRATFI and Tactical Funding Increase (TACFI) programs, 25 companies have been selected, matching $97.8 million in government funds with $340.9 million in private investment.

We are institutionalizing these innovation pathways into acquisition strategy. By integrating private investment trends into market assessments and program planning, we are ensuring space acquisition is both operationally driven and capital-aware. This model—grounded in commercial capital, innovation incentives, and warfighter needs—is redefining how the DoD acquires space capability: faster, smarter, and with lasting impact.

By investing in multiple space companies using SBIR, TACFI, and STRATFIs, we are energizing the space industrial base by reducing barriers to entry, and helping companies navigate and mature

throughout the acquisition process. These companies are then able to bid on our new programs as we encourage them to switch to more commercial-like models. We have reduced barriers that resulted in the infamous Valley of Death, and created opportunities by carving out existing programs, removing requirements, and then bidding them back out to industry where STRATFI companies are now bidding. This mindset is vastly different from our traditional model of building a big new program of record with new funding, and then proving we've crossed that valley. Ultimately, we have opened the door to new industry investment and their ability to innovate quickly by eliminating barriers and encouraging companies to achieve technical maturity.

CONCLUSION

While awareness of the battlespace is critical, the ability to deny or defeat threats in, from, and to space is paramount. We are investing in classified programs that include capabilities to counter an adversary from using space to attack the U.S. homeland or the Joint Force. These investments, which cannot be discussed in detail in an unclassified setting, are fundamental to ensure our ability to have and maintain space superiority.

As I close, let me share some of our most recent successes that show how we are focusing on driving speed, adopting new technologies, and incorporating innovations from commercial space. The EPS is a Polar Military Satellite Communications system that provides protected communications (anti-jam and low probability of intercept and detection) for users in the North Polar Region. The Space Force procured two replenishment EPS payloads, the Enhanced Polar System - Recapitalization (EPS-R). These EPS-R payloads were hosted on two Space Norway satellites which were launched in August 2024 and are projected to reach IOC in 2025. This initiative promotes U.S. policy to strengthen international partnerships and saves an estimated $900 million in costs for the U.S. Government.

On 11 December 2024, the OTTI team fielded the Transportable Range Operations Center, an essential tool that supports offensive and defensive electronic warfare test and training. This capability has been essential to Crimson Stars, Vermillion Stars, and Scarlet Stars, key training and exercise events where we train and hone the operational acumen of cyber, Electronic Warfare, and Orbital Warfare specialists.

On 20 January 2025, the Unified Data Library (UDL) team provided critical support to execute Counter-Small Unmanned Aerial Systems (C-sUAS) operations during the Presidential Inauguration using the Unclassified UDL as the data fabric for the Operations Center at Joint Base Andrews. The UDL ingested 1.4 million data tracks from Multi-Environmental Domain Unmanned Systems Application sensors enabling threat classification of sUAS in the Washington D.C. air space.

On 2 February 2025 a U.S. space domain awareness payload hosted on Japan's Quasi-Zenith Satellite 6 successfully launched on a Japanese H-3 launch vehicle from the Yoshinobu Launch Complex at the Aerospace Exploration Agency's Tanegashima Space Center in Japan. This is the first bilateral U.S.-Japan cooperative space effort focused on national security, and the first of two launches as part of the JAXA Quasi-Zenith Satellite System Hosted Payload program. The satellite will deliver near real time data to the Space Surveillance Network, bolstering the DoD understanding of the Geosynchronous Orbit regime above the Indo-Pacific region.

On 28 March 2025, OTTI rapidly delivered a solution to close a 2d Navigation Warfare Squadron SPAFORGEN gap and train the first crew ahead of the GPS OCX Block 1 constellation cutover and Operational Acceptance campaign beginning in early FY2026. By identifying and securing an unused space in Schriever Space Force Base for the Space Standardized Trainer (SST) and utilizing repurposed hardware, the OTTI team responded to the need within 2 weeks, enabling crew training and providing

“train the trainer” sessions for instructors. Additionally, the team plans to field a user-informed GPS OCX SST software update in May 2025.

On 25 March 2025, the Assured Access to Space (AATS) PEO certified the Vulcan launch system for NSSL missions in five of the nine reference orbits. ULA is now eligible to launch NSSL missions as one of two certified providers.

On 27 March 2025, AATS awarded NSSL Phase 3, Lane 1 FY25 On-Ramp Indefinite Delivery/Indefinite Quantity (IDIQ) contracts to Rocket Lab and Stoke Space. This brings the number of Lane 1 Launch Service Providers to five, joining Blue Origin, SpaceX and ULA. Once Stoke Space and Rocket Lab complete their first successful launch, they can then compete for launch service task orders. The next opportunity for emerging providers or systems to on-ramp to the Lane 1 IDIQ contract will occur in 1QFY26.

On 4 April 2025, AATS awarded NSSL Phase 3, Lane 2 Launch Service Procurement Firm Fixed-Price, Indefinite-Delivery Requirements contracts to SpaceX, ULA, and Blue Origin.

On 8 April 2025, SSC & Mission Delta 3 Sustainment Squadron signed the first two Counter Communication Systems; Meadowland Development Systems (MDLS) DD250s allowing L3Harris to transfer the MDLS development system to the government in preparation for the Government Integrated Test which started April 2025.

On 24 April 2025, Space Operations Command operationally accepted the Weather System Follow-On Microwave capability to meet six of the twelve highest Space Based Environmental Monitoring Gap requirements. SV1 launched on 11 April 2024 via USSF-62 allowing the program to reach IOC. This program was delivered on cost, within schedule, while meeting performance requirements. Full Operational Capability is expected this Fall and will replace the Defense Meteorological Satellite Program’s passive microwave coverage capabilities in Low Earth Orbit early morning orbit.

On 25 April 2025, Space Based Infrared Survivable Endurable Evolution (S2E2) was operationally accepted by Space Operations Command. S2E2 replaces the legacy Air National Guard-operated Mobile Ground System, originally developed in the 1960s to support Defense Support Program operations, with a modern, transportable ground station capable of processing data from the Space Based Infrared System and nuclear detonation detection systems. Designed to operate through all phases of a conflict, S2E2 reinforces the endurance and resilience of the nation’s missile warning architecture, supporting a foundational mission of the Space Force and its joint and allied partners.

And as I mentioned earlier the Space Force is evaluating requirements for tradeoffs within the space-based GEO Space Domain Awareness mission (e.g., GSSAP) and is pursuing a streamlined, competition-focused approach to delivering capability quickly. As SAE, I issued two ADMs within a 2-month span to motivate the GSSAP program office to move quickly, in alignment with executive branch policy as recently as 30 April 2025. The team has rapidly developed an acquisition plan that maximizes commercial competition, and the Space Force views this mission area as ripe for ally and partner collaboration.

These are examples of how we are evolving, managing, and delivering for the space enterprise and have already begun implementing steps to ensure capability gets to the warfighter quicker. We are looking forward to integrating changes by following the Administration’s Executive Orders to ensure taxpayers’ dollars are being spent efficiently and the warfighter is getting necessary capabilities on cost and schedule.

We continue to transform the space architecture to be more resilient and provide additional capabilities for the Joint Force. Our focus continues to be on speed in our acquisitions and delivering programs on cost and schedule. The additional authorities granted to the SAE, focusing on speed utilizing those authorities to acquire smaller capable systems faster, and tapping into the burgeoning commercial space sector all allow us to combat the threat and maintain our preeminent space superiority.

I am extremely proud of our military and civilian Space Force acquisition professionals. Their continued dedication to the unique skill set needed to succeed in acquisitions, flexibility to deliver capability to the warfighter as fast as possible, and unwavering commitment to the defense of this great nation is incredibly inspiring. Thank you to the Committee for all your support to the Space Force and space acquisition. I look forward to your questions.