

CONTROLLED UNCLASSIFIED INFORMATION

Sole Source (Including Brand Name) Justification - Simplified Procedures for Certain Commercial Items

NOTE: If a Justification was approved for the preceding acquisition, a copy of the approved Justification for the predecessor action must be included in the staff package for approval of the instant Justification. This applies to Justification staff packages that are submitted for review and approval at a level above the contracting officer. The predecessor Justification will be used as a reference document by the approving official.

Is this a new or amended J&A Document? [X] New [] Amended (Prior to Award Only!)

Is this a Bridge Action as defined in the AF Bridge Action Reduction Plan? [] Yes [X] No

Funding level for this acquisition: [] >SAT and <= \$750K [X] > \$750K and <= \$15M

Contracting Activity: 700 CONS/PKA

Purchase Request / Local ID Number: TBD

Program / Project (and PE, if applicable): Starlink Low Earth Orbit (LEO) Internet Service

Program Type (PEO or Other Contracting): Other Contracting

Authority: [X] AFFARS 5313.501 - 10 U.S.C. 2302b, Implementation of Simplified Acquisition Procedures (41 U.S.C. 1901)

[] AFFARS 5313.501 - 10 U.S.C. 2304a, Special Emergency Procurement Authority (41 U.S.C. 1903)

Estimated Contract Cost (including options): \$1.9M

Justification Type: [] Class [X] Individual

COORDINATION (AFFARS 5306.304(a))

Table with 3 columns: Date, Project Lead / Program Mgr / Requiring Activity, Signature. Includes digital signatures for Michael Travis, Venice Pamparo, and Douglas W. Chicka.

APPROVAL (AFFARS 5306.304(a))

Table with 3 columns: Date, Competition Advocate, Signature. Includes digital signature for Heidi E. Hoehn.

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I. Contracting Activity.

700 CONS/PKA
Unit 3076, Building 2767
Kapaun Air Station, D-67661 Kaiserslautern
Germany

II. Nature and/or description of the action being processed.

The general requirement is a commercial satellite internet solution using Low-Earth Orbit (LEO) satellite with available services in Europe and Africa to support the mission of the 86 Air Lift Wing and its tenant units. The intent of the contract is to provide either First-Generation or High-Performance satellite terminals and internet service either static/ fixed site or portable/mobile to the terminals enabling users to connect devices to the internet. The expected throughput capabilities to be delivered by the Starlink high-performance terminal is up to 500Mbps download speed and low latency connectivity. The contractor shall provide internet service support for a period of performance of twelve (12) months estimated to begin 01 August 2022 - 31 July 2023.

This effort will result in a stand-alone firm-fixed-price purchase order (PO) with multiple 86 AW and tenant units' requirements consolidated into a single contract to provide an interim solution for the immediate Starlink need of 86 AW and its tenant units while Space Force IDIQ, GSA Schedule and U-A-wide local BPA contracts/agreement are being worked.

Individual subline items will be established for each unit consolidated into the contract to facilitate payment, delivery tracking, and accounting classification citations.

III. Description of supplies/services required to meet agency needs.

A. Under the contemplated contract, the contractor will provide the following service with descriptions:

a) **Service Description, Fixed Site:** Fixed-site service entails the assignment of a terminal to an individual 22-km diameter Starlink cell. The terminal will work anywhere within the boundaries of the assigned cell (i.e. in many cases will cover all or most of a military installation), but will not work outside of its assigned cell and so cannot be relocated to alternate geographic locations.

b) **Service Description, Portable:** Portable service will begin with the assignment of a terminal to a primary Starlink cell, but will enable the terminal to relocate to other global geographic locations where Starlink has active coverage, and automatically enter the network without manual intervention on the part of the Awardee. An approximate map of available coverage regions is available at www.starlink.com/map. Once SpaceX obtains its ESIM license for this terminal, and when software has been updated to support full mobility, this service class will also support comms-on-the-move, understanding it will be in a beta and test phase in its early instantiation.

B. The total estimated value of the acquisition which includes hardware and service for a twelve (12) month period is \$ 1,923,550.00. The option years will not be established. The intent is for a stand-alone PO with 12 months period of performance as a stop gap measure while Space Force IDIQ, GSA Schedule and the U-A-wide local BPA are being worked. The estimated delivery dates of the hardware is 14 calendar days from date of award receipt with an estimated period of performance from 01 Aug 2022 - 31 July 2023.

C. The anticipated CLINs:

CLIN 0001: Starlink First-Generation terminal with one (1) year Static/Fixed Site LEO Broadband Internet Service

CLIN 0002: Starlink High-Performance terminal with one (1) year Static/Fixed LEO Broadband Internet Service

CLIN 0003: Starlink High-Performance terminal with one (1) year Portable/Mobile LEO Broadband Internet

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Service

CLIN 0004: Starlink High-Performance terminal

CLIN 0005: Starlink Portable/Mobile LEO one (1) year Broadband Internet Service

CLIN 0006: Starlink Static/Fixed Site LEO one (1) year Broadband Internet Service

D. Type of appropriation: This requirement has Operations & Maintenance (O&M) 3400 funding.

IV. Statutory authority permitting other than full and open competition.

10 U.S.C. 2304(c)(1) as implemented by FAR 6.302-1 -- Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements.

V. Demonstration that the contractor's unique qualifications or nature of the acquisition requires the use of the authority cited above (applicability of authority).

SpaceX - Starlink is the only LEO constellation communications company that currently provides this commercial satellite solution with services to Europe and Africa. The requirement calls for a LEO SATCOM company service that is capable of providing portability for both EUCOM and AFRICOM area of responsibility. Various companies are competing to establish LEO, Medium Earth Orbit (MEO) and Geostationary Earth Orbit(GEO) satellite internet networks, however, SpaceX's Starlink currently has the most well-established LEO satellite network with more than 1,350 satellites whereas the LEO networks of its competitors are still in their infancy. None of the current LEO internet providers (Amazon Kuiper, OneWeb, Telesat) aside from Starlink is currently capable of providing any service in both Europe and Africa. Starlink is also the only LEO satellite network provider that is currently being used in a contested environment: Ukraine.

With Ukraine's operations emergent communication requirement, the communication requirements within and around eastern European areas in support of Ukraine operations expands daily. The time between the calling out of enduring solutions does not fit the required timelines for two of the requiring activities. Starlink LEO fulfills the requirement of reducing processing times and increases theater based operations on changing requirements and locations. It also builds in circuit resiliency through Software Defined Wide Area networking (SDWAN) for one of the units allowing for multiple transport sources. After extensive research it was found that SpaceX-Starlink is the only vendor able to provide this specialized communication service in the current areas of operation in the required time.

Furthermore, Starlink has no authorized distributors as verified in email dated 18 April 2022 by SpaceX-Starlink's Sales Engineer, Kevin Seybert.

VI. Description of efforts made to ensure that offers are solicited from as many potential sources as practicable.

The 37 Airlift Squadron, one of the mission partners, reached out to the Air Force Research Lab (AFRL), Space Force and Commerce Satellite Communications Office (CSCO) sometime in June 2021 to gather information on the different companies that currently provide LEO internet service to EUCOM and AFRICOM. The AFRL Global Lightning (GL) program is the primary means that the DoD has chosen to test different commercial satellite constellations in an effort to generate different tiered solutions to DoD users. AFRL has discovered that in a contested environment, LEO constellations are much more resilient to signal jamming and also provide the low latency required to support tactical missions. The Air Force has several line of efforts (LOEs) that include operation in an assumed contested communications environment supporting tactical missions. One of those LOEs includes Agile Combat Employment (ACE). The 37 AS's inquiry revealed that AFRL, Space Force and CSCO confirmed that the only current provider is SpaceX via their constellation Starlink. Companies like OneWeb, Telesat and Amazon are all expected to provide LEO service to EUCOM and AFRICOM's are of responsibility in the next few years.

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Below are dates shown for LEO service availability. They are only predictions based on company statements and current constellation/network status:

- SpaceX Starlink: Regional (available now - fixed locations - mid latitude); Mobile (regional - early 2022); Full Global (incl. oceans and polar - 2023)
- OneWeb: Regional 2021; Global over land 2022; Full global is undetermined. OneWeb is the next best option, however, they cannot provide service south of 50 degree north latitude. OneWeb can only provide service north of 50 degrees North latitude starting in November 2021. This does not cover the majority of the EUCOM area of responsibility and does not cover any of the AFRICOM area of responsibility.
- Telesat: between 2023-2024
- Amazon Kuiper: between 2023-2024
- (Source: Global Lightning: Leasing the Commercial Space Internet for AF missions presentation, 9 Feb 2021)

Additionally, a synopsis was posted on SAM.gov for the previously awarded Starlink contract, FA561321P0074. The synopsis was for one (1) Starlink kit with portable service for a one-year period of performance. There was no information received indicating potential sources outside of SpaceX-Starlink. The sole source contract was awarded to SpaceX on 30 July 2021.

Furthermore, a similar purchase requirement was received from 435 SFS for three (3) static or fixed site Starlink terminals with service in March 2022. To verify the validity of the previous sole source determination, it was synopsized through SAM.gov on 17 March 2022. It resulted to one inquiry from OneWeb (a UK-based company), but the company ended up not providing a quote.

VII. Determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable.

Market research revealed that SpaceX-Starlink supports AFRL, Space Force and Commerce Satellite Communications Office SATCOM services and has an existing contract. The SpaceX-Starlink POC provided the established standard pricing under the AFRL contract and it mirrors the price that was provided to 700 CONS that will be used for this single contract effort being pursued. Due to the availability of this pricing information and the commerciality of the product and services being requested, further pricing data is not required nor anticipated to be requested.

Below is the pricing information under the AFRL contract that will be used to the current effort:

- Starlink Terminals, First Generation: [REDACTED]
- Starlink Terminals, High Performance: [REDACTED]
- Service - Fixed Site: [REDACTED]
- Service - Portable/Mobile: [REDACTED]

It is anticipated that based on market research, that the proposed price is fair and reasonable. Due to the unique requirement of the government, the exact price is specific to this contract and it is the same price as the quoted prices for other government organizations for comparable items. These organizations are AFRL and historical prices found reasonable on previous purchases for comparable items made by Spangdahlem Air Base (FA560621P0035), Aviano Air Base (FA568221P0097), RAF Lakenheath (FA558721P0076), and RAF Mildenhall (FA558721P0059). This determination is IAW FAR 13.106-3(a)(2).

VIII. Description of the market research conducted and the results, or a statement of the reasons market research was not conducted.

With the information provided in sections V and VI of this document documenting the various market research efforts made, and determined that the requirement is sole source in nature, a non-competitive negotiation effort will be pursued to procure the Starlink product and service.

Availability/Commerciality: In accordance with DFARS 212.102(a)(ii), the result of the market research from prior similar purchases (FA561321P0074 and FA561321P0156) established that the Government's needs can be met by a product and service customarily available in the commercial marketplace. The contracts were awarded using FAR Part

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12, Acquisition of Commercial Products and Commercial Services, and utilized FAR Part 13 -- Simplified Acquisition Procedures.

IX. Any other facts supporting the use of Other Than Full and Open Competition.

None.

X. List of any sources that expressed, in writing, an interest in the acquisition.

None.

XI. A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before making subsequent acquisitions for the supplies or services required.

In an effort to allow for competition in the future, a continuous market research effort is being accomplished. Through a survey conducted by 37 Airlift Squadron, the information was gathered for OneWeb company the expectation to start providing service to EUCOM at the end of calendar year 2022; Amazon's Project Kuiper, a subsidiary of Amazon, 50% of its satellites should be operational by July 30, 2026. In addition, communication with the Space Force Commercial Satellite Communications Office (CSCO) will be maintained to gather information on companies providing commercial satellite services like LEO. CSCO, is an organization in charge of assessing and securing commercial services, ranging from traditional satellite communications to satellite imagery.

XII. Certification by the Contracting Officer.

As evidenced by my signature above, I have determined this document to be both accurate and complete to the best of my knowledge and belief.

XIII. Certification by the technical/requirements personnel.

As evidenced by my (our) signature(s) above, I (we) certify that any supporting data contained herein, which is my (our) responsibility, is both accurate and complete.