Department of Defense

Report to Congressional Defense Committees

Interim Report on Organizational and Management Structure for the National Security Space Components of the Department of Defense

1 March 2018

The estimated cost of this report for the Department of Defense is approximately $17,000 in Fiscal Year 2018. This includes $0 in expenses and $17,000 in DoD labor.
Generated on 2018Mar01 RefID: E-CE3EC0E

National Defense Authorization Act for Fiscal Year 2018, Public Law 115-91, Section 1601

(c) REVIEW OF STRUCTURE.—

(1) REVIEW.—The Deputy Secretary of Defense shall conduct a review and identify a recommended organizational and management structure for the national security space components of the Department of Defense, including the Air Force Space Command, that implements the organizational policy guidance expressed in this section and the amendments made by this section.

(2) INTERIM REPORT.—Not later than March 1, 2018, the Deputy Secretary of Defense shall submit to the Congressional defense committees an interim report on the review and recommended organizational and management structure for the national security space components of the Department of Defense, including the Air Force Space Command, under paragraph (1).

(3) FINAL REPORT.—Not later than August 1, 2018, the Deputy Secretary of Defense shall submit to the Congressional defense committees a final report on the review and recommended organizational and management structure for the national security space components of the Department of Defense, including the Air Force Space Command, under paragraph (1), including—

(A) a proposed implementation plan for how the Deputy Secretary would implement the recommendations;

(B) recommendations for revisions to appointments and qualifications, duties and powers, and precedent in the Department;

(C) recommendations for such legislative and administrative action, including conforming and other amendments to law, as the Deputy Secretary considers appropriate to implement the plan; and

(D) any other matters that the Deputy Secretary considers appropriate.

(4) PROHIBITION ON DELEGATION.—The Deputy Secretary of Defense may not delegate the authority to carry out this subsection.

INTERIM REPORT ON ORGANIZATIONAL AND MANAGEMENT STRUCTURE FOR THE NATIONAL SECURITY SPACE COMPONENTS OF THE DEPARTMENT OF DEFENSE

REPORT REQUIREMENT

Pursuant to Section 1601(c) of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2018, Public Law 115-91, this interim report previews the major focus areas in our review of the organizational and management structure of Department of Defense's (DoD) national security space components. A final report on this topic will be submitted to Congressional defense committees not later than August 1, 2018.

INTRODUCTION

Recognizing that space has become a warfighting domain, this Administration, through its National Security Strategy and National Strategy for Space, has placed a high priority on securing the nation's vital interest of unfettered access to and freedom to operate in space. The Department of Defense is acting in concert with this strategic direction through the 2018 National Defense Strategy (NDS) and the FY 2019 budget request.

The NDS identifies the reemergence of long-term strategic competition, rapid dispersion of technologies, and new concepts of warfare and competition that span the entire spectrum of conflict, requiring a Joint Force structured to match this reality. Long-term strategic competition with China and Russia are the principal priorities for the Department because of the magnitude of the threats they pose to U.S. security and prosperity today, and the potential for those threats to increase in the future. The NDS highlights the emerging threats to commercial and military space, prioritizing investments in resilience, reconstitution, and operations to ensure our space capabilities.

> *"Russia and China are developing new offensive capabilities designed to deafen and blind America in a future conflict."*
> - Reps. Mike Rogers and Jim Cooper

Space is integral to the modern way of warfare. Military forces shoot, maneuver, and communicate. Space capabilities compound the speed, precision, accuracy, and clarity of these functions, making the force more lethal at less cost in lives and resources. While the United States has historically maintained a technological advantage over potential adversaries, those countries are rapidly leveraging technology to counter the U.S. The Department delivers space systems that are reliable, meet warfighter requirements, and are considered better than those of our adversaries. However, these systems are vulnerable and we appear to be losing our advantages. To ensure continued pre-eminence in space, the Department must fundamentally change the way it delivers space capabilities as a key component of a lethal, resilient, and rapidly adapting Joint Force.

PROGRESS TO DATE

Significant change is underway in the national space enterprise. President Trump has reestablished the National Space Council under the leadership of Vice President Pence, showing a serious commitment to space at the highest levels of the Administration. The new National Security Strategy (NSS) specifically addresses both the importance of the U.S. space capabilities and the changes that are putting those capabilities at risk. And the National Strategy for Space is driving toward clear goals to ensure U.S. leadership in space.

> *"The United States considers unfettered access to and freedom to operate in space to be a vital interest. Any harmful interference with or an attack upon critical components of our space architecture that directly affects this vital U.S. interest will be met with a deliberate response at a time, place, manner, and domain of our choosing"*
> - 2017 National Security Strategy

The Department of Defense is actively working across a range of areas to ensure that we are prepared for space as a warfighting domain. The National Defense Strategy (NDS) calls for prioritizing "investments in resilience, reconstitution, and operations to assure our space capabilities." Additionally, the NDS priority on strategic competition with China and Russia has led to significant policy and budget changes within the Department. The FY 2019 budget request reflects these changes.

Next, the Department has initiated the implementation of Section 1601 of the NDAA for FY 2018. In January, the Deputy Secretary of Defense signed out Interim Implementation Guidance (see Annex 1) which:

- disestablished the position of the Principal DoD Space Advisor,
- disestablished the Defense Space Council,
- extended the expected term of the commander of Air Force Space Command,
- established the Air Force Space Command commander as a Joint Force Space Component Commander under U.S. Strategic Command, and
- designated the Operationally Responsive Space office as the Space Rapid Capabilities Office.

The NDAA for FY 2018 also requires the Department to contract with a Federally Funded Research and Development Center (FFRDC) to develop a plan for a "separate military department responsible for the national security space activities of the Department of Defense." After a review of proposals, an FFRDC has been selected for this project. Details are provided at Annex 2.

Since December, as a part of the implementation of the NDAA, senior DoD leaders have been focusing significant effort on the space enterprise. The Deputy Secretary of Defense has held working sessions with various space leaders every two to three weeks. Consistent participants include:

- Secretary of the Air Force,
- Chief of Staff of the Air Force,
- Commander of Air Force Space Command (AFSPC), and
- Commander of Air Force Space and Missile Center (SMC).

Other participants have included the Under Secretary of the Air Force, the Vice Chief of Staff of the Air Force, and a number of other senior leaders. The Deputy Secretary has also visited Air Force Space Command, the National Space Defense Center, and the National Reconnaissance Office (NRO). Additionally, Air Force leadership has done a space tabletop exercise for the Joint Chiefs of Staff, which has initiated very preliminary discussions among the Joint Staff's senior leaders, and separately for the Deputy Secretary of Defense and Under Secretaries of Defense.

The Deputy Secretary's working sessions have begun by baselining the current performance of the space enterprise and then working to identify the changes that are necessary to deliver the improved results. These working sessions are driving a larger team in the Pentagon, at AFPSC, and at SMC to identify major muscle movements and fundamental changes that can scale across the organization to enable better performance.

*The **Space-Based Infrared System** (SBIRS, an Air Force missile warning constellation) is both an example of historical challenges and leadership-driven change. However, under the leadership of the Commander of Air Force Space Command and the Commander of U.S. Strategic Command, the Air Force has proposed a significant change to the SBIRS program in the FY 2019 budget.*

FUTURE EFFORTS

The Department is taking a methodical approach driven by speed, facts and data. The highest priorities are the biggest opportunities. We must move quickly to ensure the next generation of space capabilities embody resilience and agility. This is broader than just a capability. Rather it is an integrated set of capabilities that the Department needs to have in space over the next decade, how that architecture is defendable, and how the Department will deliver those needed capabilities quickly and affordably. The Department has dedicated significant resources toward space enterprise capabilities in the Fiscal Year 2019 President's Budget and will expand on that progress moving forward.

In parallel, we will define the performance characteristics of acquisition, development, production and support. For example, speed matters—we should be able to deliver new capabilities to space in three years not the seven years or more it currently takes. With clear performance characteristics we will evaluate side-by-side other organizational options. Although not perfectly correlated, similar entities like the NRO, commercial space industry, and large scale defense contractors all provide useful organizational comparisons.

Additionally, we must ensure that we have ways to insert, deliver quickly and then scale technical innovation, cost innovation and design innovation. This will require that we broaden the industrial base.

As the Deputy Secretary of Defense leads this space organization and management review, the review will focus on (1) the research, development, acquisition and sustainment system, (2) organization and governance, (3) joint warfighting, and (4) workforce development.

RESEARCH, DEVELOPMENT, ACQUISITION, AND SUSTAINMENT:

- How to implement a high performance space acquisition system capable of innovation and significantly reducing development and delivery times (e.g., reducing typical eight-year development times to three years), while ensuring system integration, increasing capability, and lowering cost, including:
    - Plans to eliminate or modify impediments to performance and affordability.
    - A review of Service acquisition approaches.
    - Oversight processes, regulations, and statutes that should be streamlined to improve efficiency, permit calculated risks, and allow creative technical solutions to emerge. (E.g. today roughly 60 separate organizational approvals are required for each major acquisition program. That number should be dramatically reduced.)

ORGANIZATION AND GOVERNANCE:

- How to improve the organization of the DoD space enterprise to increase performance. We will determine if organizational changes are needed at the Office of the Secretary of Defense (OSD)

and/or Military Department or Service levels, including whether the Space Corps concept should be implemented.
- How best to create an enterprise-wide management system to track performance to goals.
- How to improve tracking and coordination of space budgets, including classified and unclassified programs, as well as ground and user equipment, to ensure space investment is prioritized appropriately.

JOINT WARFIGHTING:
- How best to posture joint space forces to support joint campaigns, including those that are integrated trans-regionally from across two or more geographic combatant commands, multi-domain operations, and warfighting in the space domain, including:
    - If a sub-unified or unified combatant command for space should be created.
    - How to continue to improve upon the success and progress of National Space Defense Center (NSDC).
- How to build on the success of the Joint Force Space Component Commander construct to better enable joint warfighting.
- How to evaluate and evolve innovative space operational concepts, in particular integrating them with other domains as well as at expanding and operationalizing joint space warfighting doctrine.

WORKFORCE DEVELOPMENT:
- How to develop lethal forces, ensuring high-quality space professionals are appropriately assigned and employed across the Joint Force, including:
    - Whether space manning should be increased at the Joint Staff and warfighting commands, and if so, to what levels.
    - Whether changes are necessary to improve training, professional development, and career management of space professionals.

RESEARCH, DEVELOPMENT, ACQUISITION AND SUSTAINMENT

The Department will decide how to implement a high performance space acquisition system capable of innovation and significantly reducing development and delivery times, while ensuring system integration, increasing capability, and lowering cost.

Each of the Military Departments has the authority to acquire space systems, but roughly ninety percent of the Defense Space portfolio is managed by the Air Force Space and Missile Systems Center (SMC) and the Rapid Capabilities Office. The remaining ten percent of the Defense space portfolio is acquired by the Army and Navy. These percentages do not include national security space programs within the NRO or other government agencies.

SMC is responsible for acquiring missile warning and other overhead persistent infrared missions (e.g., Space Based Infrared System); military satellite communications (e.g., Advanced Extremely High Frequency program); position, navigation, and timing (e.g., Global Positioning System); launch (e.g., Evolved Expendable Launch Vehicle program); and weather systems. Most of these programs have experienced long development timelines and have been more costly than initially estimated.

WE'VE DONE IT BEFORE; WE CAN DO IT AGAIN.

On May 25, 1961, President John F. Kennedy announced the ambitious goal of sending an American safely to the Moon before the end of the decade. The challenge embodied the Mercury program (6 flights), the Gemini program (12 missions), and the Apollo program, culminating in success on July 20, 1969 with Apollo 11 and Neil Armstrong. These accomplishments are all the more astonishing when put in perspective. Human space flight is considerably more difficult than launching unmanned satellites, yet today we struggle to develop and launch a single satellite in the time that our predecessors managed such great strides. Moreover, today we benefit from advantages like computer aided design, advanced materials, and processes such as additive manufacturing. We must return to a guiding principle of thriving innovation.

To address these challenges, the review will focus on reforming space acquisition beginning with the Air Force. The Department will assess how to recapture innovation and speed of development, and how to transform SMC into a higher performing space acquisition center. The review will also assess if acquisition authorities in the Army and Navy represent an untapped resource for innovation and multi-domain integration, and if reforms at SMC could be extended to other space programs within the Department. This evaluation will consider internal and external factors, including organization, oversight, governance, regulations, statutes, personnel and related issues.

Transforming Space and Missile Systems Center

During the Cold War, the Western Development Division (WDD) was sequestered in southern California to focus on rapidly fielding an intercontinental ballistic missile (ICBM) capability ahead of our adversaries. The WDD was small, fast and nimble and similar to other historic examples of innovative organization. The Air Force must return to a focused adoption of new technologies for game-changing capabilities. This focus must be built into the space acquisition culture, and the workforce must be given freedom to execute with a sense of urgency and ownership. The WDD's culture enabled success in the 1950s. Now the SMC must re-architect into WDD 2.0 to achieve and retain a decisive advantage over our adversaries.

The current SMC organizational structure does not manage space systems as an enterprise, but instead is product-aligned. SMC has four mission areas; Precision, Navigation, & Timing, Military Satellite Communications, Remote Sensing, and Space Control/Space Situational Awareness (SSA). A natural focus develops around each system that includes the government program office, industry, users, and even Congress. The people who are responsible for producing these systems are also responsible for shaping follow-on systems for their mission area.

This structure creates natural barriers to developing alternative ideas, exploring different concepts, and ultimately, providing competitive forces to create substantial improvements in speed, cost, and performance. By shifting from a mission-area focus to an enterprise management style, SMC could realize greater acquisition agility, innovation, and resource efficiencies. We will explore how to align the responsibilities, authorities, and resources at SMC while maintaining the linkage for career development and expertise exchange.

Decisions on re-architecting SMC will be made based on potential performance improvements. This requires baselining a range of things including size, speed, and cost and then evaluating specific changes against the baseline performance.

Space Portfolio Plan.

Building on the FY 2019 President's budget, the space portfolio plan will rigorously outline the specific capabilities the Department needs to deliver and how to reduce development timelines for defense space capabilities. This portfolio plan will begin from the NDS and identify the capabilities necessary for strategic competition with China and Russia in space. The Department will review options for promoting a family of space systems as part of a space portfolio plan. The review will determine if avoiding unique mission platforms will lower acquisition costs and speed system delivery timelines, while improving integration for users and operators in the joint force. This threat-based analysis will drive our space architecture as well as design and manufacturing approaches.

Space Industrial Base.

The Department will review the industrial base for space related research, development and production with an eye toward increasing innovation and reducing risk. Currently, the industrial base for space is fragmented and underutilized. The Department will seek a new mix of industry and academic partners to dramatically improve DoD space capabilities. DoD will continue to partner with traditional large defense companies to leverage their experience, scale and infrastructure. We will also tap into the resurgence of the commercial space industry and make it easier for commercial space firms to do business with DoD. We will also seek out and encourage small businesses that can provide high technology innovation. Finally, we will increase engagement with national laboratories and academic institutions to advance scientific research. Taken together, this new mix of partners should produce enhanced capabilities at a faster rate with reduced risk.

ORGANIZATION AND GOVERNANCE

The Department will decide how to improve the organization of the DoD space enterprise to increase performance. We will determine if organizational changes are needed at the Office of the Secretary of Defense (OSD) and/or Military Department or Service levels, including whether the Space Corps concept should be implemented.

The Department will evaluate authorities at each level to optimize coordination and synchronization, and will provide clear guidance on programmatic, policy and resource issues. Pursuant to Section 1601 provisions and Deputy Secretary of Defense guidance (see Annex 1), the Department will review current synchronization and governance approaches at the OSD staff, Military Departments/Services and subordinate commands, defense agencies and DoD field activities, and other relevant DoD components to increase decision speed in meeting warfighter needs, while assuring accountability for performance and results. We will identify opportunities for consolidation, realignment or elimination to prevent the wasteful application of resources to space enterprise processes.

The Department will review alternatives to improve organization and management at the Military Deaprtment or Service and subordinate command levels, including an assessment of the Space Corps concept discussed during NDAA for FY 2018 deliberations. In parallel with this review, as required by Section 1601(d) of the NDAA for FY 2018, the Department is entering into a contract with an FFRDC that is not closely affiliated with the Air Force to develop a plan to establish a separate Military

Department responsible for the national security space activities of DoD. When that plan is complete, we will use it to inform further consideration and evaluation of potential organizational changes.

Space Budgeting

Space budget tracking, including Major Force Program 12 for space, is complicated due to the various classifications and categories. Additionally, ground and user equipment is essential for functioning space capabilities, but is not always captured in space budget discussions. To begin to address this issue the Department has a cross-functional team working to establish clear standard practices for how to better track and count space budgets at all classification levels. Additionally, the Department is in interagency discussions about how to coordinate classified space budgets more effectively.

JOINT WARFIGHTING

The Department will decide how best to posture joint space forces to support joint campaigns, multi-domain operations, and warfighting in the space domain.

With the leadership of U.S. Strategic Command and Air Force Space Command, the Department is moving quickly to prepare for conflict in space. During this review, the Department will continue to develop the use of defensive and offensive capabilities and integrate the space domain into the joint war fight. The establishment of the Joint Force Space Component Command marks significant progress toward dealing with the joint operational challenges and could be a bridge to a potential sub-unified or unified command in the future.

The National Space Defense Center (NSDC) has recently transitioned from an experiment to a functioning command center and continues to make progress under the leadership of both Commander, Air Force Space Command and the Director of the NRO. We will consider options and adjustments to NSDC operations in parallel with any organizational or command restructuring of space forces.

WORKFORCE DEVELOPMENT

The Department will decide how to cultivate lethal forces, ensuring high-quality space professionals are appropriately assigned and employed across the Joint Force.

Each military department is responsible for organizing, training, and equipping space forces to meet Combatant Command operational requirements. Per DoD Directive 5100.01, Functions of the Department of Defense and its Major Components, the Air Force is the primary service for providing forces to achieve space superiority. The Army, Navy, and Marine Corps generally focus their respective space forces in support of their respective domains and joint campaigns. Successful evolution of space as a warfighting domain will require a coordinated effort across the Services, Combatant Commands, and the Joint Staff.

The Department will review efforts among the Military Departments and Services to develop, retain, train, and employ high-quality military space professionals who are essential for successful space warfighting. We will focus on the ability of our joint force to integrate new capabilities, adapt warfighting approaches, and conduct combat operations to achieve mission success. Space manpower billets across the joint warfighting commands require further study to determine current and future requirements, as the space warfighting concepts of operations evolve. The Department will examine this issue further during the Section 1601 review.

NEXT STEPS

There is much work to be done over the next five months, but changes are occurring every day. The National Defense Strategy is driving a range of significant changes, many of which will impact the space enterprise. Leadership in the Air Force is driving hard and fast to improve our space warfighting capabilities and other components of the national security space enterprise are aligned with the Air Force and moving forward. Areas of focus:

- Developing the space portfolio plan. This will be an iterative process, but a robust, detailed plan will allow the Department to identify key organizational and technology hurdles that must be addressed to ensure success.

- Identifying specific steps to remove barriers and delays in the space acquisition process. Speed and efficiency are integrally related. Both must be increased in order for the space enterprise to succeed.

- Comparing the organizational models against the space portfolio plan. Any organizational changes should lead directly to better performance against the goals outlined in the portfolio plan.

- Assess and integrate any relevant data or findings from the FFRDC review as it proceeds.

- Expand the working sessions to include a focus on joint warfighting.

- Identify critical skill and experience gaps in the workforce.

- Engage with industry to solicit feedback on performance improvements and best practices.

- Deliver final report, with necessary recommendations and way ahead by 1 August.

CONCLUSION

Change is already underway in the national security space enterprise. White House leadership is driving change through the National Security Strategy and the National Space Council. With strong Congressional support, the Department is implementing the NDAA for FY 2018 and making progress in the space domain.

However, much work remains to be done. The Department must quickly and aggressively address challenges outlined above. The Department looks forward to working closely with Congress as we drive performance and affordability in the space enterprise.

ANNEXES

Annex 1: Deputy Secretary of Defense Memo, Guidance for Increasing Lethality and Warfighting Readiness in Space, January 17, 2018

Annex 2: Federally Funded Research and Development Center study status

Annex 3: List of Meetings and Activities

ANNEX 1

DEPUTY SECRETARY OF DEFENSE
1010 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010

JAN 17 2018

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DEPUTY CHIEF MANAGEMENT OFFICER
CHIEF, NATIONAL GUARD BUREAU
COMMANDERS OF THE COMBATANT COMMANDS
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, COST ASSESSMENT AND PROGRAM EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR OF OPERATIONAL TEST AND EVALUATION
CHIEF INFORMATION OFFICER OF THE DEPARTMENT OF DEFENSE
ASSISTANT SECRETARY OF DEFENSE FOR LEGISLATIVE AFFAIRS
ASSISTANT TO THE SECRETARY OF DEFENSE FOR PUBLIC AFFAIRS
DIRECTOR OF NET ASSESSMENT
DIRECTOR, STRATEGIC CAPABILITIES OFFICE
DIRECTORS OF DEFENSE AGENCIES
DIRECTORS OF DOD FIELD ACTIVITIES

SUBJECT: Guidance for Increasing Lethality and Warfighting Readiness in Space

The National Defense Authorization Act (NDAA) for FY 2018 presents an opportunity for the DoD to improve our lethality and readiness to fight and win should a future conflict extend into space. It provides sufficient guidance and flexibility for us to continue to streamline operations and better support the warfighter.

Section 1601 of the NDAA requires that I take a number of immediate, interim, and long term actions, including a review of the structure of the Defense space enterprise. The guidance that follows ensures continuity of responsibilities and authorities throughout the DoD space enterprise while this review is conducted. You should move forward expeditiously to implement its provisions in accordance with this guidance.

The Under Secretary of Defense for Acquisition, Technology, and Logistics will continue to coordinate space acquisition program plans with DoD components in accordance with section 2430 of title 10, United States Code and DoD Directives (DoDDs) 3100.10 and 5134.01, and DoD Instruction (DoDI) 5000.02.

OSD000582-18/CMD000716-18

The Under Secretary of Defense for Intelligence (USD(I)) will continue to have responsibility for space intelligence activities, the military intelligence program, and the battlespace awareness portfolio in accordance with DoDDs 3100.10, 5143,01, and 5205.12. USD(I) will continue to ensure that the Director of National Intelligence is apprised of DoD space-related activities and will consult with the Deputy Secretary of the Air Force for Space and other military services as needed on matters related to defense intelligence space programs.

The Under Secretary of Defense for Policy (USD(P)) will continue to lead the formulation of national security space policy in coordination with the military departments and other elements of the Office of the Secretary of Defense. USD(P) will represent the DoD on matters involving the National Security Council Staff, the Department of State and other federal departments and agencies involved with national security space policy, space-related international agreements and export control. USD(P) will do so with the advice, coordination, and participation of the military departments on matters related to national security space policy to ensure that the best advice and operational experience of the Department of Defense is presented in inter-agency fora.

The Secretary of the Air Force and USD(P) will support and advise the Secretary of Defense in his role as a member of the National Space Council and the National Security Council. When USD(P) represents DoD at the National Space Council and National Security Council-sponsored deliberations at the Deputies Committee-level and below, the Secretary of the Air Force will accompany USD(P).

The DoD Chief Information Officer (CIO) will continue to exercise authorities with respect to position, navigation, and timing policy and develop and implement PNT policy, including airspace and military air traffic control, pursuant to DoDD 4650.5, and in accordance with DoDD 5144.1.

The Director, Cost Assessment and Program Evaluation (CAPE) will continue to provide budget analysis and review of the national security space budget as part of the normal annual review and planning process.

The Chairman of the Joint Chiefs of Staff will continue to advise the President and the Secretary of Defense on military space-related issues and capability requirements as well as review and synchronize Combatant Commander reports and assessments concerning space capability and resource requirements

The Commander, U.S. Strategic Command (USSTRATCOM) will continue to serve as the single point of contact for military space operational matters except as otherwise directed.

In accordance with Subtitle D of Title 10 U.S.C. and DoDD 5100.01, the Department of the Air Force will continue to be principally responsible for organizing, training, equipping, and presenting ready Air Force space forces to combatant commanders. These authorities are executed by major command commanders, including Air Force Space Command.

The following specific actions will be taken in order to implement the National Defense Authorization Act.

Organization for Warfighting

- The Air Force will transition the National Space Defense Center from an experiment to a functioning command center to support command and control/coordination of joint and interagency space capabilities in a contested environment.

- The Air Force Space Command Commander will serve as a Joint Functional Component Commander under Commander, USSTRATCOM.

- The Commander of Air Force Space Command will be expected to serve for a period of 6 years unless promoted, reassigned, or retired based on the recommendation of the Secretary of the Air Force and with the approval or recommendation of the Secretary of Defense, and, as required, the President.

- The Air Force will disestablish the position of Deputy Chief of Staff for Space Operations and take appropriate steps to reorganize its Headquarters Air Force space function.

- To better normalize space as a joint warfighting domain, the Commander, USSTRATCOM, supported by the Chief of Staff of the Air Force, and other senior military service representatives, as appropriate, will present a joint warfighting concept of operations to the Chairman of the Joint Chiefs of Staff for review and submission in the joint warfighting publication series.

- The Chief of Staff of the Air Force will be responsible for developing joint space requirements in support of the Vice Chairman-led Joint Requirements Oversight Council process.

Force Planning and Coordination

- Pursuant to section 1601, the position, and the office of the PDSA, are terminated. As an interim measure, the duties, responsibilities, personnel, and resources of the office of the PDSA are transferred to the Deputy Secretary of Defense.

- The Defense Space Council is disestablished. The need for a formal entity to address space related issues that cross the DoD will be considered as part of the organizational study required under section 1601(c) of the FY18 National Defense Authorization Act.

- The Military Departments, Missile Defense Agency, and National Reconnaissance Office will continue to share information and seek to ensure that space strategies, plans, programs, architectures and science and technology involving space systems are aligned across the DoD and with other national security space entities to meet joint warfighting requirements.

- In accordance with section 1601of the National Defense Authorization Act, the Deputy Secretary of Defense, assisted by the DoD Chief Management Officer, will ensure that a Federally Funded Research and Development Center not closely affiliated with the Department of the Air Force develops a plan to establish a separate military department responsible for the national security space activities of the DoD, in the event there is a decision to do so. That plan must consider the space and associated ground capabilities of all military services, the National Reconnaissance Office, the Missile Defense Agency and other national security space elements, and should assess what factors should be considered in any organizational change. The plan must also consider how other elements that contribute to national security space will be impacted or incorporated into a new department including the integration of the NASA satellite control network, the NASA and Air Force launch service infrastructure, the NOAA weather program, and other federal and commercial entities with space capabilities. The plan must also include an estimate of the one time and incremental operating cost associated with the creation of a separate department for national security space. An interim report will be submitted to the Congress not later than August 1, 2018 and a final report not later than December 31, 2018.

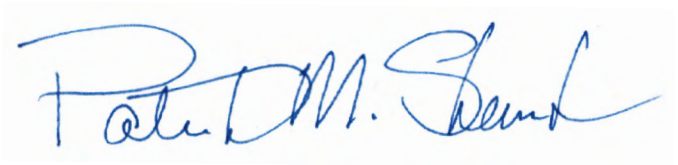
Acquisition

- To increase the speed of acquisition of space capabilities that are defendable in an increasingly contested and congested environment, the Secretary of the Air Force will direct a comprehensive review of Air Force acquisition organization and authorities with respect to space and implement changes as needed to increase lethality and better support the warfighter.

- Air Force Space Command will consult with the DoD Chief Information Officer to evaluate, develop, and make recommendations on the procurement of commercial satellite communications services; they will provide these recommendations to me not later than August 1, 2018.

- The Operationally Responsive Space office is designated as the Space Rapid Capabilities Office. The Air Force will review the organization, training and authorities to ensure that the office will support renewed emphasis on rapid acquisition.

The NDAA has given us an opportunity to accelerate and better integrate actions across the department to increase our lethality and readiness in the space domain. Taking these actions will improve our ability to fight and win should a war either begin or extend into space.



ANNEX 2

FFRDC Space Study Update

The Department will finalize the contract with a Federally Funded Research and Development Center (FFRDC) by 2 March 2018 to develop the plan to establish a military department responsible for national security space as directed in Section 1601(d) of the National Defense Authorization Act for Fiscal Year 2018. The work will span four major activities.

- Development of functions, roles, and responsibilities for a military department based on the mission outcomes such a department will support. Considerations will include how such a department: (a) supports the National Defense Strategy and National Military Strategy; (b) improves development and sustainment of space capabilities; (c) impacts the industrial base; and affects the costs and imparts benefits to the Department of Defense, the federal interagency space activities and the commercial sector.
- Use the decision on function and mission direction to design an organization.
- Develop a plan to implement the organization, including cost impacts and organizational changes across the Department.
- Develop enabling legislation.

The milestones for this work are as follows, and include meeting prescribed dates for an update to Congress by 1 August 2018 and a final report by 31 December 2018.

12 March	Complete work plan
18 May	Update to DepSecDef on summary of mission and function scope
15 Jun	Final report on mission and function scope
1 Jul	Final report on proposed organization of new department
1 August	Interim Report to Congress
3 Oct	Update to DepSecDef on Cost Impacts
31 Oct	Final report on cost impacts and legislative proposals
30 Nov	Final report for DepSecDef review
NLT 31 Dec	Final report to Congress

ANNEX 3

List of Meetings and Activities (as of 1 Mar 2018)

Date	Action/Deliverable
12 Dec	FY 2018 National Defense Authorization Act signed into law
16 Dec	DSD/AF Space Review
10 Jan	DSD Space Working Session (small group)
17 Jan	DSD signs Interim Implementation Guidance based on Sec. 1601 of FY18 NDAA
20 Jan	DSD Space Working Session
1 Feb	FFRDC NDAA task review
5 Feb	DSD visit AFSPC/NSDC w/ Gen Raymond, Ms. Betty Sapp, & BG Lawson
7 Feb	DSD Space Working Session
12 Feb	FYI: Budget released
13 Feb	DSD visit to NRO, discussion of acquisition with senior NRO leadership
16 Feb	DSD hosted AF/OSD Space table top
21 Feb	National Space Council meeting at Kennedy Space Center
1 Mar	Interim report due to Congress
1 Mar	FFRDC selected to develop plan required by FY18 NDAA
Ongoing	DSD Space Working Sessions (every 2-3 weeks)
	Future Activities
1 Aug	Air Force Space Command recommendations due to DSD, in consultation with DoD CIO, regarding procurement of commercial satellite services
1 Aug	Final DSD Space Report due to Congress
1 Aug	DSD's Interim FFRDC Report due to Congress
31 Dec	DSD's Final FFRDC Report due to Congress