



**U.S. AIR FORCE**

# LOS ANGELES AIR FORCE BASE

## MEDIA RELEASE

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### **Air Force awards EELV Boeing ELC contract**

**LOS ANGELES AIR FORCE BASE, El Segundo, Calif.** – The U.S. Air Force announces the award of an Evolved Expendable Launch Vehicle (EELV) Launch Capability (ELC) contract to The Boeing Company (Integrated Defense Systems, Huntington Beach, CA). This Boeing ELC contract is for a 16-month period and provides the infrastructure required for launch capability to support four launches per year, with one of those from the west coast. Launch capability includes prime and supplier critical skills retention; engineering; program management; launch and range site activities; and mission integration. Since previously awarded mission prices included this same scope of work, those contracts will be adjusted to remove any duplication in scope.

This contract is part of the EELV Buy 3 strategy to enable a flexible contract structure in which the Government aims to share an appropriate level of risk with the launch service providers, preserve the space launch industrial base, and stabilize the launch operations tempo. The revised EELV acquisition strategy focusing on the U.S. Government and National Security Space as the primary user of EELV and absolute Mission Success as the primary goal.

According to the Launch and Range Systems Wing chief engineer, Col. Joseph F Boyle, "We now have the basic contract structure in place to provide the government's required level of mission assurance with both Boeing and Lockheed Martin and we will have the assured access to space needed for national security."

The new acquisition strategy incorporates two separate contracts for each launch provider: ELC, and a Launch Service contract (ELS). ELC contracts are a standard government negotiated procurement and thus fundamentally different from the previous commercial type contracts. The new contracts require traditional cost reporting from the contractors, and will comply with Cost Accounting Standards and the DoD Earned Value Management Systems policy.

The Boeing ELC contract was awarded today. A pre-contract cost letter was signed that recognizes costs as of June 1, 2006, upon the successful resolution of the DCAA audit of Boeing's proposal. Thus the period of performance on the Boeing ELC contract is June 1, 2006 through Sept. 30, 2007. The Boeing ELC contract value is \$674 million for the 16-month period of performance.

The Lockheed Martin ELC contract was awarded on Feb. 28, 2006 for \$815 million and covers a 24-month period of performance from Oct. 1, 2005 through Sept. 30, 2007.

The Launch Services portion of Buy 3 contract strategy or ELS, covers the specific launches. The Government will award ELS contracts on a per mission basis, awarded at least two years in advance of the anticipated launch. We are currently in negotiations for award of the first ELS contract.

The EELV program is a world-class space launch system that has enjoyed unprecedented success, 15 successes for 15 missions, supporting military, intelligence, and civil mission requirements previously serviced by Titan II, Delta II, Atlas II, and Titan IV. With the Nation's critical dependence on space launch, EELV meets National Security Space needs, National Space Transportation Policy requirements for assured access, and Congressional mandates.

**Media representatives can submit questions for response regarding this topic by sending an email to: [smcpa.media@losangeles.af.mil](mailto:smcpa.media@losangeles.af.mil)**