

**NOAA ADVISORY COMMITTEE FOR COMMERCIAL REMOTE
SENSING (ACCRES)
OPEN SESSION MEETING SUMMARY
September 24, 2012**

Open Session

The open session of the sixteenth meeting of NOAA's Advisory Committee for Commercial Remote Sensing (ACCRES) was convened on September 24, 2012 at 9:00 am in the NOAA Science Center, 1301 East West Highway in Silver Spring MD. In accordance with the provisions of Public Law 92-463, the meeting was open to the public.

Committee members present:

Mr. Kevin O'Connell (Chair), President and Chief Executive Officer, Innovation Analytics and Training LLC
Mr. Matthew O'Connell, President, Chief Executive Officer and Director, represented by Steve Wallach, GeoEye, Inc.
Mr. Jeffrey Tarr, President and Chief Executive Officer, represented by Marcy Steinke, DigitalGlobe, Inc.
Mr. Thomas Ingersoll, President and Chief Executive Officer, Skybox Imaging
Dr. David J. Gorney, Senior Vice President, Space Systems Group, The Aerospace Corporation
Mr. Keith Masback, President, United States Geospatial Intelligence Foundation (USGIF)
Ms. Michele R. Weslander Quaid, Chief Technology Officer, Google
Dr. Joanne Gabrynowicz, Director, National Center for Remote Sensing, Air, and Space Law, University of Mississippi
Dr. Scott Pace, Director, Space Policy Institute, George Washington University
Mrs. Roberta Lenczowski, President-Elect, American Society for Photogrammetry and Remote Sensing (ASPRS)
Michael Triller, Director of GEOINT systems, Northrop Grumman Corporation

Observers:

Mr. Greg Snyder - USGS
Mr. Tom Oldenburg - DoD
Mr. Casey Gayman - State Department
Dr. Michael C. Mineiro - NOAA/GCW on detail
Mr. Wendell Adams - NGA/SK
Ms. Michelle Herman - NGA
Mr. John Fenwick - Skybox Imaging
Mr. Paul Midzak - Pace GS

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Mr. Robert Carroll - The Aerospace Corporation
Mr. Mike Wooster - Spinnaker Consulting
Mr. Mark Cox - Singularity LLC NGA
Ms. Delia Cogar - Optimal Enterprise Solutions, Inc.
Ms. April Choi Pawlowski – NGA
Mr. Travis Cottom – State Department
Mr. Tony Lin – Pillsbury Winthrop
Mr. Aaron Tooke – NGA
Mr. Chirag Parikh, Director of Space Policy, National Security Council
Mr. Thomas Smith – NOAA CRSRA

Presiding Staff of the National Oceanic and Atmospheric Administration (NOAA):

Ms. Margaret Spring, Principal Deputy Under Secretary
Mr. Charles Baker, Satellite and Information Service
Ms. Tahara Dawkins, ACCRES Designated Federal Officer
Mr. Glenn Tallia, General Counsel
Ms. Eve Douglas, ACCRES Alternate Designated Federal Officer
Mr. Richard James, ACCRES Alternate Designated Federal Officer

Opening Remarks

Mr. Kevin O'Connell, Committee Chair, called the sixteenth ACCRES meeting to order, welcoming attendees and guests. Ms. Margaret Spring, the Principal Deputy Under Secretary for Oceans and Atmosphere welcomed the new ACCRES Committee members. After describing our partners and mission, Ms. Spring recognized the esteemed members and Chair of the ACCRES Federal Advisory Committee and offered CRSRA support for their work. Ms. Spring enlightened the participants of NOAA's responsibility to further the development of the U. S. commercial remote sensing industry in a manner which bolster economic and technological competitiveness while safeguarding national security and foreign policy interests. The ACCRES Committee was asked to consider six questions regarding Commercial Remote Sensing (CRS) regulation and policy to start the dialog towards a reinvigorated CRS environment. Which were:

- How can NOAA continue to regulate U.S. advanced technology to enable them to compete effectively with new, advanced foreign systems?
- How can NOAA, working with other USG agencies and foreign governments, help facilitate a better international business environment for U.S. commercial remote sensing firms?
- What licensing provisions might NOAA enact to better enable commercial purchase and use of the highest resolution or "upper Tier" commercial data, while still preserving national security and foreign policy interests?

- What are the risks and investment disincentives that NOAA might be inadvertently placing on U.S. industry by the way it regulates, and what can be done to address these issues?
- Should NOAA, in coordination with other USG agencies, relax current restrictions and develop a more consistent and predictable regulatory process for U.S. industry?
- What information or other resources would you recommend for use in reviewing NOAA's licensing program and practices?

Mr. Charles Baker, NOAA's Deputy Assistant Administrator for Satellite and Information Services remarked that the committee has seen changes in membership and staff. He welcomed ACCRES and thanked the members for serving above and beyond their day jobs. He commented on the strategy to remove government representatives from the committee as a way to get the opinions and advice of Industry concerning important issues. Mr. Baker introduced Office of Space Commercialization (OSC) and Commercial Remote Sensing and Regulatory (CRSRA) staff and offered their assistance to the Committee. He thanked Chirag Parikh, from the National Security Staff, for helping us to better understand the concerns of the White House.

ACCRES History and Purpose

Mr. Kevin O'Connell, Committee Chair summarized the past history of ACCRES and the critical importance of the ACCRES mission. Each person in attendance gave a brief introduction of their professional qualifications and experience on ACCRES. The Chair gave a space policy review run down of ACCRES from 2002 until 2009 when the last meeting was held, issues ACCRES looked at over the years include studies of the market, the licensing process related to the 120 day rule, and the lack of commercial radar data for sale in the U.S., because of Export data restrictions.

Mr. O'Connell invited the public to provide the ACCRES committee with considerable public comment. Mr. O'Connell introduced the ACCRES Charter and to describe the significance of ACCRES, its purpose, and highlights over the committee's history. Mr. O'Connell feels ACCRES should work to bring appreciation to CRS. He supported this statement addressing the very dynamic change in technology and the change in the supply and demand of CRS. O'Connell also mentioned how the Committee's focus should include system security and changes in cyber threats to CRS technology.

FACA Administration

Mr. Glenn Tallia, NOAA General Counsel addressed the group on the Federal Advisory Committee Act (FACA) law. In March 2012 ACCRES established a new charter with the General Service Administration (GSA). The FACA sets up policy and procedures for ACCRES Committee processes. The Sunshine Act describes the FACA processes the ACCRES Committee will use. The ACCRES Committee will normally meet in both open and closed sessions. The open meetings will be open to the public. Sometimes,

ACCRES will meet in a closed session to discuss National Security issues. The Department of Commerce (DOC) has a number of FACA Committees whose job it is to help guide regulatory processes.

NOAA CRSRA Activities

NOAA's Commercial Remote Sensing Regulatory Affairs (CRSRA) Director, Tahara Dawkins discussed how NOAA CRSRA is required to license and regulate the operation of US commercial remote sensing satellites, while assuring compliance with US laws, regulations, and license specific terms and conditions. Ms. Dawkins also discussed the significant CRSRA accomplishment for FY2012 and the Department of Commerce (DOC) response to the FY2012 National Defense Authorization Act (NDAA)

Ms. Dawkins went on to explain that DOC is committed to identifying changes, such as the reduction or removal of resolution restrictions, to help the U.S. Commercial Data Providers (CDPs) maintain competitive advantages and retain market leadership while continuing to take into account U.S. national security concerns and that DOC's response to the NDAA recommended forming an interagency team to determine the appropriate changes that may help the U.S. CDPs maintain a competitive advantage and retain market leadership while taking national security and foreign policy concerns into consideration. This group should include subject matter experts on national security, foreign policy, global markets, current and future EO capabilities, current regulatory regimes, and U.S. national policies.

Mr. Glenn Tallia explained the regulatory updating process for 15 CFR 960. Updating the 15 CFR Part 960 begins with a formal comments phase. Changes are routed through National Oceanic and Atmospheric Administration (NOAA) to the Office of Management and Budget (OMB) and to other agencies. Under the new rule the public comment period is 90 days. NOAA will adjudicate all changes that arise in the public comment period. The final rule is then published in the Federal Register. Ms. Dawkins and Tallia addressed to the Committee some of the key regulation changes. Ms. Dawkins took an action to email to the Committee members a red line version of the regulations changes.

Dawkins continued and mentioned that many regulation questions were raised concerning the policy on Debris Mitigation. This area required an extensive review in conjunction with other Federal Agencies involved in Debris Mitigation. The policy on this issue should be revisited.

CRS Policy Matters

Mr. Chirag Parikh, Director of Space Policy, National Security Council spoke on US CRS Policy Matters. Mr. Parikh briefed ACCRES on the status of policy work and explained that Presidential Policy Directive NSPD-27 is not currently under review. This may represent an opportunity for ACCRES to formulate guidance in advance of an NSPD-27 revision. The NSPD-27 policy seeks to counter threats to U.S. National Space assets. Commercial industry provides resiliency in launch failures, s/c anomalies,

redundancy, etc.

In the Commercial Remote Sensing arena, the Enhanced View contract is being monitored closely especially in the wake of the proposed merger of DigitalGlobe and GeoEye.

Mr. Parikh continued stating the global environment is a new climate characterized by keen International competitiveness from France, India and Italy to name a few. Changes for the future will be driven by International competition as evidenced in the aerial launch market. NSDP-27 needs to be revised to respond to these changes.

Mr. Parikh left the committee with the following questions: Could ACCRES provide a recommendation on resolution by the end of October? And to consider, data protection of the system, just what is it the nation is trying to protect? What is important? Is it data latency, geolocation, what parameters are important?

Skybox Imaging Update

The second half of the meeting began with ACCRES Chair, Mr. O'Connell calling the meeting back to order and introducing Mr. Tom Ingersoll Chief Executive Officer (CEO) of Skybox Imaging. Mr. Tom Ingersoll CEO Skybox Imaging presented slides that described his organization. Micro-satellite markets are leading to competition between Spain, Dubai, and Korea, as they compete for dominance in these markets. The regulatory environment is unsettled because of optical resolution and what future holds for that. Regulatory and policy stability would help to stabilize the market environment. Mr. Ingersoll underscored the fact that uncertainty in the area of regulation and policy would be problematic for his company and a case in point is the resolution discussion we are having today. Skybox mentioned how regulations could be problematic for Skybox in some other areas, specifically data reseller restrictions and grasping the regulatory obligation concerning data restrictions. Mr. Ingersoll, as a Committee member asked NOAA to provide information as to what its thoughts are concerning regulations. What are the items to consider, just, what are those must have in the regulatory arena so ACCRES could work around those items that are not in dispute.

Satellite Industry Resolution Change Market Study

Dr. Shawana P. Johnson, CEO of Global Marketing Insights, Inc., presented NOAA's Commercial Electro-Optical (EO) Satellite Imagery Resolution Restriction Change Market Study, February 2012. Dr. Johnson described the design and responses to the study. Strengths in the U.S. market include, U.S. strategic advantage, U.S. control of operations and infrastructure, U.S. data flows, financial advantages of ample venture capital. Look at package of current regulations including foreign ownership, self-regulation of ground stations, etc. Examine the nature of bilateral relationships to make win-win compromises. Sequestration may limit capital available to CRS providers, who look for regulatory relief.

Committee Priorities

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Mrs. Roberta Lenczowski offered to compile all comments concerning 15 CFR 960 regulations and temporal resolution for the ACCRES Committee. Mr. Kevin O'Connell will track any task of subcommittees if we decide to use them. ACCRES needs to consider Space policy versus US Information policy.

The Open Session adjourned at Adjourned at 3:27 pm.