DECISION DOCUMENT

FOR
JOINT POLAR SATELLITE SYSTEM-2 SPACECRAFT
DELIVERY ORDER

On February 24, 2015, I, along with key senior officials of NASA's Goddard Space Flight Center (NASA) and the National Oceanic and Atmospheric Administration (NOAA), met with the Evaluation Team (Team) appointed to evaluate proposals in connection with the JPSS-2 Spacecraft Delivery Order (DO). At that meeting, the Team presented their findings to me as selection briefing charts, which I carefully reviewed and considered. At the conclusion of the meeting, I made my selection, and this document provides the rationale for placement of the subject DO.

DELIVERY ORDER DESCRIPTION

This procurement is for a Firm-Fixed-Price DO issued under the Rapid III Spacecraft Catalog for, among other things: the design and fabrication of the Joint Polar Satellite System (JPSS)-2 spacecraft bus; integration of the Government furnished instruments; satellite-level testing; on-orbit satellite check-out; the provision of five flight segment emulators; and mission operations support.

The resultant DO has an effective ordering period of five-years from the award date and includes the following options:

- Option 1 – JPSS-3 Satellite (launch readiness date (LRD) 31 July 2024, authorization to proceed (ATP) no later than (NLT) 28 February 2020); and
- Option 2 – JPSS-4 Satellite (LRD 31 July 2028, ATP NLT 28 February 2024)

Additionally, the DO also includes the following pre-priced changes:

- Instrument Late Delivery - Up to 18 months
- Radiation Budget Instrument (RBI) Demanifest - Extension of demanifest capability beyond critical design review (CDR) +60 days (Applies to JPSS-2 only)
- Additional Test Days - Ambient (50 days maximum) and thermal vacuum (10 days maximum)
- Satellite Storage and Post-Storage Testing - Up to 16 months
- Launch Vehicle Change (Applies to Options 1 and 2 only)

NASA received offers from the following Rapid III Spacecraft Catalog vendors:

Ball Aerospace & Technologies Corporation (BATC); and
Orbital Sciences Corporation (OSC)

Following the initial evaluation of both proposals, discussions were held with both offerors on December 10, 2014. Discussions were conducted in accordance with Federal Acquisition Regulation (FAR) 15.306. After discussions concluded, both offerors submitted timely Final Proposal Revisions on January 14, 2015. The results of the final evaluation were presented to me on February 24, 2015, and are discussed below.

EVALUATION PROCESS

The DO evaluation process was conducted in accordance with FAR 16.505(b) and with the Rapid III master contract.

In accordance with the Request For Offer (RFO) issued on August 4, 2014, the following three evaluation factors were utilized: Mission Suitability, Past Performance, and Total Proposed Firm Fixed Price (i.e., the Price Factor). For purposes of selection, the RFO stated that the Mission Suitability Factor is approximately equal to the Price Factor.

Mission Suitability Evaluation Factor:

The following items were used to evaluate Mission Suitability in accordance with Attachment M of the RFO:

- **Management**
  - Management Approach
  - Spare Parts Plan
  - Performance Based Payment Schedule
- **Schedule**
  - Basic and Options schedules, schedule basis
  - Schedule Acceleration
- **Mission Assurance**
  - Mission Assurance Approach
  - Mission Assurance Implementation Plan
- **Technical**
  - Systems Engineering
  - System Descriptions
  - Instrument Accommodation
  - Integration and Test (I&T)
- **Pre-Priced Changes**

The Team classified findings as strengths, weaknesses, significant strengths, significant weaknesses, or deficiencies using the following definitions:

- Significant Weakness – a proposal flaw that appreciably increases the risk of unsuccessful contract performance

- Weakness – a flaw in the proposal that increases the risk of unsuccessful contract performance
- Deficiency – a material failure of a proposal to meet a Government requirement or a combination of significant weaknesses in a proposal that increases the risk of unsuccessful contract performance to an unacceptable level
- Strength (not in FAR/NFS) – a proposal area that enhances the potential for successful performance or contributes toward exceeding the contract requirements in a manner that provides additional value to the Government (this could be associated with a process, technical approach, materials, facilities, etc.)
- Significant Strength (not in FAR/NFS) – a proposal area that greatly enhances the potential for successful performance or contributes significantly toward exceeding the contract requirements in a manner that provides additional value to the Government

Past Performance Evaluation Factor:

Past Performance was evaluated on a pass/fail basis. The RFO indicated that if an Offeror received a "pass" rating, a trade-off of Mission Suitability and Price would be used to make selection.

In accordance with Attachment M of the RFO, a review of the Past Performance Retrieval System was conducted by the Contracting Officer to evaluate each Offeror's recent and relevant past performance history since the RSDO master contract award.

Price Evaluation Factor:

With respect to the Price Factor, the Team evaluated each Offeror's Total Proposed Firm Fixed Price, which is equal to the Total Price for the DO and both Options, plus the Total Pre-Priced Change Price for the DO and both Options. The Team conducted a price analysis, in accordance with FAR Part 15.404-1(b), to ensure that a fair and reasonable price is paid by the Government. In addition, the Team evaluated the Offeror's proposed performance-based payment milestones and payment profile to determine the reasonableness and consistency with the Offeror's anticipated funding requirements for the build and delivery cycle.

EVALUATION

Mission Suitability Factor:

BATC

BATC's Final Proposal Revision (FPR) received three (3) significant strengths, seven (7) strengths, and no weaknesses.

BATC's first significant strength was for proposing a significantly enhanced no-cost acceleration of the schedules for Options 1 and 2 by up to 22 and 45 months, respectively, beyond the requirements. This was accomplished with no overlap between Integration and Test (I&T) teams and with no facility conflicts and offered greatly enhanced flexibility to the Government in planning and executing the Options.

BATC's second significant strength was for its proposed instrument accommodation approach, which demonstrated a detailed understanding of interfaces, provided unobstructed fields of view, and incorporated existing Ground Support Equipment (GSE) and procedures. This approach greatly enhanced the potential for successful performance and significantly reduced technical and schedule risk.

BATC's third significant strength was for highly effective integration and test GSE, processes, and facilities. The use of existing thermal vacuum GSE and use of I&T plans and procedures that require very little modification significantly reduces development efforts, increases effectiveness, and provides high confidence in the ability to maintain schedule. BATC's I&T facilities support I&T functions in a single building with ample space to allow flexibility for concurrent satellite builds, if needed.

BATC received seven (7) strengths in the following areas: 1) effective mission readiness planning; 2) low-risk approach to simulators for instrument interface verification risk reduction; 3) mature subsystem designs that offer large margins in several areas; 4) a sound basis for schedules that results in high confidence; 5) mature flight software and processes; 6) launch vehicle accommodation experience that minimizes risk; and 7) a low-risk comprehensive approach to the demanifest of the Radiation Budget Instrument.

OSC

OSC's FPR received one (1) significant strength, seven (7) strengths, and no weaknesses.

OSC's significant strength was for a very effective acquisition strategy and make/buy plans. Existing relationships, contract vehicles, and agreements with suppliers provide reduced technical and schedule risk. The proposed acquisition strategy and sparing plan provides flexibility, robustness, and technical risk reduction for the basic and Options, while also addressing aging and obsolescence risk.

OSC received seven (7) strengths in the following areas: 1) enhanced no-cost acceleration of the schedules for Options 1 and 2 by up to 16 and 32 months, respectively; 2) effective subcontract management approach; 3) risk-reducing, flexible approach to flight software tools and simulators; 4) effective approach to Government insight for mission assurance; 5) robust and sound subsystem designs that minimize the number of deployments, reduce jitter sources, and increase the available telemetry data rate; 6) launch vehicle accommodation experience that minimizes risk; and 7) co-location of I&T facilities which fully support all satellite integration and testing activities in an effective manner with low associated risk.

Past Performance:

BATC

BATC's recent and relevant past performance history was evaluated and determined to be favorable. Therefore, BATC's past performance received a pass rating.

OSC

OSC's recent and relevant past performance history was evaluated and determined to be favorable. Therefore, OSC's past performance received a pass rating.

Price Factor:

BATC and OSC offered a Total Proposed Firm Fixed Price (as defined above) that was considered to be fair and reasonable. BATC's Total Proposed Firm Fixed Price was approximately 15% higher than OSC's. Both BATC and OSC proposed payment milestones and payment profiles were determined to be reasonable and consistent with their anticipated funding requirements.

DECISION

In making my determination, I reviewed the evaluation criteria and procedures that are summarized in this document and detailed in the RFO. During the presentation, I solicited the views of the evaluation team and key management personnel that were in attendance and have responsibilities related to the procurement. I also carefully reviewed the evaluation team's presentation and documentation in support of their evaluation results and concur with their findings.

Following my careful review and analysis, it is my conclusion that both OSC and BATC provided high quality Mission Suitability proposals. Both offerors had multiple strengths associated with their respective proposals and neither Offeror received any weakness or significant weakness findings. I was impressed with BATC's three significant strength

findings which it received for its proposed no-cost acceleration of schedules for Options 1 and 2, as well as for its proposed instrument accommodation approach and their highly effective integration and test resources that they have available. I was also impressed with OSC's significant strength finding for its proposed acquisition strategy and make/buy plans which will provide flexibility and robustness while also addressing aging and obsolescence risk. Overall, when comparing these significant strengths, BATC has a discernable technical advantage over OSC; each of three significant strengths represent areas which provide reduced risk or increased value and efficiencies to the Government. I also noted that each Offeror was evaluated as having seven separate strengths, some which were similar while others were different. While each of these strengths has its own merit, cumulatively the strengths did not constitute a discriminator between the Offerors.

In reviewing the proposed prices, I noted that OSC's Total Proposed Firm Fixed Price was significantly lower than the Total Proposed Firm Fixed Price proposed by BATC. In studying the pricing break-down, I also noted that OSC's proposed Basic Price was somewhat higher than the Basic Price proposed by BATC. While I noted that the higher proposed basic price offered by OSC does create some risk that the Government would pay a higher price if the options are not exercised, the overall price advantages associated with OSC's proposal outweigh this risk, particularly in light of the RFO's specific instruction that the selection be based on the Total Proposed Firm Fixed Price, which includes options.

Next, I noted that each Offeror received a "pass" in its past performance evaluation and, therefore, this was not a discriminator in my selection.

In determining which proposal offers the best value to the Government, I again referred to the relative importance of evaluation factors in the RFO which stated that the Mission Suitability and Price Factors were of approximately equal importance. As explained above, while I found that BATC's proposal offered a discernable technical advantage over OSC's in the Mission Suitability Factor, the significant price savings offered by the OSC proposal significantly outweighs the technical advantage offered by BATC. Accordingly, I have selected OSC's proposal for the JPSS-2 Spacecraft DO.

George W. Morrow
Director of Flight Projects

3/19/15
Date