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July 30, 1985⁷⁷

SHUTTLE PRICING FOR FOREIGN AND COMMERCIAL USERS

NSDD 144, National Space Strategy, directs the development of a plan for implementing full cost recovery of foreign and commercial Shuttle flights occurring after October 1, 1988.

Beginning in FY 1989, Shuttle flight capacity will be sold at auction to foreign and commercial users. The NASA Administrator will establish auction procedures to ensure maximum return to the government and equitable treatment for all potential launch customers.

The minimum acceptable bid will be \$74 Million (in 1982 dollars) per Shuttle equivalent. Three Shuttle equivalents per year will be available to the foreign and commercial market until two years before the launch year, at which time NASA may offer any remaining unused capacity. NASA may accept bids for multiple payloads at the auction price, subject to the above quotas. The above quotas will not apply to flights for new and innovative uses of space.

NASA will review annually Shuttle cost experience and the anticipated future effectiveness of this pricing policy in implementing National Space Policy goals under changing market conditions. NASA will submit its annual report, together with any recommendations for changes in the auction floor price or other aspects of this pricing policy, to the Assistant to the President for National Security Affairs and the Director of the Office of Management and Budget. Any policy issues resulting from this annual report may be referred to the SIG(Space).

The price charged to the Department of Defense for Shuttle flights will be negotiated separately from this foreign and commercial pricing policy and will be based on NSDD 164 and appropriate compensation for DOD services rendered in connection with Shuttle flights.

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Full Text of
NSDD 181