



260898
U.S. Department
of Transportation
**Federal Aviation
Administration**

800 Independence Ave., S.W.
Washington, D.C. 20591

November 13, 2003

FAA-00-7953-54

Dr. Mark Albrecht
President
International Launch Services
1660 International Drive
Suite 800
McLean, VA 22102

Dear Dr. Albrecht:

Thank you for your letter of November 4, 2003, regarding the FAA's proposed launch safety regulations. I also felt that our meeting on October 1st was very productive and I found the opportunity to hear your concerns useful. I hope that this additional opportunity further enhances our communication with each other and your understanding of the FAA's proposed safety regulations.

The FAA appreciates your recommendations regarding our proposed rulemaking efforts for launch activities. The FAA certainly gives full consideration to all comments received in response to our proposed rulemaking efforts. However, I am concerned that Lockheed Martin continues to labor under the belief that the FAA's proposed requirements will add to your cost structure and that the requirements are not safety related. To the contrary, the regulations would contain the safety requirements under which your company currently conducts launches. These requirements are designed to ensure that a launch does not result in harm to the public. Further, these requirements are designed to ensure that a launch vehicle employs a reliable flight safety system and remains within acceptable risk limits. We propose to codify the safety requirements to ensure that they are followed in the interest of the uninvolved public.

The FAA appreciates your concerns regarding costs and has taken numerous steps to ensure the accuracy of its costs assessments. Comments you made at our meeting and in your recent letter suggest that Lockheed Martin thinks that the FAA proposes entirely new technical requirements. The FAA does not, however, propose to add to existing technical requirements. A more thorough discussion of these differences in perception is addressed in detail in our first supplemental notice of proposed rulemaking, released July 30, 2000.

Finally, as was explained in the supplemental notice, range personnel will remain a licensee's primary point of contact. Also, thank you for your offer to make available Lockheed's books and cost data for our review to better understand your cost assertions.

Sincerely,

A handwritten signature in black ink, appearing to read "Patricia Grace Smith". The signature is written in a cursive style with a large initial "P" and "S".

Patricia Grace Smith
Associate Administrator for
Commercial Transportation