Milbank

Space Business Review

A monthly round-up of space industry developments for the information of our clients and friends.

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NEW INDONESIAN JV SELECTS CGWIC

On May 17, China Great Wall Industry Corporation (CGWIC) announced that it was selected by PT Palapa Satelit Nusa Sejahtera (PSNS), a newly established Indonesian satellite operator, to manufacture and launch the PALAPA-N1 satellite, a replacement for the PALAPA-D satellite. PSNS is owned by PT Indosat, Tbk (aka Indosat Ooredoo), PT Pasifik Satelit Nusantara (PSN) and one of PSN's shareholders. The contract between CGWIC and PSNS is reportedly valued at $220m and includes insurance services and financial support. To be manufactured based on CGWIC's DFH 4 satellite platform and launched on a Long March-3B launch vehicle, PALAPA-N1 will provide broadcast and broadband services across Indonesia from the 113°E orbital position.

MAY STRATEGIC TRANSACTIONS

On May 11, LeoSat Enterprises, Inc. (LeoSat) announced that SKY Perfect JSAT Corporation is investing an undisclosed sum in LeoSat as an anchor investor. LeoSat is planning a 108-satellite LEO constellation to be completed by late 2022. On May 19, Abertis Group (Abertis) and Eutelsat Communications SA (Eutelsat) announced that they reached an agreement for the sale to Abertis of Eutelsat's 33.69% ownership interest in Hispasat, S.A for €302m.

ROCKET LAB CONDUCTS TEST FLIGHT

On May 25, in the first of three test flights planned for this year, the Electron launch vehicle of Rocket Lab Ltd. (Rocket) reached space after lifting off from Rocket Lab Launch Complex 1 in New Zealand. According to Rocket, Electron is the world's first orbital-class vehicle to launch from a private site. The company aims to reach orbit with its next test flight and to conduct more than 50 launches per year once fully operational. Earlier this month, Spaceflight Industries, Inc. announced that it purchased Electron launch services for its dedicated rideshare missions.

SPACEX DETAILS NGSO SYSTEM PLANS

On May 3, in testimony before the U.S. Senate, Space Exploration Technologies Corp. (SpaceX) outlined its plans to develop, launch and operate an NGSO constellation 0f 4,425 satellites in 83 orbital planes to provide global broadband Internet service beginning in 2019. SpaceX is also seeking authority to operate a 7,500 V-band satellite system closer to Earth to provide more capacity for its NGSO system and to reduce latency in densely populated areas.

MAY LAUNCH SERVICES

May 4 – Arianespace S.A. successfully launched the KOREASAT-7 satellite for KT Sat Co., Ltd., a wholly-owned subsidiary of KT Corporation, and the SGDC satellite for VISIONA Tecnologia Espacial S.A., acting on behalf of TELEBRAS S.A., on an Ariane 5 launch vehicle. Manufactured by Thales Alenia Space based on the Spacebus 4000B2 satellite platform, KOREASAT-7 will provide Internet, Direct-to-Home television broadcasting and government communications services, as well as connectivity for VSAT networks, to users in Korea, the Philippines, the Indochinese Peninsula, Indonesia and India. Manufactured by Thales Alenia Space based on the Spacebus 4000C4 satellite platform, SGDC will provide strategic communications services to the Brazilian government and armed forces and broadband Internet access to users across Brazil.

May 15 – Space Exploration Technologies Corp. successfully launched the Inmarsat-5 F4 (I-5 F4) satellite for Inmarsat plc (Inmarsat) on a Falcon 9 launch vehicle. Inmarsat originally procured the satellite to serve as a spare but in March 2016 announced plans to launch it as the fourth and final satellite in Inmarsat's Global Xpress (GX) constellation, which offers global mobile broadband communications services, with improved service speed, coverage, reliability and security, to land-, sea- and air-based customers. Manufactured by Boeing Satellite Systems International, Inc., I-5 F4 supplements the other three GX satellites already in orbit with additional capacity and in-orbit redundancy.

May 18 – Arianespace S.A. successfully launched the SES-15 satellite for SES S.A. (SES) on a Soyuz launch vehicle, marking a number of firsts: the first SES satellite launched using Soyuz for a GTO mission, the first SES satellite with all-electric propulsion and the first hybrid SES satellite, offering wide-beam coverage as well as HTS capacity. Manufactured by Boeing Satellite Systems International, Inc. based on the 702SP satellite platform, SES-15 will serve global inflight entertainment and connectivity providers and support traffic-intensive data applications, including VSAT networks, with coverage of North and Central America and the Caribbean from the 129°W orbital slot. SES-15 also carries a Wide Area Augmentation System hosted payload for the U.S. Federal Aviation Administration, which will be used to improve the Global Positioning System for the aviation industry.