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Conflicting views on space 'rescue tugs'

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Two conflicting views on the prospects for so-called space 'rescue tugs' or Mission Extension Vehicles (MEV). On the one hand delegates to Euroconsult's World Space Business Week in Paris heard Northrop Grumman subsidiary SpaceLogistics speak enthusiastically of their MEVs.

Northrop Grumman bought rival satellite builder Orbital ATK last year and thus ensuring another significant player in the supply of commercial satellites to the market.

However, the company has frequently said that the tight margins in supplying geostationary commercial satellites makes the market unattractive, but the company's subsidiary SpaceLogistics LLC is keen on the so-called 'space tug' rescue business, more correctly called 'Mission Extension Vehicles' (MEV).

September 30th should see the launch of its first MEV which will dock with an Intelsat craft (IS-901) in January 2020.

Joseph Anderston, SpaceLogistics VP/Operations and business development, speaking at Euroconsult's World Space Business Week, says there's a wide spectrum of interest [in MEVs]. "We see quite a bit of interest in life extension because [clients] have been waiting on doing their replacements. One of the new things emerging is smaller, flexible spacecraft. Satellite servicing is another method to provide that."

SpaceLogistics second space tug will launch in the Spring of 2020, again with Intelsat as its first customer.

But an opposing view on space tugs came from Maxar Technologies, which was developing a space tug ('in-orbit servicing vehicle') for the USA's Robotic Servicing of Geosynchronous Satellites (RSGS) programme. But Maxar is building a Restore-L service satellite which will aid satellites in Low Earth orbit.

Maxar says the RSGS programme was curtailed so that it could focus its resources on ensuring optimal returns when weighed against other capital priorities.

Maxar had unified Space Systems/Loral and its satellite construction facility in Palo Alto, California. A sell-off of some of the Palo Alto site and staff cut-backs have placed the company on a sounder footing. Keeping the whole of the Palo Alto facility active cost the company some \$100 million last year, and while CEO Daniel Jablonsky is not yet saying that Maxar is totally in the black, he says that an EBITDA break-even is now likely for this year.

"The company has a little more debt than I'd like and we're working on that," Jablonsky said at the Paris event. "But I am a believer in optimal capital structures, in optimal returns for shareholders. I looked at every programme in the company and asked what makes the most sense for returns to our shareholders, and what doesn't."

One shining portion of the company is its 'CanadaArm' robotic division. He explained that Maxar has 5 robotic arms on Mars at the moment, and Maxar has two study contracts under its belt for the latest version, Canadarm 3.

To qualify for more US-based business, in particular NASA and US defense contracts, the company has achieved US domestication and now has its HQ in Colorado, although the MDA division is still based in Canada.

The company, under its former Space Systems/Loral division, now firmly called Maxar, it has an impressive 92 geostationary satellites still in orbit. And it is looking for more business.

Jablonsky is not dismissing 'space tugs' altogether, and is extremely interested in orbital refuelling missions, making use its Canadarms, and a profitable geostationary satellite order or two every year.

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