TOP SECRET 142330Z NOV 77 CITE BISON 0437

HANDLE VIA BYEMAN CHANNELS ONLY

GAMBIT BACKUP WITH TWO DUAL MODE VEHICLES

1. OUR UNDERSTANDING OF YOUR REQUEST IS AS FOLLOWS:
   - A. TWO VEHICLES CONVERTED TO DUAL MODE AND STORED.
   - B. NO DEMONSTRATION FLIGHT.
   - C. NO MORE LAUNCHES EXCEPT IN RESPONSE TO A BACKUP NEED (RECOGNIZING THAT THE BACKUP CAPABILITY WILL NOT BE READY UNTIL LATE FY 80).
   - D. WORK WILL STOP ON THREE OF THE FIVE REMAINING GAMBIT VEHICLES.

2. THIS IS THE BOTTOM LINE FOR SUCH A PROGRAM:
   FY 78 FY 79 FY 80 FY 81 FY 82 FY 83 TOTAL

PAGE 2 BISON 0437 TOP SECRET

3. THE COSTS ABOVE ARE BASED ON THE FOLLOWING ASSUMPTIONS:
   - A. TWO GAMBIT VEHICLES STORED WITH DUAL MODE CAPABILITY.
   - B. NO BACKUP CAPABILITY FOR 30 MONTHS (BACKUP CAPABILITY AVAILABLE IN LATE FY 80).
   - C. NO DEMONSTRATION FLIGHT.
   - D. NO CHECKOUT OF THE OPERATIONAL SYSTEM.
   - E. NO SHUTTLE TRANSITION.
   - F. NO SHUTTLE USER CHARGE.
   - G. NO COST OF T-IIIB FOR VEHICLE 54.
   - H. COSTS INCLUDE TWO LAUNCHES (FY 80 AND 81), EVEN THOUGH NO LAUNCHES ARE SCHEDULED.
   - I. T-IIIB FOR VEHICLES 52 AND 53 HAVE ALREADY BEEN PROCURED AND WOULD BE AVAILABLE TO BE USED TO OFFSET COSTS OF OTHER SP PROGRAMS.

4. THE BOOSTERS FOR GAMBIT VEHICLES 52 AND 53 CAN BE USED BY OTHER PROGRAMS AND WE CAN CANCEL THAT BUY WHICH IS CURRENTLY BEING NEGOTIATED (IMPACT ON OTHERS IS
A portion of the booster for 6-54 (procurement began in FY 77) can be applied to the Next NRO 1-340:

5. Your direction to us regarding this alternative stated that work on vehicles 52, 53, and 54 would stop. However, our approach would be to convert two Gambit vehicles to dual mode, not retrofit vehicles 50 and 51 to dual mode. We choose this approach because it is more effective both financially and programmatically. Vehicles 50 and 51 have already been assembled. It would be less costly to convert vehicle 52 and 53 to

DUAL MODE AS IN-LINE ASSEMBLY MODIFICATIONS RATHER THAN
DISASSEMBLE AND RETROFIT VEHICLES 50 AND 51. FROM A
PROGRAMMATIC STANDPOINT, VEHICLES 52 AND 53 ARE NEWER
VEHICLES AND ARE A MORE LOGICAL CHOICE TO STORE UNTIL
1987.