

## Ukraine suffered a comms outage when 1,300 SpaceX satellite units went offline over funding issues

By <u>Alex Marquardt</u> and Sean Lyngaas, CNN Updated 1:06 PM EDT, Fri November 4, 2022



Yasuyoshi Chiba/AFP/Getty Images

This photograph taken on September 25 shows an antenna of the Starlink satellite-based broadband system donated by US tech billionaire Elon Musk in Izyum, Kharkiv region, amid the Russian invasion of Ukraine.

**Washington (CNN)** — Ukraine's fears that its troops may lose access to Elon Musk's crucial Starlink internet service deepened in the past week after 1,300 of the military's satellite units went offline, according to two sources familiar with the outage.

The small, easy-to-use satellite dishes made by Musk's private rocket company SpaceX have been universally hailed as a <u>game-changing source of communication</u> for Ukraine's military, allowing it to fight and stay online even as cellular phone and internet networks have been destroyed in its war with Russia.

But concerns have risen recently over the dependability of SpaceX after discussions about funding were revealed and outages were reported near the frontlines.

CNN first reported that SpaceX sent a letter in September to the Pentagon claiming it had spent almost \$100 million

funding Starlink in Ukraine and that it could no longer continue to do so. The letter requested that the Defense

Department take over more of the funding for Ukraine's military, which it calculated would run tens of millions of dollars a month.

Days after the CNN report, Musk appeared to reverse course, claiming that SpaceX had withdrawn the request.

"The hell with it," Musk tweeted, "we'll just keep funding Ukraine govt for free."

Negotiations between SpaceX and the Defense Department continue despite Musk's claim that SpaceX withdrepw its request, according to a senior defense official.

"Negotiations are very much underway. Everyone in our building knows we're going to pay them," the senior Pentagon official told CNN, adding that the department is eager to have commitments in writing "because we worry he'll change his mind."



Jonathan Newton/The Washington Post/Getty Images

SpaceX CEO Elon Musk provides an update on the development of the Starship spacecraft and Super Heavy rocket at the companys Launch facility in south Texas.

On Wednesday, Musk attended a ceremony for US Space Force which also included Secretary of Defense Lloyd Austin and General Mark Milley, the Chairman of the Joint Chiefs of Staff. Musk has also been embroiled in his high-profile and controversial takeover of Twitter.

Neither Musk nor SpaceX responded to a request for comment. The Ukrainian government, including the Ministry of Defense, did not immediately respond.

The recent outage started on October 24 and was described by one person briefed on the situation as a "huge problem" for Ukraine's military. The terminals had been disconnected, this person said, due to a lack of funding.

The outage affected a block of 1,300 terminals that Ukraine purchased from a British company in March and were used for compat-related operations

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SpaceX was charging Ukraine's military \$2,500 a month to keep each of the 1,300 units connected, pushing the total cost to almost \$20 million by September, the person briefed on the matter said. Eventually, they could no longer afford to pay, the person said.

## A British request

Before the terminals went completely dark, Ukraine's Ministry of Defense made a request in early October to their British counterparts to pick up the \$3.25 million monthly bill. The batch of terminals were also rotated out as concerns grew that service could be turned off, in order to minimize the impact, the source said.

A British official said after discussions between the ministries "it was agreed there were higher priority military capabilities." Among many other channels of support, the UK has been flying thousands of Ukrainian troops to Britain for training before they head back to the frontlines.

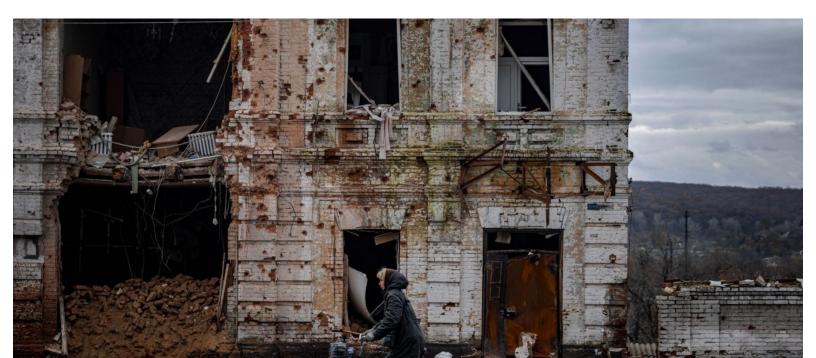
"We support a number of terminals that have a direct tactical utility for Ukraine's military in repelling Russia's invasion," the British official told CNN. "We consider and prioritize all new requests in terms of the impact contributions would have in supporting Ukraine to defend its people against Putin's deplorable invasion."

A senior Ukrainian official confirmed the outage, calling the Starlink units "very important" for Ukraine's fight against Russia.

The <u>September letter from SpaceX</u> to the Pentagon said there were almost 20,000 Starlink terminals in Ukraine. At that time, by SpaceX's own admission, the majority of them were fully or partially purchased with outside funding, including from the US, Polish and UK governments. The letter claimed those sources paid for about 30% of the monthly connectivity bill as well.

The terminals, which include small satellite dishes, connect to SpaceX's constellation of satellites orbiting the earth and not only keep troops and civilians online but have been used with lethal effect, proving critical for Ukraine's use of drones and artillery targeting.

It's unclear exactly how many terminals Ukraine's military is operating but the 1,300 that recently shut off represent a significant portion. In July the country's commander-in-chief wrote Musk directly asking for more, in a letter seen by CNN, saying approximately 4,000 had been deployed by the military.





Dimitar Dilkoff/AFP/Getty Images

A woman rides a bicycle past a damaged building in the town of Kupiansk on November 3, 2022, Kharkiv region, amid the Russian invasion of Ukraine.

Earlier this month, Musk said that of the more than 25,000 terminals now in Ukraine, fewer than 11,000 were paying for the service, which can run as high as \$4,500 per month.

On Monday a Pentagon spokesman declined to comment on potential contracts or agreements but said talks are ongoing.

"We continue to discuss Ukraine's satellite communication needs with Ukraine and companies like SpaceX and others," Brigadier General Patrick Ryder told reporters.

Whether greater cooperation with SpaceX would give the US government stronger control over the Starlink signal in Ukraine has not been answered. Currently SpaceX controls where Ukraine Starlink terminals can be used and outages have previously been reported by Ukrainian units near the front, as they advanced and liberated Russian-held areas.

As a result, Musk's control of the signal gives him significant sway over the battlefield at a time when he has come under heavy criticism for arguing that Ukraine should sue for peace and give up some of its territory.

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