

Verizon wins FAA technology deal worth up to \$2.4 billion

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People walk past a Verizon store in Manhattan's Midtown neighborhood in New York, May 2, 2017. The Federal Aviation Administration has awarded Verizon Communications a contract potentially worth \$2.4 billion to upgrade the agency's technology systems. The contract, disclosed Thursday, March 30, 2023, comes nearly three months after a critical alert system failed, temporarily halting departing flights across the country. Credit: AP Photo/Bebeto Matthews, File



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The FAA said Verizon will build a network that includes secure communications and administrative services. If the FAA exercises all options in the deal, the contract would run for 15 years and reach the full potential value, according to an agency spokeswoman.

Verizon said it will build a network "to support all of the agency's mission-critical applications" including air traffic management for more than <u>45,000 flights</u> per day.

The contract, disclosed Thursday, comes nearly three months after a critical alert system failed, temporarily halting departing flights across the country. The FAA blamed the outage on contractors who accidentally deleted files from a database and its backup.

FAA officials have said they need to modernize the alert system and many other programs. Airline officials have supported the agency, telling Congress to provide more funding for FAA technology.

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