

# **UNITED STATES AIR FORCE**

## **Committee Staff Procurement Backup Book**

### **FY 2007 Budget Estimates**



**February 2006**

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**AIRCRAFT PROCUREMENT, AIR FORCE  
VOLUME I**

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OPR: SAF/FMB



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FY 2007 BUDGET ESTIMATES

FEBRUARY 2006

**SECTION 1:**  
**APPROPRIATION LANGUAGE**

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**AIRCRAFT PROCUREMENT  
AIR FORCE**

For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spares parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things, \$11,479,810,000 to remain available for obligation until September 30, 2009.

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FY 2007 BUDGET ESTIMATES

FEBRUARY 2006

**SECTION 2:**

**GLOSSARY/ORGANIZATIONS/TERMS**

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## GLOSSARY OF ACRONYMS

**ACTD - Advanced Concept Technology Demonstration**  
**AGM - Air-to-Ground Missile**  
**AIM - Air Intercept Missile**  
**AIS - Avionics Intermediate Shop**  
**ACMI - Aircraft Combat Maneuvering Instrumentation**  
**AMRAAM - Advanced Medium-Range Air-to-Air Missile**  
**AUTODIN - Automated Digital Network**  
**AWACS - Airborne Warning and Control System**  
**BLSS - Base Level Self-Sufficiency Spares**  
**BY - Budget Year**  
**C3 - Command, Control, and Communication System**  
**CFE - Contractor Furnished Equipment**  
**CONOPS - Concept of Operation**  
**CONUS - Continental United States**  
**CPMS - Comprehensive Power Management System**  
**CPT - Cockpit Procedures Trainer**  
**CRA - Continuing Resolution Authority**  
**CTS - Countermeasures Test Set**  
**CY - Current Year**  
**DDTE - Design, Development, Test and Evaluation**  
**ECCM - Electronic Counter Counter Measures**  
**ECM - Electronic Counter Measures**  
**ECO - Engineering Change Orders**  
**EOQ - Economic Order Quantity**  
**ECP - Engineering Change Proposal**  
**EGPWS - Enhance Ground Proximity Warning System**  
**EPA - Economic Price Adjustment**

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**EW - Electronic Warfare**  
**EWAISP - Electronic Warfare Avionics Integration Support Facility**  
**FLIR - Forward Looking Infra Red**  
**FOT&E - Follow-on Test and Evaluation**  
**FOC - Fully Operational Capability**  
**FLTS - Flight Line Test Set**  
**FPIF - Fixed Price Incentive Firm**  
**FPIS - Fixed Price Incentive Fee, Successive Targets**  
**GANS - Global Access Navigation & Safety**  
**GATM - Global Air Traffic Management**  
**GFE - Government Furnished Equipment**  
**GPS - Global Positioning System**  
**GSE - Ground Support Equipment**  
**IOC - Initial Operating Capability**  
**IPE - Increased Performance Engine**  
**JPALS - Joint Precision Approach and Landing System**  
**LANTIRN - Low Altitude Navigation and Targeting Infra Red System for Night**  
**METS - Mobile Electronic Test Stations**  
**MYP - Multiyear Procurement**  
**MSIP - Multi-Stage Improvement Program**  
**NAVWAR - Navigation Warfare**  
**NMC Rate - Not Mission Capable Rate**  
**OFP - Operational Flight Program**  
**OT&E - Operational Test and Evaluation**  
**OWRM - Other War Reserve Material**  
**PAGEL - Priced Aerospace Ground Equipment List**  
**PB - President's Budget**  
**PGSE - Peculiar Ground Support Equipment**  
**PMC - Procurement Method Code**  
**PR - Purchase Request**  
**PTT - Part Task Trainer**

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**PY - Prior Year**  
**R&M - Reliability and Maintainability**  
**RAA - Required Asset Availability**  
**RDT&E - Research, Development, Test and Evaluation**  
**RVSM - Reduced Vertical Separation Minimum**  
**RWR - Radar Warning Receiver**  
**ROM - Rough Order of Magnitude**  
**SAM - Surface-to-Air Missile**  
**SS - Sole Source**  
**SOF - Special Operation Force**  
**TAF - Tactical Air Force**  
**TCAS - Traffic Collision Alert and Avoidance System**  
**TEWS - Tactical Electronic Warfare System**  
**TISS - TEWS Intermediate Support System**  
**TOA - Total Obligation Authority**  
**WMP - War Mobilization Plan**  
**WRM - War Reserve Material**  
**WST - Weapon System Trainer**  
**UAV - Unmanned Aerial Vehicle**  
**UHF - Ultra High Frequency**  
**USA - United States of America**  
**VHSIC - Very High Speed Integrated Circuit**

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**ORGANIZATIONS**

**ACC - Air Combat Command**

**AFMC - Air Force Material Command**

**ALC - Air Logistics Center**

**ASC - Aeronautical Systems Center**

**ATC - Air Training Command**

**FAA - Federal Aviation Administration**

**NATO - North Atlantic Treaty Organization**

**OSD - Office of the Secretary of Defense**

**PACAF - Pacific Air Forces**

**USAFE - United States Air Forces Europe**

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## TERMS

**Advanced Buy** - Obligating fund for longlead material/component in advance of the fiscal year the end item is authorized

**Avionics** - Electronic equipment on-board aircraft

**Boresight** - An optical reference line used in harmonizing guns, rockets on other weapon launchers

**Chaff Flare** - Radar and infrared countermeasures

**Depot** - Wholesale level repair and supply point

**Drone** - An object used for target practice

**Fly by wire** - Full authority electronic flight control system

**Ground Clutter** - Objects on the ground which cause distorted or misleading radar readings

**Interdiction** - Operational term for behind the front line bombing

**Inter theater** - Global

**Intratheater** - Within given area

**Mobilization** - The ability to move war-fighting equipment from one place to another

**Multi Stage Improvement Program** - A phased program for upgrading the F-15 and F-16

**Off the Shelf** - Commercially available equipment

**Pipeline Standards** - The expected average time it takes for a component to be removed from the aircraft, repaired and returned for use in serviceable condition

**Prototype** - A working model transforming a developmental idea into reality

**Provisioning** - The process of determining and contracting for spare parts required to support new production systems for the initial support period

**Pylon** - Munitions adapter

**Readiness** - Ability to go to war and support initial deployment

**Robotics** - Automated manufacturing technique

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**S-Band** - Radio frequency spectrums from 1550 to 3900 MHZ

**Solicitation** - The process of requesting proposals from private industry for goods and services required by the government

**Surge** - The period of time between normal operations and increased operations

**Sustainability** - Ability to sustain wartime combat rates after initial surge

**Target** - See Drone

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FY 2007 BUDGET ESTIMATES

FEBRUARY 2006

**SECTION 3:**

**3010F AIRCRAFT, EXHIBIT P-1**

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DEPARTMENT OF THE AIR FORCE  
FY 2007 PROCUREMENT PROGRAM

SUMMARY  
(\$ IN MILLIONS)

27 JAN 2006

APPROPRIATION: AIRCRAFT PROCUREMENT, AIR FORCE

ACTIVITY -----	FY 2005 -----	FY 2006 -----	FY 2007 -----
01. COMBAT AIRCRAFT	4,134.2	3,896.0	2,996.3
02. AIRLIFT AIRCRAFT	5,080.4	3,979.7	3,475.4
03. TRAINER AIRCRAFT	302.0	328.9	305.1
04. OTHER AIRCRAFT	1,038.9	845.9	1,049.5
05. MODIFICATION OF INSERVICE AIRCRAFT	2,403.8	2,318.9	2,601.8
06. AIRCRAFT SPARES AND REPAIR PARTS	213.3	200.3	305.2
07. AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES	774.4	1,111.8	746.5
TOTAL AIRCRAFT PROCUREMENT, AIR FORCE	13,947.0	12,681.5	11,479.8

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DEPARTMENT OF THE AIR FORCE  
 FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 3010F AIRCRAFT PROCUREMENT, AIR FORCE

DATE: 27 JAN 2006

MILLIONS OF DOLLARS

LINE NO	ITEM NOMENCLATURE	IDENT CODE	FY 2005		FY 2006		FY 2007		S E C
			QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	
BUDGET ACTIVITY 01: COMBAT AIRCRAFT									
TACTICAL FORCES									
1	F-35	A					5	(988.1)	U
	LESS: ADVANCE PROCUREMENT (PY)							(-118.4)	U
								869.7	
2	F-35								
	ADVANCE PROCUREMENT (CY)				118.4			145.3	U
	(FY 2006 FOR FY 2007) (MEMO)				(118.4)				
	(FY 2007 FOR FY 2008) (MEMO)							(145.3)	
3	F-22A	A	24	(4,056.7)	24	(3,618.1)		(1,503.9)	U
	LESS: ADVANCE PROCUREMENT (PY)			(-504.6)		(-473.9)			U
				3,552.1		3,144.3		1,503.9	
4	F-22A								
	ADVANCE PROCUREMENT (CY)			473.9		569.2		477.4	U
	(FY 2005 FOR FY 2006) (MEMO)			(473.9)					
	(FY 2006 FOR FY 2008) (MEMO)					(569.2)			
	(FY 2007 FOR FY 2009) (MEMO)							(377.4)	
	(FY 2007 FOR FY 2010) (MEMO)							(100.0)	
5	F-15E	A			1	(172.4)			U
	LESS: ADVANCE PROCUREMENT (PY)					(-108.2)			U
						64.1			
6	F-15E								
	ADVANCE PROCUREMENT (CY)			108.2					U
	(FY 2005 FOR FY 2006) (MEMO)			(108.2)					
TOTAL COMBAT AIRCRAFT				4,134.2		3,896.0		2,996.3	

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DEPARTMENT OF THE AIR FORCE  
FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 3010F AIRCRAFT PROCUREMENT, AIR FORCE

DATE: 27 JAN 2006

## MILLIONS OF DOLLARS

LINE NO	ITEM NOMENCLATURE	IDENT CODE	FY 2005		FY 2006		FY 2007		S E C
			QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	
BUDGET ACTIVITY 02: AIRLIFT AIRCRAFT									
-----									
TACTICAL AIRLIFT									
7	C-17A (MYP)	A	15	(3,137.9)	15	(3,250.1)	12	(3,306.4)	U
	LESS: ADVANCE PROCUREMENT (PY)			(-476.3)		(-469.7)		(-670.2)	U
				-----		-----		-----	
				2,661.7		2,780.4		2,636.2	
8	C-17A (MYP)								
	ADVANCE PROCUREMENT (CY)			375.7		439.5			U
	(FY 2005 FOR FY 2006) (MEMO)			(282.1)					
	(FY 2005 FOR FY 2007) (MEMO)			(93.6)					
	(FY 2006 FOR FY 2007) (MEMO)					(439.5)			
9	C-17 ICS	A		917.7					U
OTHER AIRLIFT									
10	C-40	A		221.4					U
11	C-130J	A	11	(887.2)	8	(819.9)	9	(807.0)	U
	LESS: ADVANCE PROCUREMENT (PY)			(-133.3)		(-139.1)		(-109.7)	U
				-----		-----		-----	
				754.0		680.8		697.3	
12	C-130J								
	ADVANCE PROCUREMENT (CY)			150.0		78.9		90.0	U
	(FY 2005 FOR FY 2006) (MEMO)			(123.3)					
	(FY 2005 FOR FY 2007) (MEMO)			(15.0)					
	(FY 2005 FOR FY 2008) (MEMO)			(11.7)					
	(FY 2006 FOR FY 2007) (MEMO)					(78.9)			
	(FY 2007 FOR FY 2008) (MEMO)							(90.0)	
13	KC-X							36.1	U
	ADVANCE PROCUREMENT (CY)							(36.1)	
	(FY 2007 FOR FY 2008) (MEMO)								
14	LIGHT CARGO AIRCRAFT	A						15.8	U
				-----		-----		-----	
TOTAL AIRLIFT AIRCRAFT				5,080.4		3,979.7		3,475.4	

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DEPARTMENT OF THE AIR FORCE  
FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 3010F AIRCRAFT PROCUREMENT, AIR FORCE

DATE: 27 JAN 2006

## MILLIONS OF DOLLARS

LINE NO	ITEM NOMENCLATURE	IDENT CODE	FY 2005		FY 2006		FY 2007		S E C
			QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	
BUDGET ACTIVITY 03: TRAINER AIRCRAFT									
-----									
UPT TRAINERS									
15	DRUG INTERDICTION	A		.3					U
16	INTRO TO FLIGHT/AIRMANSHIP PRG	A		.9					U
OPERATIONAL TRAINERS									
17	JPATS	A	53	300.9	54	328.9	48	305.1	U
				-----			-----		
TOTAL TRAINER AIRCRAFT				302.0	328.9		305.1		
BUDGET ACTIVITY 04: OTHER AIRCRAFT									
-----									
HELICOPTERS									
18	V22 OSPREY	A	3	(287.9)	2	(230.2)	2	(219.0)	U
	LESS: ADVANCE PROCUREMENT (PY)			(-15.0)		(-10.9)		(-10.4)	U
				-----			-----		
				272.9	219.3		208.6		
19	V22 OSPREY								
	ADVANCE PROCUREMENT (CY)			10.9		10.4		34.4	U
	(FY 2005 FOR FY 2006) (MEMO)			(10.9)					
	(FY 2006 FOR FY 2007) (MEMO)					(10.4)			
	(FY 2007 FOR FY 2008) (MEMO)							(20.2)	
	(FY 2007 FOR FY 2009) (MEMO)							(4.6)	
	(FY 2007 FOR FY 2010) (MEMO)							(3.3)	
	(FY 2007 FOR FY 2011) (MEMO)							(3.0)	
	(FY 2007 FOR FY 2012) (MEMO)							(3.3)	
MISSION SUPPORT AIRCRAFT									
20	CIVIL AIR PATROL A/C	A	27	2.9		6.5		2.2	U
OTHER AIRCRAFT									
21	TARGET DRONES	A		72.6		81.8		82.0	U
22	C-37A	A			1	44.4			U

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DEPARTMENT OF THE AIR FORCE  
FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 3010F AIRCRAFT PROCUREMENT, AIR FORCE

DATE: 27 JAN 2006

## MILLIONS OF DOLLARS

LINE NO	ITEM NOMENCLATURE	IDENT CODE	FY 2005		FY 2006		FY 2007		S E C
			QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	
23	GLOBAL HAWK LESS: ADVANCE PROCUREMENT (PY)	A	4	(349.5) (-50.7)	5	(355.7) (-60.2)	6	(493.4) (-64.1)	U U
				298.9		295.5		429.3	
24	GLOBAL HAWK ADVANCE PROCUREMENT (CY) (FY 2005 FOR FY 2006) (MEMO) (FY 2006 FOR FY 2007) (MEMO) (FY 2007 FOR FY 2008) (MEMO)			60.2 (60.2)		64.1 (64.1)		63.9 (63.9)	U
25	PREDATOR UAV	A	12	320.6	9	123.9	26	229.1	U
	TOTAL OTHER AIRCRAFT			1,038.9		845.9		1,049.5	
BUDGET ACTIVITY 05: MODIFICATION OF INSERVICE AIRCRAFT									
STRATEGIC AIRCRAFT									
26	B-2A	A		93.9		58.3		191.3	U
27	B-1B	A		8.6		37.2		53.3	U
28	B-52	A		110.2		128.5		70.1	U
29	F-117	A		22.6		9.5		24.4	U
TACTICAL AIRCRAFT									
30	A-10	A		67.9		51.5		107.4	U
31	F-15	A		204.1		222.1		92.9	U
32	F-16	A		347.1		414.4		352.1	U
33	F-22A	A		68.6		53.3		216.1	U
34	T/AT-37	A		.1					U

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DEPARTMENT OF THE AIR FORCE  
FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 3010F AIRCRAFT PROCUREMENT, AIR FORCE

DATE: 27 JAN 2006

		MILLIONS OF DOLLARS						
LINE	ITEM NOMENCLATURE	IDENT	FY 2005	FY 2006	FY 2007		S	
NO		CODE	QUANTITY	QUANTITY	QUANTITY	COST	E	
----	-----	-----	-----	-----	-----	-----	C	
AIRLIFT AIRCRAFT								
35	C-5	A	(114.1)	(91.9)	(176.1)		U	
	LESS: ADVANCE PROCUREMENT (PY)				(-19.7)		U	
			-----	-----	-----			
			114.1	91.9	156.4			
36	C-5							
	ADVANCE PROCUREMENT (CY)			19.7	66.7		U	
	(FY 2006 FOR FY 2007) (MEMO)			(19.7)				
	(FY 2007 FOR FY 2008) (MEMO)				(66.7)			
37	C-9	A	6.1				U	
38	C-17A	A	182.7	257.4	251.4		U	
39	C-21	A	1.1	7.8	1.3		U	
40	C-32A	A	.2	.2	.2		U	
41	C-37A	A	.3	.4	.4		U	
TRAINER AIRCRAFT								
42	GLIDER MODS	A		3.1	.1		U	
43	T-6	A	3.8	6.1	6.2		U	
44	T-1	A		.2	.2		U	
45	T-38	A	170.9	190.1	143.7		U	
46	T-41 AIRCRAFT	A	.1				U	
47	T-43	A	.6	2.0	2.1		U	
OTHER AIRCRAFT								
48	KC-10A (ATCA)	A	36.4	21.6	6.8		U	
49	C-12	A	18.5	6.2	.9		U	
50	C-20 MODS	A	.4	.5	.5		U	
51	VC-25A MOD	A	27.6	1.0	1.0		U	

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DEPARTMENT OF THE AIR FORCE  
FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 3010F AIRCRAFT PROCUREMENT, AIR FORCE

DATE: 27 JAN 2006

MILLIONS OF DOLLARS									
LINE	ITEM NOMENCLATURE	IDENT	FY 2005		FY 2006		FY 2007		S
NO		CODE	QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	E
----	-----	-----	-----	-----	-----	-----	-----	-----	---
52	C-40	A		63.8		.2		.2	U
53	C-130	A		162.3		177.8		217.7	U
54	C130J MODS	A		46.8		5.9		39.0	U
55	C-135	A		53.3		92.1		83.5	U
56	COMPASS CALL MODS	A				29.0		46.8	U
57	C-29A MODS	A		15.7		3.8			U
58	DARP	A		97.8		84.3		89.8	U
59	E-3	A		46.5		49.6		64.5	U
60	E-4	A		106.6		84.2		5.6	U
61	E-8	A		61.0		15.3		138.2	U
62	H-1	A		6.5		34.0		40.4	U
63	H-60	A		102.4		50.8		16.7	U
64	GLOBAL HAWK MODS	A						11.3	U
65	OTHER AIRCRAFT	A		89.4		75.5		43.7	U
66	PREDATOR MODS	A		36.5		29.9		58.3	U
67	CV-22 MODS	A		.3		3.6		.5	U
OTHER MODIFICATIONS									
68	CLASSIFIED PROJECTS	A		28.9					U
TOTAL MODIFICATION OF INSERVICE AIRCRAFT				2,403.8		2,318.9		2,601.8	

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DEPARTMENT OF THE AIR FORCE  
 FY 2007 PROCUREMENT PROGRAM

EXHIBIT P-1

APPROPRIATION: 3010F AIRCRAFT PROCUREMENT, AIR FORCE

DATE: 27 JAN 2006

MILLIONS OF DOLLARS

LINE NO	ITEM NOMENCLATURE	IDENT CODE	FY 2005		FY 2006		FY 2007		S E C
			QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	
BUDGET ACTIVITY 06: AIRCRAFT SPARES AND REPAIR PARTS									
-----									
AIRCRAFT SPARES + REPAIR PARTS									
69	INITIAL SPARES/REPAIR PARTS	A		213.3		200.3		305.2	U
TOTAL AIRCRAFT SPARES AND REPAIR PARTS				213.3		200.3		305.2	
BUDGET ACTIVITY 07: AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES									
-----									
COMMON SUPPORT EQUIPMENT									
70	COMMON SUPPORT EQUIPMENT	A		204.5		122.8		138.9	U
POST PRODUCTION SUPPORT									
71	B-1	A		11.5		13.3		10.3	U
72	B-2A	A		6.7		7.2		7.7	U
73	B-2A	A		30.0		21.8		11.7	U
74	B-52	A		19.0		20.9		8.1	U
75	C-130	A		1.2		20.2			U
76	F-15 POST PRODUCTION SUPPORT	A		13.1		13.0		10.7	U
77	F-16 POST PRODUCTION SUPPORT	A		11.3		17.6		12.2	U
INDUSTRIAL PREPAREDNESS									
78	INDUSTRIAL RESPONSIVENESS	A		20.6		22.1		23.5	U
WAR CONSUMABLES									
79	WAR CONSUMABLES	A		40.4		23.8		25.4	U
OTHER PRODUCTION CHARGES									
80	OTHER PRODUCTION CHARGES	A		246.8		636.4		474.9	U
81	DEPOT MODERNIZATION	A		84.8		114.0		1.4	U

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MILLIONS OF DOLLARS

LINE NO	ITEM NOMENCLATURE	IDENT CODE	FY 2005		FY 2006		FY 2007		S E C
			QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	
CLASSIFIED PROGRAMS									
82	CLASSIFIED PROGRAMS	A							
83	CLASSIFIED ACTIVITES	A							
84	SPECIAL PROGRAMS	A							
OTHER PRODUCTION CHARGES - SOF									
85	CANCELLED ACCT ADJUSTMENTS	A		.5					U
DARP									
86	DARP	A		73.7		67.5		13.0	U
TOTAL AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES				774.4		1,111.8		746.5	
TOTAL AIRCRAFT PROCUREMENT, AIR FORCE				13,947.0		12,681.5		11,479.8	

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FY 2007 BUDGET ESTIMATES

FEBRUARY 2006

**SECTION 4:**

**P-1 LINE ITEM DETAIL**

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**FY 2007 BUDGET ESTIMATES**  
**BUDGET ACTIVITY 01 – COMBAT AIRCRAFT**  
**FEBRUARY 2006**

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## PROGRAM

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## PROGRAM ASSESSMENT

### Air Combat Program

The purpose of this program is to enable DoD to successfully wage war in the air by developing and producing a variety of tactical fighter and strike aircraft.

#### PERFORMING

##### Moderately Effective

- **DoD's management of the overall air combat program is currently based on the extensive system of regulations governing how individual acquisition programs are managed.** Through these regulations DoD tracks the progress of individual programs and can hold managers accountable for their programs.
- **DoD's individual programs within the overall air combat program are delivering aircraft at targeted rates, but in several cases, such as the F/A-22, at greater cost than projected.**
- **DoD is moving towards an assessment of the overall capabilities provided by its programs, rather than its traditional assessment of individual acquisition programs.** However, until the air combat program is managed as a single program (consisting of several systems) with clear long-term goals, it will be difficult to perform such a "capabilities based" assessment.

**We are taking the following actions to improve the performance of the program:**

- Working to refine methods for assessing the effectiveness of the overall air combat program in light of the needs of the global war on terrorism.
- Reviewing the balance of individual programs within the air combat program in light of the ongoing 2005 Quadriennial Defense Review of overall strategy.

- [Details and Current Status of this program assessment.](#)
- [How all Federal programs are assessed.](#)
- [Learn more about Air Combat Program.](#)

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Exhibit P-40, Budget Item Justification						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 01						Joint Strike Fighter Squadrons					
Program Element for Code B Items:		N/A			Other Related Program Elements:				0604800F		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A				5	8	15	20	31	TBD	TBD
Cost (\$ M)					869.704	1139.921	1775.000	2046.514	2779.028	TBD	TBD
Advance Proc Cost (\$ M)				118.405	145.310	164.142	195.429	331.672	579.035	TBD	TBD
Weapon System Cost (\$ M)		0.000	0.000	118.405	1015.014	1304.063	1970.429	2378.186	3358.063	TBD	TBD
Initial Spares (\$ M)				0.000	98.084	102.232	186.308	190.313	273.210	TBD	TBD
Total Proc Cost (\$ M)		0.000	0.000	118.405	1113.098	1406.295	2156.737	2568.499	3631.273	TBD	TBD
Flyaway Unit Cost (\$ M)				0.000	176.250	140.115	104.498	92.466	86.735	TBD	TBD
Wpn Sys Unit Cost (\$ M)				0.000	222.544	175.787	143.782	128.425	117.138	TBD	TBD

**Description**

The Joint Strike Fighter program will develop and field a family of aircraft that meets the needs of the USN, USAF, and USMC, and allies, with optimum commonality among the variants to minimize life cycle costs. Service Acquisition Executive (SAE) authority alternates between the Department of the Navy and the Department of the Air Force and currently resides with the Air Force. The production cost and quantities are interdependent due to one manufacturer for the program. The DoN procurement begins in FY08; advance procurement begins in FY07.

**FY 2007 Program Justification**

USAF procurement of JSF commences in FY 2007 with full funding of 5 Air Force CTOL aircraft and advanced procurement for 8 CTOL aircraft.

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<b>Exhibit P-5, Weapon System Cost Analysis</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 01</b>	P-1 Line Item Nomenclature <b>Joint Strike Fighter Squadrons</b>

Manufacturer's Name/Plant City/State Location Lockheed Martin/Ft Worth TX	Subline Item
--	--------------

Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Airframe/CFE	A							5	87.314	436.568
CFE Electronics	A							5	45.775	228.877
GFE Electronics	A									
Engines/Eng ACC	A							5	10.569	52.843
Armament	A									
ECO (Flyaway)	A							5	10.964	54.821
Subtotal Recurring Flyaway										773.109
Non-Recurring Cost	A									76.946
Ancillary Equip	B									31.196
Subtotal Non-Recurring Flyaway										108.142
Peculiar Ground Support Equipment	B									16.022
Peculiar Training Equipment	B									11.020
Publication/Technical Equipment	B									1.911
Field Support/ILS	B									37.997
Production Engineering Support	B									39.927
Subtotal Support Cost										106.877
Gross P-1 Cost										988.109
Advance Procurement Credit	A									-118.405
Net P-1 Cost										869.704
Advance Procurement	A						118.405			145.310
Weapon System Cost							118.405			1015.014
Initial Spares										98.084
<b>TOTAL PROGRAM</b>							118.405			1015.014

Comments

NOTE: 1) Total Program does not include Initial Spares. Initial Spares added in total on P-40.  
 2) Nonrecurring Costs includes funding for Diminishing Manufacturing Sources (DMS) necessary to protect JSF delivery schedule

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<b>Exhibit P-5A, Procurement History and Planning</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 01</b>	P-1 Line Item Nomenclature <b>Joint Strike Fighter Squadrons</b>

<b>Weapon System</b>				Subline Item							
JSF				Joint Strike Fighter Squadrons							
WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?
Lockheed Martin (FY07)	5	144.053	Arlington, VA		SS	Other	Lockheed Martin, Ft Worth, TX	Mar-07	Sep-09	No	N/A
Pratt & Whitney (FY07)	5	10.569	Arlington, VA		SS	Other	Pratt & Whitney, East Hartford, CT	Mar-07	Sep-09	No	N/A

**Remarks**

- Award dates are projected pending annual DAB approval and confirmation of annual contract plan.
- Request for Proposal Issue Dates are TBD.
- Contract Type, per draft updated Acquisition Strategy: "Cost Plus Incentive Award Fee (CPIAF) contracts are planned for the initial LRIP lots, transitioning to Fixed Price Incentive (Firm Target) (FPI(F)) contracts once the air vehicle has a mature design, has been demonstrated in flight test, and is producible at established cost targets.





<b>Exhibit P-21, Production Schedule</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 01</b>	P-1 Line Item Nomenclature <b>Joint Strike Fighter Squadrons</b>
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PROCUREMENT YEAR	SERV	PROC. QTY	ACCEP. PRIOR TO 1 OCT 2009	BALANCE DUE AS OF 1 OCT 2009	FISCAL YEAR 2010												FISCAL YEAR 2011												L A T E R
					2009			CALENDAR YEAR 2010									CALENDAR YEAR 2011												
					OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	
2007	USAF	5	1	4	1	1	1	1																			0		
2008	USAF	8	0	8							1			1		1	1	1									0		
2009	USAF	15	0	15															1	1	1	1	1	1	1	1	6		
2010	USAF	20	0	20																						20			
2011	USAF	31	0	31																						31			
<b>TOTAL</b>		<b>79</b>	<b>1</b>	<b>78</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>57</b>			

ITEM/MANUFACTURER'S NAME	LOCATION	PRODUCTION RATES MIN SUST	SHIFT HOURS DAYS	M A X	PROCUREMENT LEAD TIME				MFG TIME	TOTAL AFTER 1 OCT
					ADMIN LEAD TIME	PRIOR 1 OCT	AFTER 1 OCT	REORDER		
Lockheed Martin	Ft Worth, TX		2/8/5	250						
							6	30	36	

**REMARKS**  
 - Delivery quantities reflect Air Force only. The Navy and International Partners are also delivering on a similar delivery schedule and are not reflected in this schedule.  
 - Minimum sustaining rate is N/A. LRIP quantities are determined by the need to ramp up to full rate production levels by Milestone C in FY2014 and by commitments to other US Services and International Partners.  
 - Maximum production rate includes USAF, USN and International partner procurements.

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<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 02</b>						P-1 Line Item Nomenclature <b>Joint Strike Fighter Squadrons Advance Procurement</b>					

Program Element for Code B Items:		N/A			Other Related Program Elements:				0604800F		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Cost (\$ M)											0.000
Advance Proc Cost (\$ M)				118.405	145.310	164.142	195.429	331.672	579.035	TBD	TBD
Weapon System Cost (\$ M)		0.000	0.000	118.405	145.310	164.142	195.429	331.672	579.035	TBD	TBD
Initial Spares (\$ M)											0.000
Total Proc Cost (\$ M)		0.000	0.000	118.405	145.310	164.142	195.429	331.672	579.035	TBD	TBD
Flyaway Unit Cost (\$ M)											
Wpn Sys Unit Cost (\$ M)											

**Description**

The Joint Strike Fighter program will develop and field a family of aircraft that meets the needs of the USN, USAF, and USMC, and allies, with optimum commonality among the variants to minimize life cycle costs. This is a joint program with no executive service. Service Acquisition Executive (SAE) authority alternates between the Department of the Navy and the Department of the Air Force and currently resides with the Air Force. The production cost and quantities are interdependent due to one manufacturer for the program. The DoN procurement begins in FY08; advance procurement begins in FY07.

**FY 2007 Program Justification**

USAF procurement of JSF commences in FY 2007 with full funding of 5 CTOL aircraft and advanced procurement funding for 8 CTOL aircraft.



Exhibit P-10 p.2, Advance Procurement Requirements Analysis (Page 2 - Budget Justification)								Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 02</b>								P-1 Line Item Nomenclature <b>Joint Strike Fighter Squadrons Advance Procurement</b>				
Weapon System												
JSF_AP												
(TOA, \$ in Millions)												
<u>Description</u>	<u>PLT</u>	<u>QPA</u>	<u>Unit Cost</u>	<u>2005 QTY</u>	<u>2005 Contract Forecast Date</u>	<u>2005 Total Cost Request</u>	<u>2006 QTY</u>	<u>2006 Contract Forecast Date</u>	<u>2006 Total Cost Request</u>	<u>2007 QTY</u>	<u>2007 Contract Forecast Date</u>	<u>2007 Total Cost Request</u>
End Item												
CFE								Mar-06	118.405	5	Mar-07	145.310
GFE												
EOQ												
Design												
Term Liability												
TOTAL AP						0.000			118.405			145.310
<u>Description</u>												
P-1 Shopping List Item No. 02						Advance Procurement Requirements Analysis (Page 2 - Budget Justification) Exhibit P-10 p.2, page 3 of 3						

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Exhibit P-40, Budget Item Justification							Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number							P-1 Line Item Nomenclature				
Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 03							F-22 (Raptor)				
Program Element for Code B Items:		27219F			Other Related Program Elements:				PE 27138F, 64239F		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	68	24	24		20	20	20		0	176
Cost (\$ M)		12452.079	3552.143	3144.267	1503.898	2934.843	2919.758	1724.473	261.745	0.000	28493.206
Production Modernization		(33.145)	(28.604)	(1.089)	0.000	(39.161)	(61.300)	(29.595)	(261.745)	0.000	(454.639)
Advance Proc Cost (\$ M)		2855.948	473.858	569.209	477.404	266.562				0.000	4642.981
Weapon System Cost (\$ M)		15308.027	4026.001	3713.476	1981.302	3201.405	2919.758	1724.473	261.745	0.000	33136.187
Initial Spares (\$ M)		22.884	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	22.884
Total Proc Cost (\$ M)		15330.911	4026.001	3713.476	1981.302	3201.405	2919.758	1724.473	261.745	0.000	33159.071
Flyaway Unit Cost (\$ M)		184.773	134.784	129.949	0.000	141.507	141.447	166.035	0.000	0.000	156.356
Wpn Sys Unit Cost (\$ M)		221.605	167.750	154.728	0.000	171.775	169.406	203.306	0.000	0.000	185.372
<b>Description</b>											
<p>The F-22A Raptor represents the USAF's top priority for providing the Joint Force with air dominance, operational access, homeland and cruise missile defense for the next 20+ years. The F-22A is a first-of-a-kind multi-mission fighter aircraft that combines stealth, supercruise, advanced maneuverability and integrated avionics to make it the world's most capable combat aircraft.</p> <p>As a result of corporate guidance, the Air Force (AF) will proceed with all efforts and required documentation necessary to support a multiyear procurement after Lot 6 and restructure the production profile to 20 aircraft per year for the 3-year MYP of 60 aircraft. In addition, the AF will use Fiscal Year (FY) 2007 funding for multiyear Economic Order Quantity (EOQ) procurement and for schedule protection activities including subassembly work in progress of Lot 7 aircraft. FY08 funding provides for final assembly of Lot 7 aircraft. A similar strategy is planned for Lots 8 and 9. The implication of the corporate guidance is that strict adherence to the full-funding policy is precluded for Lots 7, 8, and 9.</p> <p>To execute the 3-year multiyear contract, the AF is submitting a package to Congress that contains the F-22A multiyear Business Case Analysis and seeks approval to award a multiyear contract. The Air Force is pursuing Congressional approval to use FY06 funding for EOQ in addition to the FY07 EOQ.</p> <p>Air Force will maintain sufficient funding to cover F-22A Lot 7-9 contract termination liability/cancellation ceiling requirements. In the event the multiyear contract is terminated, Air Staff will submit the required reprogramming actions for Congressional approval to ensure the termination/cancellation cost is fully funded.</p> <p>Current Fiscal Year 2007 President's Budget (FY07 PB) supports a 183 aircraft procurement profile. (Note: 183 total includes 6 Production Representative Test Vehicle (PRTV) II aircraft, 175 production aircraft, and 2 previously procured EMD aircraft funded in RDT&amp;E. Through MYP cost savings initiatives and contract negotiations the AF will strive to procure the FY07PB quantity of 183.</p> <p>Production Modernization funding is included in the Cost Line. This funding is broken out separately on the P-5, Weapons System Cost Analysis (next page). These funds are not counted against the F-22A Production Cap. F-22A Production Modernization provides for capability upgrades and associated support efforts not included in the baseline production program. F-22A Production Modernization (PE 27138F) funds activities such as Small Diameter Bomb (SDB) incorporation and system integration support.</p> <p>Initial spares are included in the weapon system cost line (except FY99). The F-22A program will not separately budget or contract for initial spares; rather, the program continues</p>											
P-1 Shopping List Item No. 03							Budget Item Justification Exhibit P-40, page 1 of 11				

<b>Exhibit P-40, Budget Item Justification</b>	Date: February 2006																																		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 03</b>	P-1 Line Item Nomenclature <b>F-22 (Raptor)</b>																																		
<p><b><u>Description Continued</u></b></p> <p>to provide spares as part of an overall support material capability.</p> <p>The F-22A program will submit a Titanium New Start approval package to Congress to request approval to use FY06 Advance Procurement funding for the procurement of long-lead parts and material (e.g. titanium) necessary to protect the delivery schedule of the FY08 Lot buy.</p> <p>Breakout of Flyaway and Weapon System Unit Cost:</p> <p>The Lot 7 flyaway unit cost is calculated by adding the Air Vehicle (AV) Lot 7 subassembly in FY 07, AV Lot 7 final assembly in FY 08, Engine Lot 7 subassembly in FY 07, Engine Lot 7 final assembly in FY 08, and 100% of Lot 7 Non-recurring flyaway in FY 07; then dividing the entire amount by the Lot 7 Aircraft (AC) quantity of 20.</p> <p>Unit flyaway calculation:</p> <table border="0"> <tr><td>816.846</td><td>AV Sub Assembly (FY 07)</td></tr> <tr><td>+ 1423.449</td><td>AV Final Assembly (FY 08)</td></tr> <tr><td>+ 133.958</td><td>Engine Sub Assembly (FY 07)</td></tr> <tr><td>+ 312.568</td><td>Engine Final Assembly (FY 08)</td></tr> <tr><td>+ 143.315</td><td>Non-recurring Flyaway</td></tr> <tr><td>= 2830.136</td><td>Lot 7 Total Flyaway Cost</td></tr> <tr><td>2830.136</td><td>/ 20 Lot 7 AC</td></tr> <tr><td>= 141.507</td><td>Flyaway Unit Cost</td></tr> </table> <p>The Lot 7 weapon system unit cost is calculated by adding Lot 7 AV support in FY 07, Lot 7 AV support in FY 08, Lot 7 Engine Support in FY 07, Lot 7 Engine Support in FY 08, and 100% of Lot 7 OGC to the total flyaway costs; then dividing the entire amount by the Lot 7 AC quantity of 20.</p> <p>Weapon system unit cost calculation:</p> <table border="0"> <tr><td>286.129</td><td>Air Vehicle Support (FY 07)</td></tr> <tr><td>+ 133.226</td><td>Air Vehicle Support (FY 08)</td></tr> <tr><td>+ 42.324</td><td>Engine Support (FY 07)</td></tr> <tr><td>+ 62.356</td><td>Engine Support (FY 08)</td></tr> <tr><td>+ 81.327</td><td>Other Government Costs</td></tr> <tr><td>+ 2830.136</td><td>Lot 7 Total Flyaway Cost</td></tr> <tr><td>= 3435.498</td><td>Lot 7 Weapon System Cost</td></tr> <tr><td>3435.498</td><td>/ 20 Lot 7 AC</td></tr> <tr><td>= 171.775</td><td>Weapon System Unit Cost</td></tr> </table> <p>The same methodology for flyaway and weapon system unit costs calculations are used for Lot 8 and Lot 9 flyaway and weapon system unit.</p>		816.846	AV Sub Assembly (FY 07)	+ 1423.449	AV Final Assembly (FY 08)	+ 133.958	Engine Sub Assembly (FY 07)	+ 312.568	Engine Final Assembly (FY 08)	+ 143.315	Non-recurring Flyaway	= 2830.136	Lot 7 Total Flyaway Cost	2830.136	/ 20 Lot 7 AC	= 141.507	Flyaway Unit Cost	286.129	Air Vehicle Support (FY 07)	+ 133.226	Air Vehicle Support (FY 08)	+ 42.324	Engine Support (FY 07)	+ 62.356	Engine Support (FY 08)	+ 81.327	Other Government Costs	+ 2830.136	Lot 7 Total Flyaway Cost	= 3435.498	Lot 7 Weapon System Cost	3435.498	/ 20 Lot 7 AC	= 171.775	Weapon System Unit Cost
816.846	AV Sub Assembly (FY 07)																																		
+ 1423.449	AV Final Assembly (FY 08)																																		
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286.129	Air Vehicle Support (FY 07)																																		
+ 133.226	Air Vehicle Support (FY 08)																																		
+ 42.324	Engine Support (FY 07)																																		
+ 62.356	Engine Support (FY 08)																																		
+ 81.327	Other Government Costs																																		
+ 2830.136	Lot 7 Total Flyaway Cost																																		
= 3435.498	Lot 7 Weapon System Cost																																		
3435.498	/ 20 Lot 7 AC																																		
= 171.775	Weapon System Unit Cost																																		
P-1 Shopping List Item No. 03	<b>Budget Item Justification Exhibit P-40, page 2 of 11</b>																																		

<b>Exhibit P-40, Budget Item Justification</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 03</b>	P-1 Line Item Nomenclature <b>F-22 (Raptor)</b>

**FY 2007 Program Justification**

The FY07 budget supports the procurement of Lot 7 subassembly and Advance Procurement (AP) to fund procurement of long-lead parts and materials necessary to protect the delivery schedule of Lot 8 and Lot 9 aircraft. The advance procurement funding also includes funding for the Economic Order Quantity (EOQ) required for the F-22A Multiyear Procurement Program (MYP). Final assembly of Lot 7 aircraft will be funded with FY08 funding.

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Exhibit MYP-1, Multiyear Procurement Criteria  
Program: F-22 Raptor (Air Force)

1. Multiyear Procurement Description:

This proposed multiyear procurement (MYP) covers the purchase of economic order quantity (EOQ) components common to an F-22 build, and transition to three-year production contract inclusive of Lots 7/8/9. The proposed MYP strategy supports production quantities of up to 20-20-20 across the three primary Lots (i.e., Lots 7/8/9) within budget and with deliveries through 2011. At present, the program office anticipates that this strategy will include both Economic Price Adjustment (EPA) and Variation in Quantity (VIQ) clauses to address uncertainty in outyear rates/factors—and impacts to contractor proposal preparation.

2. Benefit to the Government:

a. Substantial Cost avoidance:

The program office, in conjunction with the Institute for Defense Analysis (IDA), is completing a Business Case Analysis (BCA) to quantify the cost benefit of the planned MYP. The results of this BCA will be available in the Apr-May 06 timeframe and will be embedded within the MY approval package that is forwarded through corporate Air Force and to Congress.

b. Stability of Requirement:

The baseline F/A-22 Operational Requirements Document (ORD), 304-83-I/II/III, was approved by the Joint Requirements Oversight Council (JROC) in 17 Feb 04. As a supplement, the program office and ACC have jointly created a Capability Development document (Spiral 2) and in the process of developing Capability Production Documents (Spiral 3) to define required operational capabilities for outyear modernization of the F-22 fleet.

Exhibit MYP-1, Multiyear Procurement Criteria  
Program: F-22 Raptor (Air Force)

c. Stability of Funding:

In its 15 Apr 05 Acquisition Decision Memorandum, the Defense Acquisition Board approved “the F/A-22 as being capable for Full Rate Production entry and [authorized] the Air Force to buy aircraft within the limits of the F/A-22 procurement budget.” The 2005 Quadrennial Defense Review (QDR) also validated the Department’s requirement for the F-22. Further, the FY06 Defense Appropriations Conference Report (109-359) directed “the Secretary of Defense to report to the congressional defense committees, by March 30, 2006, on the alternatives of the continued acquisition of the F/A-22: The Report should consider, but not be limited to, the following: analyses of the advantages of a multiyear procurement program, of extending the F/A-22 procurement profile, and the effects F/A-22 procurement of the Joint Strike Fighter production line.” The program office and ACC will continue to work through the corporate Air Force structure to ensure sufficient funding to execute the planned MYP.

d. Stable Configuration:

The F-22’s Engineering, Manufacturing and Development phase concluded in Dec 05—defining the weapon system’s capability baseline for future production. To date, five production lots have been authorized—with production deliveries already extending into early Lot 4. The F-22’s prime air vehicle and engine contractors have established robust production lines capable of max rates of 32 air vehicles and 70 engines. The program office anticipates that the Lot 7 production baseline will be almost identical to that of Lot 6—with integration of planned modernization (Spiral 3A) and Diminishing Manufacturing Sources upgrades (CNI 2010) planned for Lots 8 and 9, respectively.

e. Realistic Cost Estimate:

As previously outlined, the program office [with assistance from IDA] is completing a Business Case Analysis (BCA) to quantify the cost benefit of the planned MYP. The results of this BCA will be available in the Apr-May 06 timeframe and will be embedded within the MY approval package.

Exhibit MYP-1, Multiyear Procurement Criteria  
Program: F-22 Raptor (Air Force)

f. National Security:

As outlined, the 2005 QDR validated the F-22's operational utility. This assessment was further supported by the results of AFOTEC's Aug-Oct 05 independent assessment of the Raptor's capability. From their preliminary report, the F-22 was determined to be "Mission Capable." Based on this information and other supporting data, the Commander, Air Combat Command (ACC), declared the F-22's Initial Operational Capability date as 15 Dec 05.

With its unmatched combination of stealth, integrated avionics and supercruise, the F-22 is the linchpin of ACC's Global Strike concept of operations. The Raptor's dominant combat capabilities will provide U.S. forces with overwhelming air superiority in any scenario, and its robust employment capabilities (both air-to-air and air-to-ground) will afford joint combatant commanders will options for asymmetric engagement that did not previously exist with pre-fifth generation fighters. In total, continued procurement of the F-22 maintains the USAF's preeminence in tactical and strategic airpower well into this century.

3. Source of Cost avoidance:

Specifics relative to cost avoidance will stem from the on going BCA.

\$ in Millions

Inflation	\$
Vendor Procurement	\$
Total Cost avoidance	\$

Exhibit MYP-1, Multiyear Procurement Criteria  
Program: F-22 Raptor (Air Force)

4. Advantages of the MYP:

The specific cost advantages of the planned MYP will again derive from the on going BCA. In general, the program office anticipates that advantages result from streamlined production planning, economic order quantity (EOQ) procurements and manufacturing initiatives from across the government and industry teams. In addition, the MYP will provide a bridge of critical prime contractor resources in support of the Joint Strike Fighter (F-35)—potentially reducing the development and outyear production costs for this complementary fifth generation fighter.

5. Impact on Industrial Base:

Although the cost specifics will derive from the BCA, the program office anticipates that the MYP will yield a favorable benefit to the industrial base. Prior to the QDR, the F-22 production would have stopped with Lot 8—with production deliveries ending in 2010. Since F-35 deliveries are not anticipated to begin until 2009, the prime contractor would have been forced to lay off or reassign critical resources—that could only be reconstituted at significantly higher cost or at the risk of schedule delays. A similar situation exists with the prime engine contractor—since the extended F119 production (resulting from a MYP) will partially reverse known shortages in procurement requirements through 2014-2015. In total, the stability afforded by a MYP will allow the prime contractor to enter into longer-term agreements with suppliers, and should incentivize both the prime and subcontractors to invest in process improvements which will yield quality and cost benefits.

6. Multiyear Procurement Summary:

	Annual Contracts	MYP Alternate
Quantity		
Total Contract Price	\$	\$
\$ Cost Avoidance Over Annual		\$

Exhibit MYP-2 Total Program Funding Plan (Air Force)					Date: Feb 06							
Aircraft Procurement, Air Force, F-22 Raptor	2007	2008	2009	2010	P-1 Line Item Nomenclature							
	BY2	BY2+1	BY2+2	BY2+3	BY2+4	BY2+5	BY2+6	BY2+7	BY2+8	2016	2017	TOTAL
Proc Qty	0	20	20	20								60
<b>Annual Procurement</b>												
Gross Cost (P-1)	1,703.9	3,364.9	3,135.9	2,061.1								10,265.8
Less PY Adv Proc	-	(569.2)	(277.4)	(366.6)								-1,213.2
Net Proc (= P-1)	1,703.9	2,795.7	2,858.5	1,694.6								9,052.6
Plus CY Adv Proc	277.4	366.6	-									644.0
Weapon Sys Cost	1,981.3	3,162.2	2,858.5	1,694.6								9,696.5
<b>Multiyear Proc</b>												
Gross Cost (P-1)												0.0
Less PY Adv Proc												0.0
Net Proc (=P-1)												0.0
Adv. Proc.												
' For FY08												0.0
' For FY09												0.0
' For FY10												0.0
' For FY11												0.0
' For FY12												0.0
Plus CY Adv Proc												0.0
Weapon Sys Cost												0.0
<b>Multiyear Savings (\$)</b>												0.0
Cancellation Ceiling, Funded												
Cancellation Ceiling, Unfunded												
<b>OUTLAYS</b>												
Annual (Budget)												
Multiyear												
Savings												
Remarks												

Exhibit MYP-3 Total Contract Funding Plan (Air Force)						Date: Feb 06						
Aircraft Procurement, Air Force, F-22 Raptor						P-1 Line Item Nomenclature						
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	BY1	BY2	BY2+1	BY2+2	BY2+3	BY2+4	BY2+5	BY2+6	BY2+7	BY2+8	BY2+9	
Proc Qty												0
<b>Annual Procurement</b>												
Airframe/CFE												0.0
Less PY Adv Proc												0.0
Net Proc (= P-1)												0.0
Plus CY Adv Proc												0.0
Contract Price												0.0
<b>Multiyear Proc</b>												
Airframe/CFE												0.0
Less PY Adv Proc												0.0
Net Proc (=P-1)												0.0
Adv. Proc.												
' For FY08												0.0
' For FY09												0.0
' For FY10												0.0
' For FY11												0.0
' For FY12												0.0
Total Adv Proc												0.0
Contract Price												0.0
<b>Multiyear Savings (\$)</b>												0.0
Cancellation Ceiling, Funded												
Cancellation Ceiling, Unfunded												
<b>OUTLAYS</b>												
Annual												
Multiyear												
Savings												
Remarks												

Exhibit MYP-4 Present Value Analysis (Air Force)						Date: Feb 06						
Aircraft Procurement, Air Force, F-22 Raptor						P-1 Line Item Nomenclature						
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	BY1	BY2	BY2+1	BY2+2	BY2+3	BY2+4	BY2+5	BY2+6	BY2+7	BY2+8	BY2+9	
<b>Annual Proposal</b>												
Then Year Cost												0.0
Constant Year Cost												0.0
Present Value												0.0
<b>Multiyear Proposal</b>												
Then Year Cost												0.0
Constant Year Cost												0.0
Present Value												0.0
<b>Difference</b>												
Then Year Cost												0.0
Constant Year Cost												0.0
Present Value												0.0
<b>Multiyear Savings (\$)</b>												0.0
Remarks												

P-1 Shopping List - Item No 12

Exhibit MYP-4, Present Value Analysis  
(MYP, Page 7 of 7)

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Exhibit P-5, Weapon System Cost Analysis						Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature				
Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 03						F-22 (Raptor)				
Manufacturer's Name/Plant City/State Location						Subline Item				
Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Airframes/CFE	A	24	82.815	1987.554	24	75.848	1820.354	0		0.000
Engine Accessories (shipset)	A	24	19.646	471.495	24	19.069	457.654	0		0.000
Avionics	A	24	25.519	612.462	24	25.171	604.098	0		0.000
Nonrecurring Costs				163.306			236.674			143.315
Lot 7 AV Sub Assembly (FY07 Funds)	A									816.846
Lot 7 AV Final Assembly (FY08 Funds)	A									
Lot 7 Engine Sub Assembly (FY07 Funds)	A									133.958
Lot 7 Engine Final Assembly (FY08 Funds)	A									
Lot 8 AV Sub Assembly (FY08 Funds)										
Lot 8 AV Final Assembly (FY09 Funds)	A									
Lot 8 Engines Sub Assembly (FY08 Funds)	A									
Lot 8 Engines Final Assembly (FY09 Funds)	A									
Lot 9 AV Sub Assembly (FY09 Funds)	A									
Lot 9 AV Final Assembly (FY10 Funds)	A									
Lot 9 Engines Sub Assembly (FY09 Funds)	A									
Lot 9 Engines Final Assembly (FY10 Funds)	A									
FLYAWAY COST SUBTOTAL				3234.817			3118.780			1094.119
Less: Prior Year Adv Procurement				-504.587			-473.858			
Plus: Current Year Adv Procurement	A			473.858			569.209			477.404
Other	A			61.562			26.837			81.326
Production Support - Other (PSO)	A			107.456			117.920			185.392
Performance-based Agile Logistics Support (PALS)	A			377.414			128.492			100.737
SUBTOTAL Air Vehicle Support				515.703			368.600			844.859
Engine Support	A			246.877			225.007			42.324
Modernization Support (PE27138F)	A			28.604			1.089			0.000
SUPPORT COST SUBTOTAL				275.481			226.096			42.324
TOTAL PROGRAM				4026.001			3713.476			1981.302
Comments										
Nonrecurring costs includes, but is not limited to, cost related to correction of air vehicle deficiencies caused by the concurrent development and production phases of the F-22A program. Nonrecurring cost also include the nonrecurring engineering and production costs associated with F-22A Diminishing Manufacturing Sources (DMS) issues.										
P-1 Shopping List Item No. 03						Weapon System Cost Analysis Exhibit P-5, page 4 of 11				

<b>Exhibit P-5, Weapon System Cost Analysis</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 03</b>	P-1 Line Item Nomenclature <b>F-22 (Raptor)</b>
<p>Unit cost for the engine differs from the P-5A because the P-5 uses the aircraft 'shipset' quantity (2 engines) to determine unit cost and the P-5A uses the engine quantity (1 engine).</p> <p>Modernization Support (PE27138F) includes activities such as system integration facility infrastructure (FY04 and FY05) necessary to support the F-22A weapon system. This project is required as a bridge between the end of the EMD funding for this effort and the beginning of PALS contractor support in FY06. This effort under PALS only provides the baseline system integration facility infrastructure and minimum essential staff manning of 40 hours per week to keep it operating. Individual projects will be required to provide funding for specific test and integration operations.</p>	
P-1 Shopping List Item No. 03	Weapon System Cost Analysis Exhibit P-5, page 5 of 11

Exhibit P-5A, Procurement History and Planning								Date: February 2006			
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number								P-1 Line Item Nomenclature			
Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 03								F-22 (Raptor)			
Weapon System					Subline Item						
F-22											
WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?
Lockheed Martin Corp	2	256.668	ASC/YF	Jan-98	SS	FFP	Lockheed Martin	Dec-98	Oct-02	Yes	
Lockheed Martin Corp	10	166.196	ASC/YF	May-99	SS	FFP	Lockheed Martin	Sep-01	Sep-03	Yes	
Lockheed Martin Corp	13	149.294	ASC/YF	Apr-00	SS	FFP	Lockheed Martin	Jan-02	Jul-04	Yes	
Lockheed Martin Corp	21	130.576	ASC/YF	Oct-01	SS	FFP	Lockheed Martin	Apr-03	May-05	Yes	
Lockheed Martin Corp	22	120.464	ASC/YF	Jul-02	SS	FFP	Lockheed Martin	Jun-04	Jan-06	Yes	
Lockheed Martin Corp	24	108.334	ASC/YF	Jul-03	SS	FFP	Lockheed Martin	Nov-05	Dec-06	Yes	
Lockheed Martin Corp	24	101.019	ASC/YF	Oct-05	SS	FFP	Lockheed Martin	Sep-06	Dec-07	Yes	
Lockheed Martin Corp	20	112.015	ASC/YF	May-06	SS	FFP	Lockheed Martin	Apr-07	Dec-08	Yes	
Lockheed Martin Corp	20	110.722	ASC/YF	May-07	SS	FFP	Lockheed Martin	Jan-08	Dec-09	Yes	
Lockheed Martin Corp	20	123.526	ASC/YF	May-08	SS	FFP	Lockheed Martin	Jan-09	Jan-11	Yes	
Pratt & Whitney	4	14.125	ASC/YF	Dec-97	SS	FFP	Pratt & Whitney	Dec-98	Feb-01	Yes	
Pratt & Whitney	20	10.853	ASC/YF	Jan-99	SS	FFP	Pratt & Whitney	Sep-01	Mar-02	Yes	
Pratt & Whitney	26	10.547	ASC/YF	May-00	SS	FFP	Pratt & Whitney	Jan-02	Mar-03	Yes	
Pratt & Whitney	42	10.630	ASC/YF	Nov-01	SS	FFP	Pratt & Whitney	Apr-03	Mar-04	Yes	
Pratt & Whitney	44	10.391	ASC/YF	Aug-02	SS	FFP	Pratt & Whitney	Jun-04	Jan-06	Yes	
Pratt & Whitney	48	9.823	ASC/YF	Aug-03	SS	FFP	Pratt & Whitney	Apr-05	Nov-07	Yes	
Pratt & Whitney	48	9.534	ASC/YF	Oct-05	SS	FFP	Pratt & Whitney	Apr-06	Mar-07	Yes	
Pratt & Whitney	40	11.163	ASC/YF	Oct-06	SS	FFP	Pratt & Whitney	May-07	Mar-08	Yes	
Pratt & Whitney	40	11.792	ASC/YF	Oct-07	SS	FFP	Pratt & Whitney	May-08	Mar-09	Yes	
Pratt & Whitney	40	12.418	ASC/YF	Oct-08	SS	FFP	Pratt & Whitney	May-09	Mar-10	Yes	
<b>Remarks</b>											
Unit cost for the engine differs from the P-5 because the P-5 uses the aircraft 'shipset' quantity ( 2 engines) to determine unit cost and the P-5A uses the engine quantity (1 engine).											
Unit cost is for airframe and avionics costs, but does not include non-recurring cost.											
Specs are available, however, the technical data package is a 'deferred delivery' option and is currently maintained by the contractor.											
P-1 Shopping List Item No. 03						Procurement History and Planning Exhibit P-5A, page 6 of 11					











Exhibit P-40, Budget Item Justification						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 04						F-22 (Raptor) Advance Procurement					
Program Element for Code B Items:		N/A			Other Related Program Elements:				PE 27138F, 64239F		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Cost (\$ M)											0.000
Advance Proc Cost (\$ M)		2855.948	473.858	569.209	477.404	266.562					4642.981
Weapon System Cost (\$ M)		2855.948	473.858	569.209	477.404	266.562	0.000	0.000	0.000	0.000	4642.981
Initial Spares (\$ M)											0.000
Total Proc Cost (\$ M)		2855.948	473.858	569.209	477.404	266.562	0.000	0.000	0.000	0.000	4642.981
Flyaway Unit Cost (\$ M)											
Wpn Sys Unit Cost (\$ M)											

**Description**

The F-22A Raptor represents the USAF's top priority for providing the Joint Force with air dominance, operational access, homeland and cruise missile defense for the next 20+ years. The F-22A is a first-of-a-kind multi-mission fighter aircraft that combines stealth, supercruise, advanced maneuverability and integrated avionics to make it the world's most capable combat aircraft.

**FY 2007 Program Justification**

The FY07 budget supports the Advance Procurement (AP) to fund procurement of long-lead parts and materials necessary to protect the delivery schedule of Lot 8 and Lot 9 aircraft. The advance procurement funding also includes funding for the Economic Order Quantity (EOQ) required for the F-22A Multiyear Procurement Program (MYP). The F-22A program has submitted a Titanium New Start approval package to Congress to request approval to use FY06 Advance Procurement funding for the procurement of long-lead parts and material (i.e. titanium) necessary to protect the delivery schedule of the FY08 Lot buy.

<b>Exhibit P-10 p.1, Advance Procurement Requirements Analysis (Page 1 - Funding)</b>								Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 04</b>								P-1 Line Item Nomenclature <b>F-22 (Raptor) Advance Procurement</b>				
Weapon System F-22AP				First System Award Date Jun-98				First System Completion Date Oct-02				
(\$ in Millions)												
<u>Description</u>	<u>PLT</u>	<u>When Rqd</u>	<u>Prior Years</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>To Comp</u>	<u>Total</u>
End Item Qty			46	24	24	0	20	20	20	0	0	154
CFE			2715.235	473.858	569.209	277.404	266.562	0.000	0.000	0.000	0.000	4302.268
GFE												0.000
EOQ						200.000						200.000
Design			140.713									140.713
Term Liability												0.000
												0.000
<b>TOTAL AP</b>			<b>2855.948</b>	<b>473.858</b>	<b>569.209</b>	<b>477.404</b>	<b>266.562</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>4642.981</b>
<b>Description</b>												
CFE represents required funding for Contractor Furnished Equipment (CFE) for both Air Vehicle and Engine.												
Design line represents funding for Diminishing Manufacturing Sources (DMS). Starting in FY02, DMS funding moved out of advance procurement and into the aircraft procurement non-recurring funding.												
P-1 Shopping List Item No. 04						<b>Advance Procurement Requirements Analysis (Page 1 - Funding)</b>						
												Exhibit P-10 p.1, page 2 of 3

<b>Exhibit P-10 p.2, Advance Procurement Requirements Analysis</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number	P-1 Line Item Nomenclature
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<b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 04</b>	<b>F-22 (Raptor) Advance Procurement</b>
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Weapon System  
F-22AP

(TOA, \$ in Millions)

<u>Description</u>	<u>PLT</u>	<u>QPA</u>	<u>Unit Cost</u>	<u>2005 QTY</u>	<u>2005</u>	<u>2005 Total</u>	<u>2006 QTY</u>	<u>2006</u>	<u>2006 Total</u>	<u>2007 QTY</u>	<u>2007</u>	<u>2007 Total</u>
					<u>Contract</u>	<u>Cost</u>		<u>Contract</u>	<u>Cost</u>		<u>Contract</u>	<u>Cost</u>
<u>End Item</u>					<u>Forecast</u>	<u>Request</u>		<u>Forecast</u>	<u>Request</u>		<u>Forecast</u>	<u>Request</u>
CFE				24	May-05	473.858	24	Dec-05	569.209	0	Dec-06	277.404
EOQ												200.000
Design												
<b>TOTAL AP</b>						473.858			569.209			477.404

**Description**

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Exhibit P-40, Budget Item Justification						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 05						F-15E					
Program Element for Code B Items:		Not Applicable			Other Related Program Elements:				None		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	1,110		1						0	1,111
Cost (\$ M)		26954.510		64.136						0.000	27018.646
Advance Proc Cost (\$ M)		0.000	108.233							0.000	108.233
Weapon System Cost (\$ M)		26954.510	108.233	64.136	0.000	0.000	0.000	0.000	0.000	0.000	27126.879
Initial Spares (\$ M)		0.000	0.000	0.000	0.000					0.000	0.000
Total Proc Cost (\$ M)		26954.510	108.233	64.136	0.000	0.000	0.000	0.000	0.000	0.000	27126.879
Flyaway Unit Cost (\$ M)											
Wpn Sys Unit Cost (\$ M)											

**Description**

The program is an FY05 Congressional add for advance procurement of one attrition-reserve F-15Es.

The F-15E Strike Eagle is a highly-capable multi-role fighter. It retains the basic air-to-air capability of the F-15A-D Eagle, but adds a weapon systems operator (WSO) rear cockpit, conformal fuel tanks, and advanced systems for all-weather day/night all-altitude deep penetration air-to-surface attack.

**FY 2007 Program Justification**

Not Applicable

**UNCLASSIFIED**

<b>Exhibit P-5, Weapon System Cost Analysis</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 05</b>	P-1 Line Item Nomenclature <b>F-15E</b>

Manufacturer's Name/Plant City/State Location Boeing/St. Louis/MO	Subline Item
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Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Avionics	A									
Airframe/CFE	A									
Engine/Accessories	A									
Parts Obsolescence	A									
Armament	A									
Software	A									
Other Government Furnished Equipment (GFE)	A									
Engineering Change Orders (ECO)	A									
Nonrecurring Costs	A									
Other Costs	A									
FLYAWAY COST SUBTOTAL	A									
Advance Buy	A	1	108.233	108.233	1	64.136	64.136			
Gross P-1 Cost	A									
Less Prior Yr Adv. Proc	A									
Support Equipment	A									
Total Cost	A									
<b>TOTAL PROGRAM</b>				108.233			64.136			

Comments  
 The program is an FY05 Congressional add for advance procurement of one attrition-reserve F-15Es. The budgeted amount accounts for half the amount needed to purchase two F-15Es. The FY06 funding allows for the purchase of one aircraft.

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<b>Exhibit P-5A, Procurement History and Planning</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 05</b>						P-1 Line Item Nomenclature <b>F-15E</b>					

<b>Weapon System</b>				Subline Item								
F-15E												
WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?	
Advance Procurement	1	120.000	ASC/VF	May-05	C	FFP	Boeing	Jul-06	Jan-10	Yes		

**Remarks**  
 The RFP issue date & award date are dependent upon release of funds for proposal preparation.

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Exhibit P-40, Budget Item Justification						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 06						F-15E Advance Procurement					
Program Element for Code B Items:		Not Applicable			Other Related Program Elements:				None		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	1,110									1,110
Cost (\$ M)		26954.100									26954.100
Advance Proc Cost (\$ M)		1853.600	108.233								1961.833
Weapon System Cost (\$ M)		28807.700	108.233	0.000	0.000	0.000	0.000	0.000	0.000	0.000	28915.933
Initial Spares (\$ M)		1910.700									1910.700
Total Proc Cost (\$ M)		30718.400	108.233	0.000	0.000	0.000	0.000	0.000	0.000	0.000	30826.633
Flyaway Unit Cost (\$ M)											
Wpn Sys Unit Cost (\$ M)											

**Description**

The program is an FY05 Congressional add for advance procurement of two attrition-reserve F-15Es.

The F-15E Strike Eagle is a highly-capable multi-role fighter. It retains the basic air-to-air capability of the F-15A-D Eagle, but adds a weapon systems operator (WSO) rear cockpit, conformal fuel tanks, and advanced systems for all-weather day/night all-altitude deep penetration air-to-surface attack.

The total cost to procure two aircraft is an estimated \$240M.

**FY 2007 Program Justification**

Not Applicable

<b>Exhibit P-10 p.1, Advance Procurement Requirements Analysis (Page 1 - Funding)</b>										Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 06</b>										P-1 Line Item Nomenclature <b>F-15E Advance Procurement</b>		
Weapon System F15EAP					First System Award Date					First System Completion Date		
(\$ in Millions)												
<u>Description</u>	<u>PLT</u>	<u>When Rqd</u>	<u>Prior Years</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>To Comp</u>	<u>Total</u>
End Item Qty			1110									1110
CFE				108.233								108.233
GFE												0.000
EOQ												0.000
Design												0.000
Term Liability												0.000
			30718.400									30718.400
<b>TOTAL AP</b>			<b>30718.400</b>	<b>108.233</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>30826.633</b>
<b>Description</b>												
The program is an FY05 Congressional add for advance procurement of two attrition-reserve F-15Es. The total cost to procure two aircraft is an estimated \$240M.												
P-1 Shopping List Item No. 06						Advance Procurement Requirements Analysis (Page 1 - Funding) Exhibit P-10 p.1, page 2 of 3						

<b>Exhibit P-10 p.2, Advance Procurement Requirements Analysis (Page 2 - Budget Justification)</b>								Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 01, Combat Aircraft, Item No. 06</b>								P-1 Line Item Nomenclature <b>F-15E Advance Procurement</b>				
Weapon System F15EAP												
(TOA, \$ in Millions)												
<u>Description</u>	<u>PLT</u>	<u>QPA</u>	<u>Unit Cost</u>	<u>2005 QTY</u>	<u>2005 Contract Forecast Date</u>	<u>2005 Total Cost Request</u>	<u>2006 QTY</u>	<u>2006 Contract Forecast Date</u>	<u>2006 Total Cost Request</u>	<u>2007 QTY</u>	<u>2007 Contract Forecast Date</u>	<u>2007 Total Cost Request</u>
End Item			120.000		Jul-05	108.316						
CFE						108.233						
GFE												
EOQ												
Design												
Term Liability												
TOTAL AP						108.233			0.000			0.000
<b><u>Description</u></b> The program is an FY05 Congressional add for advance procurement of two attrition-reserve F-15Es. The total cost to procure two aircraft is an estimated \$240M.												
P-1 Shopping List Item No. 06							Advance Procurement Requirements Analysis (Page 2 - Budget Justification) Exhibit P-10 p.2, page 3 of 3					

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**FY 2007 BUDGET ESTIMATES**  
**BUDGET ACTIVITY 02 – AIRLIFT AIRCRAFT**  
**FEBRUARY 2006**

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## PROGRAM ASSESSMENT

### Airlift Program

The purpose of this program is to enable DoD to move large amounts of personnel and materiel to, and within, remote locations in short periods of time by developing and producing a variety of airlift aircraft.

#### PERFORMING

##### Moderately Effective

- **This is a coherent program with a clear long-term goal, namely, to be able to move military forces and their equipment from the US to anywhere in the world whenever required.**
- **DoD has not aggressively examined possible trade-offs within the airlift program that could lower the cost of meeting the airlift requirement without sacrificing military readiness or combat capabilities.**
- **DoD is attempting to move towards an overall assessment of the capabilities provided by its programs, rather than its traditional assessment of individual acquisition programs.** The program's assessment showed that DoD still has more to do in this area.

**We are taking the following actions to improve the performance of the program:**

- Working to refine methods for assessing the effectiveness of the overall airlift program in light of the needs of the global war on terror.
- Reviewing the size and type of mobility forces (which includes airlift forces) that will be required to fulfill DoD's missions in light of the ongoing Quadriennial Defense Review of strategy.

- [Details and Current Status of this program assessment.](#)
- [How all Federal programs are assessed.](#)
- [Learn more about Airlift Program.](#)

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<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
<b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 07</b>						<b>C-17A (MYP)</b>					

Program Element for Code B Items:		N/A			Other Related Program Elements:						
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	138	15	15	12					0	180
Cost (\$ M)		31164.145	2661.660	2780.402	2636.192	349.950	350.959	316.157	294.430	TBD	TBD
Interim Ctr Support (\$ M)		3045.746	917.745							TBD	TBD
Advance Proc Cost (\$ M)		4356.043	375.669	439.502						0.000	5171.214
Weapon System Cost (\$ M)		38565.934	3955.074	3219.904	2636.192	349.950	350.959	316.157	294.430	TBD	TBD
Initial Spares (\$ M)		803.900	0.000	0.000	0.000	0.000	0.000			0.000	803.900
Total Proc Cost (\$ M)		39369.834	3955.074	3219.904	2636.192	349.950	350.959	316.157	294.430	TBD	TBD
Flyaway Unit Cost (\$ M)		433.400	192.603	199.583	253.243	0.000	0.000				
Wpn Sys Unit Cost (\$ M)		586.788	263.672	214.660	219.683	0.000	0.000				

**Description**

FY07 is the last year of a five-year multi-year procurement (MYP) of 60 C-17s. The budget fully funds the FY07 aircraft buy.

**FY 2007 Program Justification**

Funding will provide for procurement of 12 C-17s in FY 07, including upgrades incorporated into production aircraft. This reflects the fifth and final year of the MYP acquisition contract. The FY07 funding also allows the Air Force to procure the support equipment and trainers necessary to support the fleet.

The Air Force is also requesting funds for activities associated with the cessation of C-17 production.

The settlement line (line item 7.0 on page 2) is for costs associated with shutdown of the C-17 production line.

Prior Year Advance Procurement (AP) (line 7.1) was originally intended for the advance procurement of 7 additional aircraft in FY07. This funding will be used for the shutdown of the C-17 production line if approval is received from Congress to close the C-17 line and reprogram the AP funding into production for shutdown costs.

## UNCLASSIFIED

Exhibit P-5, Weapon System Cost Analysis						Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature				
Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 07						C-17A (MYP)				
Manufacturer's Name/Plant City/State Location						Subline Item				
Boeing Airlift and Tankers / Long Beach, CA										
Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
1.0 Airframe	A	15	162.003	2430.049	15	164.624	2469.353	12	170.424	2045.092
2.0 Engine (4) (Model F-117-PW-100)	A	60	6.056	363.339	60	6.219	373.118	32	6.287	201.174
3.0 Avionics	A	15	5.569	83.535	15	5.555	83.320	12	5.553	66.640
4.0 Engineering Change Orders (ECO)	A									
5.0 Product Improvement	A	15	0.836	12.533	15	2.730	40.953	12	5.696	68.354
6.0 Nonrecurring Flyaway	A									
7.0 Settlement	A									433.180
7.1 Prior Year Adv Procurement (unit cost non add)										224.479
8.0 Flyaway Cost Subtotal (1 thru 7)				2889.456			2966.744			3038.919
9.0 Peculiar Support Equipment	A			64.160			20.326			25.900
10.0 Common Support Equipment	A			3.180			1.680			1.680
11.0 Training	A			107.771			54.513			51.670
12.0 Data	A			1.040			21.410			20.278
13.0 Field Support	A									
14.0 Flex Sustainment (See below - Other P-1 Weap	A			2.388			137.520			118.622
15.0 Whole Engine Spares							28.156			28.871
16.0 Mission Support	A			18.866			19.722			20.454
17.0 Support Cost Subtotal (9 thru 16)				197.405			283.327			267.475
18.0 Gross P-1 Cost (8 + 17)				4004.606			3250.071			3306.394
19.1 LESS: Prior Year Adv Procurement	A			-287.253			-282.069			-215.023
19.2 LESS: EOQ Payback	A			-137.948			-187.600			-230.700
19.3 Prior Year Adv Procurement (unit cost non add)	A						0.000			-224.479
20.0 Net P-1 Cost (18 + 19)				3579.405			2780.402			2636.192
21.1 Advance Procurement, Current Year	A			375.669			439.502			
21.2 EOQ, Current Year	A									
Other P-1 Weapon System Costs	A						0.000			0.000
22.1 ICS (BP10 1050; FY00 thru To Complete)	A			917.745			0.000			0.000
<b>TOTAL PROGRAM</b>				<b>3955.074</b>			<b>3219.904</b>			<b>2636.192</b>
Comments										
Notes:										
The AF needs 32 more engines to match the requirement for 180 C-17 aircraft. All other engines (including spares) have been purchased in previous years.										
P-1 Shopping List Item No. 07						Weapon System Cost Analysis Exhibit P-5, page 2 of 10				

<b>Exhibit P-5, Weapon System Cost Analysis</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 07</b>	P-1 Line Item Nomenclature <b>C-17A (MYP)</b>

Modification dollars are not included in the P-5 data. See P-3a exhibits for modification details.

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<b>Exhibit P-5A, Procurement History and Planning</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 07</b>	P-1 Line Item Nomenclature <b>C-17A (MYP)</b>

<u>Weapon System</u>					Subline Item							
C-17A												
WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?	
FY 2004												
Air Vehicle	11	170.034	AFMC/ASC		SS	FFP	Boeing - Airlift and Tankers, Long Beach, CA	Feb-04	Nov-04			
Propulsion	60	5.777	AFMC/ASC		SS	FFP	Pratt & Whitney, East Hartford, CT	Nov-03	Aug-04			
FY 2005												
Air Vehicle	15	171.198	AFMC/ASC		SS	FFP	Boeing - Airlift and Tankers, Long Beach, CA	Jan-05	Aug-05			
Propulsion	60	5.974	AFMC/ASC		SS	FFP	Pratt & Whitney, East Hartford, CT	Nov-04	Jul-05			
FY 2006												
Air Vehicle	15	171.675	AFMC/ASC		SS	FFP	Boeing - Airlift and Tankers, Long Beach, CA	Jan-06	Jul-06			
Propulsion	60	5.844	AFMC/ASC		SS	FFP	Pratt & Whitney, East Hartford, CT	Nov-05	Jul-06			
FY 2007												
Air Vehicle	12	181.673	AFMC/ASC		SS	FFP	Boeing - Airlift and Tankers, Long Beach, CA	Jan-07	Jul-07			
Propulsion	32	6.209	AFMC/ASC		SS	FFP	Pratt & Whitney, East Hartford, CT	Nov-06	Jul-07			

**Remarks**

-- Air Vehicle Unit Cost is total of Airframe and Avionics unit costs from P-5 Exhibit which includes both Contractor and Government Furnished Equipment.

-- Air Vehicle Multi-Year Procurement I contract was awarded on 1 Jun 96. Multi-Year Procurement II contract was awarded 14 Aug 02. The award dates indicated above reflect contract modification dates to obligate funds for the aircraft procured in each fiscal year.

-- Propulsion Multi-Year Procurement I contract was awarded on 16 Dec 96. The award dates indicated above reflect contract modification dates to obligate funds for the engines procured in each fiscal year.

-- The Propulsion Contract Type is Firm Fixed Price with Escalation.













Exhibit P-40, Budget Item Justification						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 08						C-17 Advance Procurement					
Program Element for Code B Items:		N/A			Other Related Program Elements:						
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Cost (\$ M)											0.000
Interim Ctr Support (\$ M)											0.000
Advance Proc Cost (\$ M)			375.669	439.502							815.171
Weapon System Cost (\$ M)		0.000	375.669	439.502	0.000	0.000	0.000	0.000	0.000	0.000	815.171
Initial Spares (\$ M)											0.000
Total Proc Cost (\$ M)		0.000	375.669	439.502	0.000	0.000	0.000	0.000	0.000	0.000	815.171
Flyaway Unit Cost (\$ M)											
Wpn Sys Unit Cost (\$ M)											

**Description****FY 2007 Program Justification**

There is no request for C-17 AP in FY 2007.

<b>Exhibit P-10 p.1, Advance Procurement Requirements Analysis (Page 1 - Funding)</b>										Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 08</b>										P-1 Line Item Nomenclature <b>C-17 Advance Procurement</b>		
Weapon System C-17AP					First System Award Date Jan-05					First System Completion Date Aug-05		
(\$ in Millions)												
<u>Description</u>	<u>PLT</u>	<u>When Rqd</u>	<u>Prior Years</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>To Comp</u>	<u>Total</u>
End Item Qty			138	15	15	12	0	0			0	180
CFE			473.348	248.981	421.002	0.000						1143.331
GFE			59.848	33.088	18.500	0.000	0.000	0.000				111.436
EOQ			551.600	93.600								645.200
Design												0.000
Term Liability												0.000
												0.000
<b>TOTAL AP</b>			<b>1084.796</b>	<b>375.669</b>	<b>439.502</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>1899.967</b>
<b>Description</b>												
<p>This acquisition is a multi-year procurement (MYP) contract of five years duration. The budget fully funds each year's aircraft buy. The procurement quantity profile for FY04 - FY07 is 11-15-15-12, while deliveries remain at the planned economic production rate of 15 per year. The Advance Procurement funds appropriated for this multiyear contract will be used to procure economic order quantity (EOQ) and long-lead components, parts, and efforts necessary to capitalize on economic purchases and maintain efficient production rates.</p> <p>First System Award Date reflects the planned Lot XVIII (FY06 aircraft buy) contract obligation date.</p> <p>First System Completion Date reflects the first aircraft delivery for Lot XVIII (FY06 aircraft buy).</p> <p>FY 2006 Program Justification FY06 advance procurement funding will provide for the CFE and GFE for 12 FY07 production aircraft.</p>												
P-1 Shopping List Item No. 08						<b>Advance Procurement Requirements Analysis (Page 1 - Funding) Exhibit P-10 p.1, page 2 of 3</b>						

<b>Exhibit P-10 p.2, Advance Procurement Requirements Analysis (Page 2 - Budget Justification)</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 08</b>	P-1 Line Item Nomenclature <b>C-17 Advance Procurement</b>
--	---

Weapon System  
C-17AP

(TOA, \$ in Millions)

<u>Description</u>	<u>PLT</u>	<u>QPA</u>	<u>Unit Cost</u>	<u>2005 QTY</u>	<u>2005</u>	<u>2005 Total</u>	<u>2006 QTY</u>	<u>2006</u>	<u>2006 Total</u>	<u>2007 QTY</u>	<u>2007</u>	<u>2007 Total</u>
					<u>Contract</u>	<u>Cost</u>		<u>Contract</u>	<u>Cost</u>		<u>Contract</u>	<u>Cost</u>
					<u>Forecast</u>	<u>Request</u>		<u>Forecast</u>	<u>Request</u>		<u>Forecast</u>	<u>Request</u>
					<u>Date</u>			<u>Date</u>			<u>Date</u>	
End Item				15	Jan-05	381.800	15	Jan-06	217.923			
CFE						248.981			421.002			
GFE						33.088			18.500			
EOQ						93.600						
Design												
Term Liability												
<b>TOTAL AP</b>						<b>375.669</b>			<b>439.502</b>			<b>0.000</b>

**Description**

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<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 10</b>						P-1 Line Item Nomenclature <b>C-40 ANG</b>					
Program Element for Code B Items:		N/A			Other Related Program Elements:				None		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	1								0	1
Total Proc Cost (\$ M)		67.524	221.386	0.000	0.000	0.000	0.000	0.000	0.000	0.000	288.910

**Description**  
 This line item provides funding to purchase Air Force C-40 aircraft. The C-40 is a military variant of the commercial 737 Boeing Business Jet. The C-40 provides improved reliability, reduced O&S cost, the latest navigation and safety features, and complies with international and FAA noise and emissions standards. This line item also provides funding to three (3) C-40s for the Air Force Reserve Command. Aircraft will be assigned to Scott AFB, IL.

**FY 2007 Program Justification**  
 No activity planned.

<b>Exhibit P-5, Weapon System Cost Analysis</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 10</b>	P-1 Line Item Nomenclature <b>C-40 ANG</b>

Manufacturer's Name/Plant City/State Location Boeing Aerospace/Seattle/WA	Subline Item
--	--------------

Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
AIRCRAFT PURCHASE	A	3	73.795	221.386						
<b>TOTAL PROGRAM</b>				221.386						

Comments



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<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
<b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 11</b>						<b>C-130J</b>					

Program Element for Code B Items:		N/A			Other Related Program Elements:				N/A		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	9	11	8	9	9				105	151
Cost (\$ M)		755.426	753.960	680.826	697.287	741.452	104.899	97.989	114.088	TBD	TBD
Advance Proc Cost (\$ M)		219.900	150.000	78.937	90.000					TBD	TBD
Weapon System Cost (\$ M)		975.326	903.960	759.763	787.287	741.452	104.899	97.989	114.088	TBD	TBD
Initial Spares (\$ M)		70.169	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	70.169
Total Proc Cost (\$ M)		1045.495	903.960	759.763	787.287	741.452	104.899	97.989	114.088	TBD	TBD
Flyaway Unit Cost (\$ M)		60.278	68.123	68.123	68.123	68.123	0.000	0.000	0.000	TBD	TBD
Wpn Sys Unit Cost (\$ M)		62.734	68.400	68.400	68.400	68.400	0.000	0.000	0.000	TBD	TBD

**Description**

The C-130J is a medium-size transport aircraft capable of performing a variety of combat delivery (tactical airlift) operations across a broad range of mission environments. The C-130J aircraft, with its extended (by 15 ft) fuselage, provides additional cargo carrying capacity for the USAF combat delivery mission compared with legacy C-130E/Hs and the C-130J (short). Special mission variants of the C-130J conduct airborne psychological operations (EC-130J) and weather reconnaissance (WC-130J).

**FY 2007 Program Justification**

PB06 terminated the USAF C-130J production after 2005 and USMC KC-130J production after FY06. SECDEF reinstated the C-130J multiyear program in a 10 May 05 letter to Congress. Congress restored the 13 FY06 aircraft but changed the mix from 9 USAF C-130Js and 4 USMC KC-130Js to 8 USAF and 5 USMC aircraft. OSD restored the FY07 and FY08 funding per the existing contract which will complete the multiyear procurement. The Air Force is converting the C-130J 'commercial item' procurement contract to a traditional 'military item' contract for the FY06-08 aircraft.

The FY 2007 budget provides for 9 C-130Js, logistics support for the USAF C/EC/WC-130J fleet, logistics support for aircrew and maintenance training devices, and program management support.

**C-130J Multiyear Procurement Plan**

	FY03	FY04	FY05	FY06	FY07	FY08	MYP Total	C-130J Total
<b>FY06 PB</b>								
USAF	0	4	11	0	0	0	15	36
USMC	4	0	4	12	0	0	20	33
<b>FY07PB</b>								
USAF	0	4	11	8	9	9	41	62
USMC	4	0	4	5	4	4	21	34

32 of the first 38 USAF C-130Js were congressional adds from FY94-FY03. When the last multiyear aircraft delivers in 2009 the USAF C-130J inventory will be: 52 C-130J, 10 C-130J (short), 10 WC-130Js, and 7 EC-130Js

## UNCLASSIFIED

Exhibit P-5, Weapon System Cost Analysis					Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number					P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 11					C-130J					
Manufacturer's Name/Plant City/State Location					Subline Item					
Lockheed Martin Aero-Marietta					C-130J (BPAC 10400C)					
Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Airframe	A	11	66.500	731.500	8	66.500	532.000	9	66.500	598.500
Avionics	A									
Armament	A									
Software	A									
Other Government Furnished Equipment (GFE)	A			22.440			16.070			17.000
Engineering Change Orders (ECO)	A									
Nonrecurring Costs	A									
Other Costs	A									
FLYAWAY COST SUBTOTAL				753.940			548.070			615.500
Airframe Peculiar Ground Support Equipment (PGSE)	A			3.718			3.976			5.000
Peculiar Training Equipment	A	1		28.495	2		49.491			5.814
Publications/Technical Data	A			2.997			5.586			3.000
ECOs	A									
ICS	A			8.601			2.590			2.650
ISS	A			95.294			160.284			154.519
Data	A			1.667			1.706			1.745
Post Delivery Support	A			9.942			12.168			12.851
Organic Depot Support	A									0.000
Other	A			10.957			12.174			5.775
SUPPORT COST SUBTOTAL				161.671			247.975			191.354
EOQ	A			60.000						
Advanced Procurement	A			90.000			80.000			90.000
Less prorated FY03 EOQ				-8.250			-5.769			-6.490
Less prorated FY04 EOQ	A			-11.000			-7.692			-8.654
Less prorated FY05 EOQ	A			-18.333			-12.821			-14.423
Less previous year advance procurement	A			-110.000			-90.000			-80.000
Withhold	A			-14.068						
<b>TOTAL PROGRAM</b>				<b>903.960</b>			<b>759.763</b>			<b>787.287</b>
Comments										
Effective 1 Oct 99, initial spares requirements migrated to Interim Supply Support (ISS) under the Reengineered Supply Support Process (RSSP) umbrella in BP10.										
P-1 Shopping List Item No. 11					Weapon System Cost Analysis Exhibit P-5, page 2 of 8					

Exhibit P-5A, Procurement History and Planning							Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number							P-1 Line Item Nomenclature				
Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 11							C-130J				
Weapon System				Subline Item							
C-130J				C-130J (BPAC 10400C)							
WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?
Lockheed Martin Aeronautical Systems FY96	2	44.200	WPAFB	May-95	C	FFP	Lockheed Martin - Aero, Marietta, GA 30063-0290	Nov-96	Jan-99	Yes	
Lockheed Martin Aero-Marietta FY01	2	62.800	WPAFB	May-00	C	FFP	Lockheed Martin - Aero, Marietta, GA 30063-0290	Dec-00	Apr-02	Yes	
Lockheed Martin Aero-Marietta FY02	1	67.700	WPAFB	May-00	C	FFP	Lockheed Martin - Aero, Marietta, GA 30063-0290	Feb-02	Feb-04	Yes	
Lockheed Martin Aero-Marietta FY03	1	66.500	WPAFB	May-00	C	FFP	Lockheed Martin - Aero, Marietta, GA 30063-0290	Mar-03	Apr-05	Yes	
Lockheed Martin - Aero-Marietta FY04	4	66.500	WPAFB	Apr-02	C	Multiyear FFP	Lockheed Martin - Aero, Marietta, GA 30063-0290	Nov-03	May-05	Yes	
Lockheed Martin - Aero-Marietta FY05	11	66.500	WPAFB	Apr-02	C	Multiyear FFP	Lockheed Martin - Aero, Marietta, GA 30063-0290	Nov-04	Oct-05	Yes	
Lockheed Martin - Aero-Marietta FY06	8	66.500	WPAFB	Apr-02	C	Multiyear FFP	Lockheed Martin - Aero, Marietta, GA 30063-0290	Jan-06	Dec-06	Yes	
<b>Remarks</b>											
Air Vehicle:											
a. Two FY96 aircraft were the initial cadre of aircraft procured under the 1st Five Year Option Contract (FYOC). The engines were provided as Contractor Furnished Equipment (CFE) and are included in the air vehicle price.											
b. The 2nd Five Year Option Contract was awarded in Dec 00. The FY01-03 aircraft were procured on this contract.											
c. Lockheed Martin Aeronautical Systems became Lockheed Martin Aero-Marietta in 2000.											
d. The 2 aircraft purchased in FY96 were C-130J (shorts). All of the other aircraft listed above are C-130Js which are 15 feet longer.											
e. The FY 2006 PB terminated the C-130J multiyear. SECDEF reinstated the program on 10 May 05. Congress restored FY06 funding but changed the mix from 9 USAF C-130Js and 4 USMC KC-130Js to 8 C-130Js / 5 KC-130Js. Advance procurement for nine FY07 USAF C-130J and four FY07 USMC KC-130J aircraft will also be placed on contract in Jan 06.											
P-1 Shopping List Item No. 11						Procurement History and Planning Exhibit P-5A, page 3 of 8					

<b>Exhibit P-21, Production Schedule</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 11</b>	P-1 Line Item Nomenclature <b>C-130J</b>
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PROCUREMENT YEAR	S E R V	PROC. QTY	ACCEP. PRIOR TO 1 OCT 2001	BALANCE DUE AS OF 1 OCT 2001	FISCAL YEAR 2002												FISCAL YEAR 2003												L A T E R
					2001			CALENDAR YEAR 2002									CALENDAR YEAR 2003												
					O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
1996	USAF	2	2	0																								0	
2001	USAF	2	0	2							1																	0	
2002	USAF	1	0	1																								1	
2003	USAF	1	0	1																								1	
2004	USAF	4	0	4																								4	
2005	USAF	11	0	11																								11	
<b>TOTAL</b>		<b>21</b>	<b>2</b>	<b>19</b>								<b>1</b>																<b>17</b>	

ITEM/MANUFACTURER'S NAME	LOCATION	PRODUCTION RATES			PROCUREMENT LEAD TIME				MFG TIME	TOTAL AFTER 1 OCT
		MIN SUST	SHIFT HOURS DAYS	M A X	ADMIN LEAD TIME		INITIAL REORDER			
Lockheed Martin - Aero	Marietta, GA 30063-0290	12		25	PRIOR 1 OCT	AFTER 1 OCT				
									29	

REMARKS  
USMC and foreign aircraft deliveries fill in what appear to be production schedule gaps.

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Exhibit P-40, Budget Item Justification						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 12						C-130J Advance Procurement					
Program Element for Code B Items:		41132F			Other Related Program Elements:				N/A		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Cost (\$ M)											0.000
Advance Proc Cost (\$ M)		219.900	150.000	78.937	90.000						538.837
Weapon System Cost (\$ M)		219.900	150.000	78.937	90.000	0.000	0.000	0.000	0.000	0.000	538.837
Initial Spares (\$ M)											0.000
Total Proc Cost (\$ M)		219.900	150.000	78.937	90.000	0.000	0.000	0.000	0.000	0.000	538.837
Flyaway Unit Cost (\$ M)											
Wpn Sys Unit Cost (\$ M)											

**Description**

The C-130J is a medium-size transport aircraft capable of performing a variety of combat delivery (tactical airlift) operations across a broad range of mission environments. The advance procurement funds appropriated for this multiyear contract will be used to procure economic order quantity (EOQ) and long-lead components, parts, and materials (contractor furnished equipment - CFE).

**FY 2007 Program Justification**

PB06 terminated the USAF C-130J production after 2005 and USMC KC-130J production after FY06. SECDEF reinstated the C-130J multiyear program in a 10 May 05 letter to Congress. Congress reinstated the 13 FY06 aircraft but changed the mix from 9 USAF C-130Js and 4 USMC KC-130Js to 8 USAF and 5 USMC aircraft. OSD restored the FY07 and FY08 funding per the existing contract (9 USAF and 4 USMC aircraft in both FY07 and FY08) which will complete the multiyear procurement.

The Air Force is converting the C-130J 'commercial item' procurement contract to a traditional 'military item' contract for the FY06-08 aircraft.

In 2005 the USAF paid Lockheed advance procurement for nine FY06 aircraft. When Congress reduced the FY06 buy from 9 to 8 aircraft they also reduced the FY06 advance procurement from \$90M to \$78.937M since the contractor had already received advance procurement for an additional aircraft in FY05.

	FY 2006	FY 2007
Advance Proc Cost (\$M)	78.937	90.0

The FY 2007 program will have \$90M worth of long lead items for nine FY 2008 aircraft.

<b>Exhibit P-10 p.1, Advance Procurement Requirements Analysis (Page 1 - Funding)</b>										Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 12</b>										P-1 Line Item Nomenclature <b>C-130J Advance Procurement</b>		
Weapon System C130JA					First System Award Date Mar-03					First System Completion Date May-05		
(\$ in Millions)												
<u>Description</u>	<u>PLT</u>	<u>When Rqd</u>	<u>Prior Years</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>To Comp</u>	<u>Total</u>
End Item Qty			15	11	8	9	9					52
CFE			149.900	90.000	78.937	90.000						408.837
GFE												0.000
EOQ			70.000	60.000								130.000
Design												0.000
Term Liability												0.000
												0.000
<b>TOTAL AP</b>			219.900	150.000	78.937	90.000	0.000	0.000	0.000	0.000	0.000	538.837
<b>Description</b>												
The Air Force is converting the C-130J 'commercial item' procurement contract to a traditional 'military item' contract for the FY06-08 aircraft. Contract award will be in Jan 06.												
The Advanced Procurement CFE funding enables Lockheed Martin to authorize and place on order materials, equipment suppliers and subcontractors with sufficient lead time to support the planned delivery schedule within the context of the multiyear funding, prices, and cancellation ceilings.												
The EOQ funding enables Lockheed Martin to enter into arrangements with suppliers for quantity buys of material, lifetime buys of items to avoid diminishing manufacture issues, and the implementation of lean process productivity improvements.												
P-1 Shopping List Item No. 12						<b>Advance Procurement Requirements Analysis (Page 1 - Funding) Exhibit P-10 p.1, page 2 of 3</b>						

<b>Exhibit P-10 p.2, Advance Procurement Requirements Analysis (Page 2 - Budget Justification)</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 12</b>	P-1 Line Item Nomenclature <b>C-130J Advance Procurement</b>

Weapon System  
C130JA

(TOA, \$ in Millions)

Description	PLT	QPA	Unit Cost	2005 QTY	2005	2005 Total	2006 QTY	2006	2006 Total	2007 QTY	2007	2007 Total
					Contract			Contract			Forecast	
End Item				11	Date	150.000	8	Date	78.937	9	Date	90.000
CFE				11	Nov-04	90.000	8	Jan-06	78.937	9	Nov-06	90.000
EOQ						60.000						
TOTAL AP						150.000			78.937			90.000

**Description**

The Air Force is converting the C-130J 'commercial item' procurement contract to a traditional 'military item' contract for the FY06-08 aircraft. Contract award will be in Jan 06.

The Advanced Procurement CFE funding enables Lockheed Martin to authorize and place on order materials, equipment suppliers and subcontractors with sufficient lead time to support the planned delivery schedule within the context of the multiyear funding, prices, and cancellation ceilings.

The EOQ funding enables Lockheed Martin to enter into arrangements with suppliers for quantity buys of material, lifetime buys of items to avoid diminishing manufacture issues, and the implementation of lean process productivity improvements.

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Exhibit P-40, Budget Item Justification						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 13						KC- X Advance Procurement					
Program Element for Code B Items:		N/A			Other Related Program Elements:				N/A		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Cost (\$ M)											0.000
Advance Proc Cost (\$ M)					36.130	81.550	89.776	133.568	167.893		508.917
Weapon System Cost (\$ M)		0.000	0.000	0.000	36.130	81.550	89.776	133.568	167.893	0.000	508.917
Initial Spares (\$ M)											0.000
Total Proc Cost (\$ M)		0.000	0.000	0.000	36.130	81.550	89.776	133.568	167.893	0.000	508.917
Flyaway Unit Cost (\$ M)											
Wpn Sys Unit Cost (\$ M)											

**Description**

This program will begin the replacement of the KC-135 fleet with advance procurement funding in FY07 to support the first aircraft delivery in FY10.

Notional procurement profile assumes 5% in advance procurement long lead items 3 years prior to aircraft delivery.

**FY 2007 Program Justification**

The KC-135 fleet averages over 44 years. There are 530 KC-135s that are operated by the active duty Air Force, Air National Guard, and Air Force Reserves. This effort will result in a replacement tanker for the KC-135 -- the replacement platform has not been selected, but the program presented is modeled on a commercial derivative tanker. Final procurement quantities are dependent on replacement platform. FY 2007 funds will buy long lead items for three aircraft that are fully funded in FY 2008. These three aircraft will deliver in FY 2010.

<b>Exhibit P-10 p.1, Advance Procurement Requirements Analysis (Page 1 - Funding)</b>										Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 13</b>										P-1 Line Item Nomenclature <b>KC- X Advance Procurement</b>		
Weapon System KC135R_AP					First System Award Date Sep-07					First System Completion Date Sep-10		
(\$ in Millions)												
<u>Description</u>	<u>PLT</u>	<u>When Rqd</u>	<u>Prior Years</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>To Comp</u>	<u>Total</u>
End Item Qty												0
CFE												0.000
GFE						36.130	81.550	89.776	133.568	167.893		508.917
EOQ												0.000
Design												0.000
Term Liability												0.000
												0.000
<b>TOTAL AP</b>			0.000	0.000	0.000	36.130	81.550	89.776	133.568	167.893	0.000	508.917
<b>Description</b>												
Dollars described above are 3010 BP10 advance procurement (AP) dollars. AP funding begins in FY07 for deliveries in FY10. First system award and completion dates are NOTIONAL until the recapitalization program is defined. All FY07 funds are for advanced procurement												
Procurement profile requires 5% in advance procurement long lead items 3 years prior to aircraft delivery.												
P-1 Shopping List Item No. 13						<b>Advance Procurement Requirements Analysis (Page 1 - Funding) Exhibit P-10 p.1, page 2 of 3</b>						

<b>Exhibit P-10 p.2, Advance Procurement Requirements Analysis (Page 2 - Budget Justification)</b>								Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 13</b>								P-1 Line Item Nomenclature <b>KC- X Advance Procurement</b>				
Weapon System KC135R_AP												
<u>(TOA, \$ in Millions)</u>												
<u>Description</u>	<u>PLT</u>	<u>QPA</u>	<u>Unit Cost</u>	<u>2005 QTY</u>	<u>2005 Contract Forecast Date</u>	<u>2005 Total Cost Request</u>	<u>2006 QTY</u>	<u>2006 Contract Forecast Date</u>	<u>2006 Total Cost Request</u>	<u>2007 QTY</u>	<u>2007 Contract Forecast Date</u>	<u>2007 Total Cost Request</u>
End Item												
CFE						0.000			0.000			0.000
GFE						0.000			0.000			36.130
EOQ												
Design												
Term Liability												
B												
<b>TOTAL AP</b>						<b>0.000</b>			<b>0.000</b>			<b>36.130</b>
<b>Description</b>												
Dollars described above are 3010 BP10 advance procurement (AP) dollars. AP funding begins in FY07 for deliveries of four aircraft in FY10. Contract forecast date is NOTIONAL until the recapitalization program is defined. Procurement profile requires 5% in advance procurement long lead items 3 years prior to aircraft delivery.												
P-1 Shopping List Item No. 13						<b>Advance Procurement Requirements Analysis (Page 2 - Budget Justification) Exhibit P-10 p.2, page 3 of 3</b>						

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<b>Exhibit P-40, Budget Item Justification</b>							Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 14</b>							P-1 Line Item Nomenclature <b>LIGHT CARGO AIRCRAFT</b>				
Program Element for Code B Items:		N/A			Other Related Program Elements:				N/A		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A							8	16		24
Total Proc Cost (\$ M)			0.000	0.000	15.783	41.957	97.940	468.083	830.166		1453.929

**Description**

The Light Cargo Aircraft (LCA) will be a small transport aircraft capable of performing a variety of combat delivery (tactical airlift) operations across a broad range of mission environments. The LCA is the Air Force's version of the Army's Future Cargo Aircraft (FCA). The Army will procure its first FCA in 2007.

**FY 2007 Program Justification**

The FY 2007 budget supports the establishment of a joint Air Force/Army program office. The FY07-08 funds should be 3600 funds not 3010.

<b>Exhibit P-5, Weapon System Cost Analysis</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 02, Airlift Aircraft, Item No. 14</b>	P-1 Line Item Nomenclature <b>LIGHT CARGO AIRCRAFT</b>
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Manufacturer's Name/Plant City/State Location	Subline Item
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Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Airframe										
Avionics										
Armament										
Software										
Other Government Furnished Equipment (GFE)										
Engineering Change Orders (ECO)										
Nonrecurring Costs										
Other Costs										
<b>FLYAWAY COST SUBTOTAL</b>										
ICS										
Initial Supply Support										
Airframe Peculiar Ground Support Equipment (PGSE)										
Engine PGSE										
Peculiar Training Equipment										
Publications/Technical Data										
ECOs										
Other										15.783
<b>SUPPORT COST SUBTOTAL</b>										
<b>TOTAL PROGRAM</b>										15.783

Comments

The FY07-08 funds should be 3600 funds not 3010.





**UNCLASSIFIED**

**FY 2007 BUDGET ESTIMATES**  
**BUDGET ACTIVITY 03 – TRAINER AIRCRAFT**  
**FEBRUARY 2006**

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<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 03, Trainer Aircraft, Item No. 17</b>						P-1 Line Item Nomenclature <b>Joint Primary Aircraft Training System (JPATS)</b>					

Program Element for Code B Items:		N/A			Other Related Program Elements:				0604233F, 0804741F		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	258	53	54	48	40				0	453
Cost (\$ M)		1300.892	300.870	328.876	305.129	240.167	2.045	1.947	1.812	6.400	2488.138
Advance Proc Cost (\$ M)		0.000								0.000	0.000
Weapon System Cost (\$ M)		1300.892	300.870	328.876	305.129	240.167	2.045	1.947	1.812	6.400	2488.138
Initial Spares (\$ M)		18.248	7.589	0.000	0.000	0.000	0.000	0.000	0.000	0.000	25.837
Total Proc Cost (\$ M)		1319.140	308.459	328.876	305.129	240.167	2.045	1.947	1.812	6.400	2513.975
Flyaway Unit Cost (\$ M)		3.670	5.025	5.159	5.277	5.406					4.410
Wpn Sys Unit Cost (\$ M)		4.802	5.794	6.061	5.865	5.250					5.335

**Description**

Supports Air Education and Training Command's (AETC) implementation of Specialized Undergraduate Pilot Training (SUPT) and the Department of Defense initiative for joint primary pilot training. The Joint Primary Aircraft Training System (JPATS) is a joint USAF/USN venture to replace the Services' fleets of primary trainer aircraft (T-37/T-34 respectively) and associated Ground Based Training System (GBTS). The USAF's T-37 aircraft average over 35 years of age. The T-37s have an antiquated suite of increasingly unsupportable and non-representative avionics (i.e., analog versus digital cockpit), as well as noisy, underpowered and fuel-inefficient engines. Cockpits are unpressurized, resulting in the largest number of physiological incidents in the Air Force. The JPATS T-6A offers a pressurized cockpit, anti-g suit, a 0/0 ejection seat, and increased birdstrike protection. The USAF is the executive service for JPATS. The Air Force accelerated JPATS acquisition in FY 2004 through FY 2007 to allow earlier beddown of the T-6A and earlier retirement of the T-37B.

The purpose of initial spares funding in FY 2003 - FY 2005 is to procure cartridge activated device / propellant activated device (CAD/PAD) spares lead time away from time-critical changeout dates.

**FY 2007 Program Justification**

Will procure aircraft and associated support based on availability of FY 2007 funds. Aircraft will be beddown at Moody AFB, GA, Laughlin AFB, TX, and Vance AFB, OK. Engineering Change Order (ECO) and Modification funding will be used to cover planned retrofits and other changes resulting from the flight test program, deficiency reports, and air vehicle engineering improvements.

Exhibit P-5, Weapon System Cost Analysis					Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number					P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 03, Trainer Aircraft, Item No. 17					Joint Primary Aircraft Training System (JPATS)					
Manufacturer's Name/Plant City/State Location					Subline Item					
Raytheon Aircraft Company/Wichita/Kansas										
Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Aircraft	A	53	5.025	266.300	54	5.159	278.600	48	5.277	253.300
FLYAWAY COST SUBTOTAL				266.300			278.600			253.300
Advance Procurement	A									0.100
Other	A			12.073			22.676			26.429
SUPPORT COST SUBTOTAL				12.073			22.676			26.529
Ground Based Training System	A			22.497			27.600			25.300
<b>TOTAL PROGRAM</b>				<b>300.870</b>			<b>328.876</b>			<b>305.129</b>
Comments										
<p>"Advance Procurement" is needed for FY2006 and FY2007 to purchase main landing gear door cylinders, which have a 21 month lead time, for the FY2007 and FY2008 lot buys. The requirement for Advance Procurement is driven by the change from a FAR Part 12 (commercial) acquisition to a traditional FAR Part 15 acquisition, effective with the FY2007 lot buy. Approval for \$100 thousand Advance Procurement in FY2006 will be obtained through the Congressional new start notification process.</p> <p>"Other" includes air vehicle support, integrated logistics support, and mission support.</p> <p>The FY 2006 T-6A air vehicle unit price is \$4.913 million based on contract number F3365701C0022. (The unit cost above includes Engineering Change Order (ECO), which is not reflected in the air vehicle contract unit price.)</p>										
P-1 Shopping List Item No. 17					Weapon System Cost Analysis Exhibit P-5, page 2 of 9					

Exhibit P-5A, Procurement History and Planning							Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number							P-1 Line Item Nomenclature				
Aircraft Procurement, Air Force, Budget Activity 03, Trainer Aircraft, Item No. 17							Joint Primary Aircraft Training System (JPATS)				
Weapon System				Subline Item							
T-6											
WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?
Air Vehicle FY95	9	6.646	ASC/YT WPAFB OH	May-94	C/FPO	FPIF	Raytheon Aircraft Co Wichita, Kansas	Feb-96	Feb-00	Yes	
Air Vehicle FY96	4	3.431	ASC/YT WPAFB OH	May-94	C/FPO	FPIF	Raytheon Aircraft Co Wichita, Kansas	Sep-96	Jun-00	Yes	
Air Vehicle FY97	11	3.431	ASC/YT WPAFB OH	May-94	C/FPO	FPIF with EPA	Raytheon Aircraft Co Wichita, Kansas	Apr-97	Aug-00	Yes	
Air Vehicle FY98	22	2.959	ASC/YT WPAFB OH	May-94	C/FPO	FPIF with EPA	Raytheon Aircraft Co Wichita, Kansas	Feb-98	Mar-01	Yes	
Air Vehicle FY99	22	2.845	ASC/YT WPAFB OH	May-94	C/FPO	FPIF with EPA	Raytheon Aircraft Co Wichita, Kansas	May-99	Nov-01	Yes	
Air Vehicle FY00	29	2.596	ASC/YT WPAFB OH	May-94	C/FPO	FFP	Raytheon Aircraft Co Wichita, Kansas	Jun-00	Jun-02	Yes	
Air Vehicle FY01	34	2.431	ASC/YT WPAFB OH	May-94	C/FPO	FFP	Raytheon Aircraft Co Wichita, Kansas	Feb-01	Mar-03	Yes	
Air Vehicle FY02	40	4.272	ASC/YT WPAFB OH	Jun-01	C/FPO	FFP	Raytheon Aircraft Co Wichita, Kansas	Dec-01	Mar-04	Yes	
Air Vehicle FY03	35	4.596	ASC/YT WPAFB OH	Jun-01	C/FPO	FFP	Raytheon Aircraft Co Wichita, Kansas	Nov-02	Nov-04	Yes	
Air Vehicle FY04	52	4.630	ASC/YT WPAFB OH	Jun-01	C/FPO	FFP	Raytheon Aircraft Co Wichita, Kansas	Feb-04	Jul-05	Yes	
Air Vehicle FY05	53	5.025	ASC/YT WPAFB OH	Jun-01	C/FPO	FFP	Raytheon Aircraft Co Wichita, Kansas	Feb-05	Jul-06	Yes	
Air Vehicle FY06	54	5.169	ASC/YT WPAFB OH	Jun-01	C/FPO	FFP	Raytheon Aircraft Co Wichita, Kansas	Feb-06	Jul-07	Yes	

P-1 Shopping List Item No. 17

Procurement History and Planning  
Exhibit P-5A, page 3 of 9

<b>Exhibit P-5A, Procurement History and Planning</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 03, Trainer Aircraft, Item No. 17</b>	P-1 Line Item Nomenclature <b>Joint Primary Aircraft Training System (JPATS)</b>

<b>Weapon System</b>				Subline Item							
T-6											
WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?
Air Vehicle FY07	48	5.277	ASC/YT WPAFB OH	Feb-06	C/FPO	FFP	Raytheon Aircraft Co Wichita, Kansas	Feb-07	Jun-08	Yes	
Air Vehicle FY08	40	5.406	ASC/YT WPAFB OH	Feb-06	C/FPO	FFP	Raytheon Aircraft Co Wichita, Kansas	Feb-08	Jun-09	Yes	

**Remarks**  
 In constant dollars, the T-6A unit price decreased from FY 1995 through FY 2001 (the term of the initial contract), then increased beginning in FY 2002, the first year of the follow-on contract. The unit price increase is caused by high demand due to the commercial nature of T-6A components and relatively small T-6A quantities, increased cost of materials, and a lower volume of foreign sales than was originally forecast. The FY2002 follow-on contract was in accordance with FAR Part 12 and incorporated commercial payments. The FY2007 follow-on contract will be in accordance with FAR Part 15.

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**FY 2007 BUDGET ESTIMATES**  
**BUDGET ACTIVITY 04 – OTHER AIRCRAFT**  
**FEBRUARY 2006**

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<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
<b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 18</b>						<b>CV-22 (Osprey)</b>					

Program Element for Code B Items:		N/A			Other Related Program Elements:				N/A		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	2	3	2	2	5	6	5	5	18	48
Cost (\$ M)		313.223	272.910	219.289	208.573	440.962	392.926	393.121	331.629	1136.056	3708.689
Advance Proc Cost (\$ M)		44.709	10.866	10.385	34.390	41.245	14.266	13.837	13.421	48.142	231.261
Weapon System Cost (\$ M)		357.932	283.776	229.674	242.963	482.207	407.192	406.958	345.050	1184.198	3939.950
Initial Spares (\$ M)		52.679	55.756	34.150	36.111	87.385	44.125	80.614	64.422	63.360	518.602
Total Proc Cost (\$ M)		410.611	339.532	263.824	279.074	569.592	451.317	487.572	409.472	1247.558	4458.552
Flyaway Unit Cost (\$ M)		86.623	74.577	79.147	63.154	63.858	54.372	61.446	54.088	52.203	59.259
Wpn Sys Unit Cost (\$ M)		161.489	95.982	115.006	109.479	92.239	70.354	83.272	70.746	67.033	81.664

**Description**

The CV-22 is a Special Operations Forces (SOF) variant of the V-22 vertical lift, multi-mission aircraft. The CV-22 will provide critical capability to insert, extract, and resupply special operation forces into politically or militarily denied areas, not currently provided by existing aircraft. The Navy is the lead service for the joint V-22 program and is responsible for managing and funding the development of all V-22 variants, including the CV-22. The program will procure and field 50 CV-22 aircraft and support equipment. The Air Force funds the procurement of the basic aircraft (V-22 common components) and contractor logistics support for operational testing and Type I training. USSOCOM funds the procurement of SOF systems unique to the CV-22, such as the terrain following radar and electronic warfare suite. The Air Force funds 85 percent of the procurement cost for CV-22 training systems, while USSOCOM funds 15 percent. The Air Force and Navy utilize joint training facilities at MCAS New River, NC to conduct all maintenance, training, and initial V-22 aircrew qualification training. CV-22 SOF-unique aircrew mission qualification training will be conducted at the Special Operations Mission Qualification Schoolhouse at Kirtland AFB, NM.

Note: Two Production Representative Test Vehicles (PRTV) were built using FY02 RDT&E and included in the total fleet of 50 CV-22s). These two PRTV aircraft are being used for operational testing and aircrew training.

**FY 2007 Program Justification**

The FY07 budget includes \$103.3M to procure two CV-22 aircraft for delivery in FY09.

The FY07 budget includes support elements required to support the two CV-22 aircraft being procured and interim contractor support for training at Kirtland AFB. The FY07 budget support elements include: Airframe PGSE (\$3.8M), Engine PGSE (\$0.5M), Avionics PGSE (\$5.1M), Peculiar Training Equipment (\$2.4M), Technical Publications (\$9.4M), Production Engineering Support (\$8.1M), Common Support Equipment (\$5.7M), and Other ILS (\$57.6M). A total of \$36.1M of Initial Spares will also be procured this year. These support elements have a lead time of up to 24 months and will be used to support training operations at Kirtland AFB, and initial squadron operations at Hurlburt Field, beginning in FY07.

The FY07 budget includes \$34.4M for Advanced Procurement to fund long lead items for five CV-22 aircraft in to be procured in FY08, and EOQ for a five-year multiyear procurement starting in FY08.

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Exhibit MYP-1, Multiyear Procurement Criteria  
Program: V-22 OSPREY (All Services)

1. Multiyear Procurement Description:

This proposed multiyear procurement (MYP) covers the purchase of 185 V-22 aircraft in FY2008 through FY2012 under a single, five year fixed price type contract. This procurement includes 159 MV-22 and 26 CV-22 aircraft. The MYP strategy is structured to achieve \$435.3 Million (TY\$) in cost avoidance over the five year period within the Aircraft Procurement Navy, Aircraft Procurement Air Force, and Defense Wide Procurement appropriations. This proposed MYP contract follows nine years of Low Rate Initial Production and 2 years of Full Rate Production (FY1997 through FY2007) for a total of 108 MV and CV aircraft.

The MYP will include a Variation in Quantity Clause allowing for minor fluctuation of aircraft quantities from the PB-07 budget position.

2. Benefit to the Government:

a. Substantial Cost Avoidance:

Implementation of this proposed MYP will yield significant opportunity for cost avoidance through the term of the contract. Specifically, cost avoidance for FY 2008 through FY2012 attributable to this MYP strategy is estimated at \$435.3 Million (TY\$).

The cost avoidance associated with the V-22 MYP will principally be achieved as a result of Cost Reduction Initiatives (CRIs) and Economic Order Quantity (EOQ) investments. CRI funding will be applied to the V-22 Price Reduction Program (PRP) to identify larger, systems-level initiatives to achieve the maximum amount of cost avoidance possible during the MYP. Examples of such initiatives include a 3P exercise of the V-22 manufacturing process, wing structure optimization, wiring optimization and alternate composite material. The most significant advantage to the Government regarding CRI investment is guaranteeing via a 5 year contract the Return on Investment (ROI) to the Government.

Procuring select components at economic order quantities also will reduce costs by reducing the number of production set-ups, reducing administrative costs, receiving price breaks for raw materials and components, minimizing obsolescence risks/costs and further stabilizing the V-22 supply chain. In the data submitted by Bell-Boeing in March 2005, items such as the Forward Looking Infrared Sensor (FLIR), Multi-Function Displays (MFDs), Interface Units, the Flight Control System and various machined parts and hydraulic components are examples of the most advantageous items to procure utilizing EOQ funding.

Exhibit MYP-1, Multiyear Procurement Criteria  
Program: V-22 OSPREY (All Services)

Reducing the number of setups can provide significant cost avoidance when producing components or materials with high setup to run ratios and the dollar value of the component is low. Low value castings and forgings are examples of areas in which lower prices can be negotiated with suppliers based on reduced setup costs associated with larger quantity procurements.

Administrative costs are reduced since there is only one proposal, negotiation, and purchase order instead of a string of five single year procurement actions. These costs are reduced to the prime contractor, since they have only one contract to negotiate with the government vice five. Prime contractor costs will also be reduced as subcontracts at all tiers will only be entered into once. Since some suppliers include proposal preparation and negotiation as a direct charge to the purchase order, there will be a dollar for dollar reduction in these cases and the cost avoidance will not get lost in overhead rates. Another administrative reduction is realized in production planning. Cost avoidance will be gained as production line administrative processes will only be performed once, rather than five times under single year procurement. Additionally, the workload on the Government's acquisition workforce will be reduced via the MYP, resulting in greater efficiency in other V-22 acquisition operations.

Many electronics components have minimum buy quantities which may not be met under single year procurements, driving up unit costs so that total cost is artificially high. Multiyear procurement quantities will allow the prime contractor and subcontractors at all tiers to exceed minimum order quantities and capture cost avoidance on these components. Typically suppliers will provide price discounts to lock in business. Given a five year contract, suppliers will have greater total business and stability. Therefore, they will be capable of finding innovative processes and be able to justify capital investments necessary to reduce costs. Some of these cost reductions will be passed on to the customer in the form of price reductions. In addition to these types of process innovations and capital investments, competition is expected to be greater based on larger purchase volumes and obsolescence risks and costs (principal concerns in electronic components) are expected to be minimized.

b. Stability of Requirement:

The requirement for a Medium Lift Replacement (MLR) aircraft is well documented within the Services. The Joint Multi-Mission Vertical Lift Aircraft (JMVX) Operational Requirements Document (ORD) was approved by the Joint Requirements Oversight Council (JROC) in April 1995. The latest revision to the JMVX ORD (ORD Change 4) was approved in February 2005. The MV-22 is the Marine Corps' number one aviation program and the CV-22 is one of USSOCOM's top priorities in prosecuting the Global War on Terrorism.

Exhibit MYP-1, Multiyear Procurement Criteria  
Program: V-22 OSPREY (All Services)

c. Stability of Funding:

The Defense Acquisition Board (DAB) conducted a review of the V-22 program in September 2005 and directed the program to proceed to full rate production. In a follow on Acquisition Decision Memorandum (ADM) of 6 December 2005 the program was directed to fund to the lower OSD Cost Analysis Improvement Group (CAIG) estimate and submit an updated Acquisition Program Baseline (APB) by 6 January 2006 establishing the program's performance, schedule, and funding objectives and thresholds. This updated APB is currently in Services' review. In 2001, the Quadrennial Defense Review validated the Department's requirement for the V-22 and accelerated the production profile to speed deployment. A new Quadrennial Defense Review is currently underway and any changes to the Defense Planning Guidance resulting from that will be incorporated accordingly. Funding support for the V-22 has consistently been shown by the Congress.

d. Stable Configuration:

The MV-22 is a mature technology that successfully completed operational evaluation in the summer of 2005, paving the way for a MSIII DAB full rate production decision. The aircraft has completed more than 9,700 hours of flight test and training since May 2002 Return To Flight (RTF), and production has been approved for 108 MV-22 and CV-22 aircraft from FY1997 through FY2007. The program is now progressing down the road to initial operational capability (IOC) for the Marine Corps' MV-22 by late 2007 and USSOCOM's CV-22 by early 2009. Having completed Operational Evaluation and entered full rate production, the MV-22 program's stability supports contract definitization for the MYP's first year of EOQ and CRI funding, scheduled for second quarter FY2007. The CV-22 enters IOT&E in late 2007 for the CV unique aspects of the program. Planned MV-22 Block C and CV-22 Block 20 upgrades will be funded and acquired as stand-alone Engineering Change Proposals (ECPs) to the current Block B/10 baseline that is the foundation of the V-22 MYP.

e. Realistic Cost Estimate:

As the program prepared for the Milestone III decision in September 2005, the NAVAIR Cost Department updated the life cycle cost estimate including the multiyear procurement estimate. They worked closely with the Service independent estimators from the Naval Cost Analysis Directorate, Air Force Cost Analysis Agency and OSD CAIG to review the methodology and assumptions as part of the process. Bell-Boeing MYP estimates were submitted to the government in March 2005 supporting this effort. During this process the OSD CAIG independently reviewed the Service Cost position and the Air Force Cost Analysis Agency also performed an independent review. As a result of this analysis the Under Secretary of Defense (Acquisition, Technology, and Logistics) directed the program be funded to the lower OSD CAIG estimate. This budget submission is priced to support the OSD CAIG assumptions resulting from the follow on ADM of 6 December 2005.

Exhibit MYP-1, Multiyear Procurement Criteria  
Program: V-22 OSPREY (All Services)

f. National Security:

The Quadrennial Defense Review and Defense Planning Guidance have set total V-22 production quantities. A new Quadrennial Defense Review is currently underway and any changes to the Defense Planning Guidance resulting from that will be incorporated accordingly. These documents emphasize the criticality of the V-22 to overall National Security Strategy and demonstrate the Department's commitment to properly fund this weapon system to the quantities proposed in the multiyear plan.

Fielding the V-22 will provide the armed forces with a multi-mission aircraft capable of worldwide self-deployability which allows for the continued execution of global military commitments while significantly reducing demands on finite strategic sealift and airlift assets.

The Marine Corps' Operational Maneuver from the Sea foresees warfare that requires tactically adaptive, technologically agile, opportunistic, and exploitative forces. Individuals and forces must be able to rapidly reorganize and reorient across a broad range of new tasks and missions in fluid operational environments. Additionally, the U.S. Special Operations Command (USSOCOM) variant (CV-22) is capable of penetrating politically or militarily denied areas to support special operations missions and collateral special operations activities (Executive Order 12333 (Special Activities)). Finally, dominant maneuver will provide U.S. forces with overwhelming and asymmetric advantages to accomplish assigned operational tasks. The dominant maneuver concept requires more flexible strategic and tactical sea and airlift. Procurements of the Marine Corps' MV-22 and Special Operations Force's CV-22 tiltrotor aircraft are examples of the Department's effort to improve long and medium range lift.

3. Source of Cost avoidance:

\$ in Millions

Inflation	\$ 53.059
Vendor Procurement	\$ 382.193
Total Cost avoidance	\$ 435.252

Exhibit MYP-1, Multiyear Procurement Criteria  
 Program: V-22 OSPREY (All Services)

4. Advantages of the MYP:

This MYP strategy has been structured to achieve significant cost avoidance (\$435.3 Million) and will eliminate the need to develop an annual plan on a yearly basis; one year of planning will replace five independent years of planning. Cost avoidance resulting from economic order quantities, manufacturing initiatives, and independent planning result in benefit to industry and government. Additionally, fielding of the MV-22 aircraft can be optimized to accelerate the retirement of 40+ year old CH-46 aircraft, increasing the safety and effectiveness of the USMC during Global War on Terrorism Operations. Additionally, fielding of the CV-22 aircraft can be optimized to augment complementary operations with the MH-53J and MC-130 aircraft, increasing the safety and effectiveness of the AFSOC during Global War on Terrorism Operations.

5. Impact on Industrial Base:

Implementation of this proposed MYP will also yield a favorable impact on the industrial base. The stability afforded by the use of a multiyear procurement will allow the prime contractor to enter into long term agreements with suppliers, at every tier, which provide substantial cost avoidance. Such long term agreements incentivize both the prime and the subcontractors to invest in process improvements which yield long term benefits in terms of product quality and cost. The stability of the prime multiyear contract will also foster improved competition at the sub contractor level, as the offer of a longer term business arrangement will encourage more aggressive pursuit of a contract award. The contractor and subcontractor will be at a reduced risk when implementing production process improvements, facility improvements, tooling design improvements, and fabrication process improvements. The ability for the government and industry to enter into a long-term agreement will allow industry the opportunity to place capital investments upfront, which reduces the overall cost and improves the quality of the V-22.

6. Multiyear Procurement Summary:

	Annual Contracts	MYP Alternate
Quantity	185	185
Total Contract Price	\$10,500.961	\$10,065.710
 \$ Cost Avoidance Over Annual		 \$ 435.252 4.2%

Exhibit MYP-2 Total Program Funding Plan (All Services)					Date Feb-06							
All Services					P-1 Line Item Nomenclature - V-22 Osprey							
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
<b>Proc Qty</b>		24	37	40	42	42						185
<b>Annual Procurement</b>												
Gross Cost (P-1)		2,233.2	2,918.6	2,989.9	3,147.1	2,925.6						14,214.4
Less PY Adv Proc		(118.1)	(179.7)	(189.7)	(198.0)	(199.1)						(884.6)
Net Proc (= P-1)		2,115.1	2,738.9	2,800.2	2,949.1	2,726.5						13,329.8
Plus CY Adv Proc	118.1	179.7	189.7	198.0	199.1							884.6
Weapon Sys Cost	118.1	2,294.8	2,928.6	2,998.3	3,148.2	2,726.5						14,214.4
<b>Multiyear Proc</b>												
Gross Cost (P-1)	100.0	2,259.9	2,809.1	2,839.7	2,993.1	2,777.4						13,779.2
Less PY Adv Proc		(115.3)	(173.1)	(197.2)	(208.7)	(190.2)						(884.4)
Net Proc (=P-1)		2,144.6	2,636.0	2,642.5	2,784.4	2,587.2						12,794.7
Adv. Proc.												
' For FY08	115.3											115.3
' For FY09	32.9	140.2										173.1
' For FY10	35.0	46.7	115.4									197.2
' For FY11	37.3	51.1		120.3								208.7
' For FY12	36.4	48.4			105.4							190.2
Plus CY Adv Proc	256.8	286.5	115.4	120.3	105.4							884.4
Weapon Sys Cost	356.8	2,431.1	2,751.4	2,762.8	2,889.8	2,587.2						13,779.2
<b>Multiyear Savings (\$)</b>	(238.7)	(136.3)	177.2	235.4	258.4	139.2						435.3
Cancellation Ceiling, Funded												
Cancellation Ceiling, Unfunded												
<b>OUTLAYS</b>												
Annual (Budget)	26.3	559.0	1,605.0	2,505.9	2,843.8	2,907.2	2,245.0	1,056.6	258.7	138.7	68.2	14,214.4
Multiyear	79.6	684.9	1,688.8	2,431.8	2,651.9	2,706.5	2,104.5	996.1	241.3	129.2	64.7	13,779.2
Savings	(53.2)	(125.9)	(83.7)	74.1	191.8	200.7	140.5	60.6	17.4	9.5	3.5	435.3
<b>Remarks</b>												
MYP includes investment costs budgeted in NRE (including \$100M in FY07 and \$70M in FY08) for significant Cost Reduction Initiatives yielding producibility improvements and significant cost avoidance.												
Cost may not add exactly due to rounding.												

Exhibit MYP-2 Total Program Funding Plan (Navy)					Date Feb-06							
Aircraft Procurement, Navy/APN-1					P-1 Line Item Nomenclature - V-22 Osprey							
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
<b>Proc Qty</b>		19	31	35	37	37						159
<b>Annual Procurement</b>												
Gross Cost (P-1)		1,564.4	2,324.0	2,415.3	2,633.0	2,439.9						11,376.5
Less PY Adv Proc		(89.3)	(147.6)	(163.3)	(171.7)	(172.5)						(744.5)
Net Proc (= P-1)		1,475.0	2,176.4	2,251.9	2,461.3	2,267.4						10,632.1
Plus CY Adv Proc	89.3	147.6	163.3	171.7	172.5							744.5
Weapon Sys Cost	89.3	1,622.6	2,339.7	2,423.7	2,633.7	2,267.4						11,376.5
<b>Multiyear Proc</b>												
Gross Cost (P-1)	100.0	1,600.6	2,233.3	2,284.8	2,498.3	2,310.6						11,027.6
Less PY Adv Proc		(87.2)	(133.3)	(165.1)	(177.7)	(158.9)						(722.2)
Net Proc (=P-1)		1,513.4	2,100.0	2,119.7	2,320.6	2,151.8						10,205.5
Adv. Proc.												
' For FY08	87.2											87.2
' For FY09	22.6	110.7										133.3
' For FY10	26.9	40.0	98.2									165.1
' For FY11	29.3	44.9		103.5								177.7
' For FY12	28.1	41.7			89.1							158.9
Plus CY Adv Proc	194.1	237.3	98.2	103.5	89.1							722.2
Weapon Sys Cost	294.1	1,750.7	2,198.1	2,223.2	2,409.7	2,151.8						11,027.6
<b>Multiyear Savings (\$)</b>	(204.7)	(128.1)	141.5	200.4	224.1	115.7						348.9
Cancellation Ceiling, Funded												
Cancellation Ceiling, Unfunded												
<b>OUTLAYS</b>												
Annual (Budget)	19.9	397.6	1,196.5	1,947.4	2,300.7	2,393.4	1,859.3	875.5	213.8	115.7	56.7	11,376.5
Multiyear	65.6	508.0	1,275.2	1,891.6	2,139.7	2,222.2	1,740.2	824.8	199.0	107.6	53.8	11,027.6
Savings	(45.7)	(110.5)	(78.6)	55.8	161.0	171.2	119.1	50.7	14.8	8.1	2.9	348.9
<b>Remarks</b> MYP includes investment costs budgeted in NRE (including \$100M in FY07 and \$70M in FY08) for significant Cost Reduction Initiatives yielding producibility improvements and significant cost avoidance. Cost may not add exactly due to rounding.												

Exhibit MYP-2 Total Program Funding Plan (Air Force)					Date Feb-06							
Aircraft Procurement, Air Force					P-1 Line Item Nomenclature - CV-22							
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
Proc Qty		5	6	5	5	5						26
<b>Annual Procurement</b>												
Gross Cost (P-1)		469.7	439.3	434.8	371.6	357.4						2,072.8
Less PY Adv Proc		(22.2)	(26.6)	(21.8)	(21.7)	(22.0)						(114.3)
Net Proc (= P-1)		447.5	412.7	413.0	349.9	335.4						1,958.5
Plus CY Adv Proc	22.2	26.6	21.8	21.7	22.0							114.3
Weapon Sys Cost	22.2	474.1	434.5	434.6	371.9	335.4						2,072.8
<b>Multiyear Proc</b>												
Gross Cost (P-1)		461.2	422.1	416.4	353.7	340.1						1,993.5
Less PY Adv Proc		(20.2)	(29.2)	(23.2)	(22.1)	(22.4)						(117.2)
Net Proc (=P-1)		441.0	392.9	393.1	331.6	317.7						1,876.3
Adv. Proc.												
' For FY08	20.2											20.2
' For FY09	4.6	24.6										29.2
' For FY10	3.3	5.7	14.3									23.2
' For FY11	3.0	5.2		13.8								22.1
' For FY12	3.3	5.7			13.4							22.4
Plus CY Adv Proc	34.4	41.2	14.3	13.8	13.4							117.2
Weapon Sys Cost	34.4	482.2	407.2	407.0	345.0	317.7						1,993.5
<b>Multiyear Savings (\$)</b>	(12.2)	(8.1)	27.3	27.7	26.9	17.7						79.3
Cancellation Ceiling, Funded												
Cancellation Ceiling, Unfunded												
<b>OUTLAYS</b>												
Annual (Budget)	5.0	114.6	292.9	408.2	402.3	378.0	280.9	132.6	33.1	16.7	8.4	2,072.8
Multiyear	7.7	121.3	293.6	393.9	378.0	354.6	264.6	125.1	31.1	15.6	7.9	1,993.5
Savings	(2.7)	(6.7)	(0.7)	14.2	24.3	23.3	16.4	7.5	2.0	1.1	0.4	79.3
Remarks												

P-1 Shopping List - Item No 12

Exhibit MYP-2 Total Program Funding Plan (USSOCOM)					Date Feb-06							
Procurement, Defense Wide					P-1 Line Item Nomenclature - CV-22 SOF Mod							
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
Proc Qty*												0.0
<b>Annual Procurement</b>												
Gross Cost (P-1)		199.4	155.3	139.9	142.5	128.1						765.2
Less PY Adv Proc		(6.8)	(5.5)	(4.6)	(4.6)	(4.7)						(26.2)
Net Proc (= P-1)		192.6	149.8	135.3	137.8	123.4						739.0
Plus CY Adv Proc	6.8	5.5	4.6	4.6	4.7							26.2
Weapon Sys Cost	6.8	198.1	154.4	139.9	142.5	123.4						765.2
<b>Multiyear Proc</b>												
Gross Cost (P-1)		198.0	153.6	138.6	141.1	126.7						758.1
Less PY Adv Proc		(7.8)	(10.6)	(8.8)	(8.9)	(8.9)						(45.1)
Net Proc (=P-1)		190.2	143.1	129.7	132.2	117.8						713.0
Adv. Proc.												
' For FY08	7.8											7.8
' For FY09	5.7	4.9										10.6
' For FY10	4.8	1.0	3.0									8.8
' For FY11	4.9	1.0		2.9								8.9
' For FY12	5.0	1.0			2.8							8.9
Plus CY Adv Proc	28.3	8.0	3.0	2.9	2.8							45.1
Weapon Sys Cost	28.3	198.2	146.1	132.6	135.1	117.8						758.1
<b>Multiyear Savings (\$)</b>	(21.5)	(0.0)	8.3	7.3	7.4	5.6						7.1
Cancellation Ceiling, Funded												
Cancellation Ceiling, Unfunded												
<b>OUTLAYS</b>												
Annual (Budget)	1.5	46.9	115.6	150.3	140.7	135.8	104.6	48.5	11.8	6.3	3.1	765.2
Multiyear	6.3	55.5	120.0	146.3	134.2	129.7	99.8	46.2	11.2	6.0	2.9	758.1
Savings	(4.8)	(8.6)	(4.4)	4.0	6.5	6.1	4.9	2.3	0.6	0.3	0.1	7.1
Remarks												
*Quantities for the CV22 are shown under appropriation 3010 Aircraft Procurement, Air Force. In accordance with the approved program plan, the Air Force is funding the majority of the procurement cost for the CV22.												
USSOCOM is funding delta costs above the baseline (MV22) aircraft for special operations forces unique equipment.												

P-1 Shopping List - Item No 12

Exhibit MYP-2, Total Program Funding Plan  
(MYP, Page 9 of 17)

Exhibit MYP-3 Total Contract Funding Plan (All Services)						Date Feb-06						
All Services						P-1 Line Item Nomenclature - V-22 Osprey						
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
<b>Proc Qty</b>		24	37	40	42	42						185
<b>Annual Procurement</b>												
Airframe/CFE		1,462.8	2,148.6	2,259.1	2,390.5	2,239.9						10,501.0
Less PY Adv Proc		(117.3)	(179.7)	(189.7)	(198.0)	(199.1)						(883.8)
Net Proc (= P-1)		1,345.5	1,968.9	2,069.4	2,192.4	2,040.8						9,617.2
Plus CY Adv Proc	117.3	179.7	189.7	198.0	199.1							883.8
Contract Price	117.3	1,525.2	2,158.6	2,267.5	2,391.6	2,040.8						10,501.0
<b>Multiyear Proc</b>												
Airframe/CFE	100.0	1,490.8	2,039.4	2,108.9	2,236.9	2,089.7						10,065.7
Less PY Adv Proc		(114.4)	(171.7)	(195.5)	(207.1)	(188.2)						(876.9)
Net Proc (=P-1)	100.0	1,376.4	1,867.7	1,913.4	2,029.8	1,901.6						9,188.8
Adv. Proc.												
' For FY08	114.4											114.4
' For FY09	32.9	138.9										171.7
' For FY10	35.0	46.7	113.8									195.5
' For FY11	37.3	51.1		118.7								207.1
' For FY12	36.4	48.4			103.4							188.2
Total Adv Proc	256.0	285.1	113.8	118.7	103.4							876.9
Contract Price	356.0	1,661.5	1,981.5	2,032.0	2,133.2	1,901.6						10,065.7
<b>Multiyear Savings (\$)</b>	(238.7)	(136.3)	177.2	235.4	258.4	139.2						435.3
												4.2%
Cancellation Ceiling, Funded												
Cancellation Ceiling, Unfunded												
<b>OUTLAYS</b>												
Annual	26.2	387.0	1,125.2	1,813.3	2,128.6	2,191.9	1,685.9	792.0	195.0	104.7	51.0	10,501.0
Multiyear	79.4	512.9	1,209.0	1,739.2	1,936.8	1,991.2	1,545.4	731.5	177.6	95.2	47.5	10,065.7
Savings	(53.2)	(125.9)	(83.7)	74.1	191.8	200.7	140.5	60.6	17.4	9.5	3.5	435.3
<b>Remarks</b>												
MYP includes investment costs budgeted in NRE (including \$100M in FY07 and \$70M in FY08) for significant Cost Reduction Initiatives yielding producibility improvements and significant cost avoidance.												
Costs may not add exactly due to rounding.												

P-1 Shopping List - Item No 7/8,12

Exhibit MYP-3, Total Contract Funding Plan  
(MYP, Page 10 of 17)

Exhibit MYP-3 Total Contract Funding Plan (Navy)						Date Feb-06						
Aircraft Procurement, Navy/APN-1						P-1 Line Item Nomenclature - V-22 Osprey						
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
<b>Proc Qty</b>		19	31	35	37	37						159
<b>Annual Procurement</b>												
Airframe/CFE/NRE		1,116.0	1,769.8	1,943.4	2,074.0	1,934.4						8,837.5
Less PY Adv Proc		(88.5)	(147.6)	(163.3)	(171.7)	(172.5)						(743.6)
Net Proc (= P-1)		1,027.5	1,622.2	1,780.1	1,902.2	1,761.9						8,093.9
Plus CY Adv Proc	88.5	147.6	163.3	171.7	172.5							743.6
Contract Price	88.5	1,175.1	1,785.5	1,951.8	2,074.7	1,761.9						8,837.5
<b>Multiyear Proc</b>												
Airframe/CFE/NRE	100.0	1,153.6	1,679.4	1,812.9	1,939.6	1,803.1						8,488.6
Less PY Adv Proc		(86.3)	(131.9)	(163.5)	(176.1)	(156.9)						(714.7)
Net Proc (=P-1)	100.0	1,067.3	1,547.5	1,649.5	1,763.5	1,646.2						7,773.9
Adv. Proc.												
' For FY08	86.3											86.3
' For FY09	22.6	109.3										131.9
' For FY10	26.9	40.0	96.5									163.5
' For FY11	29.3	44.9		101.9								176.1
' For FY12	28.1	41.7			87.1							156.9
Total Adv Proc	193.2	235.9	96.5	101.9	87.1							714.7
Contract Price	293.2	1,303.2	1,644.0	1,751.4	1,850.6	1,646.2						8,488.6
<b>Multiyear Savings (\$)</b>	(204.7)	(128.1)	141.5	200.4	224.1	115.7						348.9
												3.9%
Cancellation Ceiling, Funded												
Cancellation Ceiling, Unfunded												
<b>OUTLAYS</b>												
Annual	19.7	297.4	893.7	1,491.6	1,808.9	1,888.0	1,452.9	682.1	168.4	90.6	44.0	8,837.5
Multiyear	65.4	407.9	972.3	1,435.8	1,647.9	1,716.8	1,333.8	631.5	153.6	82.5	41.2	8,488.6
Savings	(45.7)	(110.5)	(78.6)	55.8	161.0	171.2	119.1	50.7	14.8	8.1	2.9	348.9
Remarks	MYP includes investment costs budgeted in NRE (including \$100M in FY07 and \$70M in FY08) for significant Cost Reduction Initiatives yielding producibility improvements and significant cost avoidance. Costs may not add exactly due to rounding.											

Exhibit MYP-3 Total Contract Funding Plan (Air Force)						Date Feb-06						
Aircraft Procurement, Air Force						P-1 Line Item Nomenclature - CV-22						
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
	BY1	BY2	BY2+1	BY2+2	BY2+3	BY2+4	BY2+5	BY2+6	BY2+7	BY2+8	BY2+9	
Proc Qty		5	6	5	5	5						26
<b>Annual Procurement</b>												
Airframe/CFE		282.7	305.6	254.5	255.0	243.4						1341.2
Less PY Adv Proc		(22.0)	(26.6)	(21.8)	(21.7)	(22.0)						(114.1)
Net Proc (= P-1)		260.7	279.0	232.7	233.3	221.4						1227.1
Plus CY Adv Proc	22.0	26.6	21.8	21.7	22.0							114.1
Contract Price	22.0	287.3	300.7	254.4	255.3	221.4						1341.2
<b>Multiyear Proc</b>												
Airframe/CFE		274.4	288.4	236.1	237.1	225.9						1261.9
Less PY Adv Proc		(20.0)	(28.9)	(23.0)	(21.9)	(22.2)						(116.0)
Net Proc (=P-1)		254.4	259.4	213.1	215.2	203.8						1145.9
Adv. Proc.												
' For FY08	20.0											20.0
' For FY09	4.6	24.3										28.9
' For FY10	3.3	5.7	14.0									23.0
' For FY11	3.0	5.2		13.6								21.9
' For FY12	3.3	5.7			13.2							22.2
Total Adv Proc	34.2	41.0	14.0	13.6	13.2							116.0
Contract Price	34.2	295.4	273.5	226.7	228.4	203.8						1261.9
<b>Multiyear Savings (\$)</b>	(12.2)	(8.1)	27.3	27.7	26.9	17.7						79.3
												5.9%
Cancellation Ceiling, Funded												
Cancellation Ceiling, Unfunded												
<b>OUTLAYS</b>												
Annual	4.9	72.9	188.3	260.7	257.9	244.3	186.6	87.6	21.3	11.3	5.5	1,341.2
Multiyear	7.6	79.5	189.0	246.5	233.5	220.9	170.2	80.1	19.3	10.2	5.1	1,261.9
Savings	(2.7)	(6.7)	(0.7)	14.2	24.3	23.3	16.4	7.5	2.0	1.1	0.4	79.3
Remarks												

Exhibit MYP-3 Total Contract Funding Plan (USSOCOM)						Date Feb-06						
Procurement, Defense Wide						P-1 Line Item Nomenclature - CV-22 SOF Mod						
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
Proc Qty*												0
<b>Annual Procurement</b>												
Airframce/CFE		64.1	73.3	61.2	61.5	62.1						322.2
Less PY Adv Proc		(6.8)	(5.5)	(4.6)	(4.6)	(4.7)						(26.2)
Net Proc (= P-1)		57.4	67.8	56.6	56.9	57.5						296.1
Plus CY Adv Proc	6.8	5.5	4.6	4.6	4.7							26.2
Contract Price	6.8	62.8	72.4	61.2	61.5	57.5						322.2
<b>Multiyear Proc</b>												
Airframce/CFE		62.8	71.7	59.9	60.1	60.7						315.1
Less PY Adv Proc		(7.8)	(10.6)	(8.8)	(8.9)	(8.9)						(45.1)
Net Proc (=P-1)		54.9	61.1	51.0	51.3	51.8						270.1
Adv. Proc.												
' For FY08	7.8											7.8
' For FY09	5.7	4.9										10.6
' For FY10	4.8	1.0	3.0									8.8
' For FY11	4.9	1.0		2.9								8.9
' For FY12	5.0	1.0			2.8							8.9
Total Adv Proc	28.3	8.0	3.0	2.9	2.8							45.1
Contract Price	28.3	62.9	64.1	53.9	54.1	51.8						315.1
<b>Multiyear Savings (\$)</b>	(21.5)	(0.0)	8.3	7.3	7.4	5.6						7.1
												2.2%
Cancellation Ceiling, Funded												
Cancellation Ceiling, Unfunded												
<b>OUTLAYS</b>												
Annual	1.5	16.7	43.2	61.0	61.8	59.7	46.4	22.3	5.3	2.8	1.4	322.2
Multiyear	6.3	25.4	47.6	57.0	55.4	53.5	41.6	20.0	4.7	2.5	1.3	315.1
Savings	(4.8)	(8.6)	(4.4)	4.0	6.5	6.1	4.9	2.3	0.6	0.3	0.1	7.1
<b>Remarks</b> *Quantities for the CV22 are shown under appropriation 3010 Aircraft Procurement, Air Force. In accordance with the approved program plan, the Air Force is funding the majority of the procurement cost for the CV22. USSOCOM is funding delta costs above the baseline (MV22) aircraft for special operations forces unique equipment.												

Exhibit MYP-4 Present Value Analysis (All Services)						Date Feb-06						
All Services						P-1 Line Item Nomenclature - V-22 Osprey						
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
<b>Annual Proposal</b>												
Then Year Cost	26.2	387.0	1125.2	1813.3	2128.6	2191.9	1685.9	792.0	195.0	104.7	51.0	10501.0
Constant Year Cost	26.2	380.0	1093.1	1738.5	2004.6	2026.8	1542.0	720.8	178.9	95.5	46.0	9852.5
Present Value	26.2	370.5	1039.1	1611.4	1811.6	1785.8	1324.6	603.7	146.1	76.0	35.7	8830.8
<b>Multiyear Proposal</b>												
Then Year Cost	79.4	512.9	1209.0	1739.2	1936.8	1991.2	1545.4	731.5	177.6	95.2	47.5	10065.7
Constant Year Cost	79.4	505.3	1177.3	1669.7	1825.0	1841.8	1413.6	665.6	162.9	86.8	42.8	9470.2
Present Value	79.4	492.6	1119.2	1547.6	1649.3	1622.8	1214.4	557.5	133.0	69.1	33.3	8518.1
<b>Difference</b>												
Then Year Cost	(53.2)	(125.9)	(83.7)	74.1	191.8	200.7	140.5	60.6	17.4	9.5	3.5	435.3
Constant Year Cost	(53.2)	(125.2)	(84.2)	68.8	179.6	185.0	128.4	55.2	16.0	8.7	3.1	382.3
Present Value	(53.2)	(122.1)	(80.1)	63.8	162.3	163.0	110.3	46.3	13.1	6.9	2.4	312.7
<b>Multiyear Savings (\$)</b>	(53.2)	(125.9)	(83.7)	74.1	191.8	200.7	140.5	60.6	17.4	9.5	3.5	435.3
Remarks												

P-1 Shopping List - Item No 7/8,12

Exhibit MYP-4, Present Value Analysis  
(MYP, Page 14 of 17)

Exhibit MYP-4 Present Value Analysis (Navy)						Date Feb-06						
Aircraft Procurement, Navy/APN-1						P-1 Line Item Nomenclature - V-22 Osprey						
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
<b>Annual Proposal</b>												
Then Year Cost	19.7	297.4	893.7	1,491.6	1,808.9	1,888.0	1,452.9	682.1	168.4	90.6	44.0	8,837.5
Constant Year Cost	19.7	292.0	867.8	1,429.3	1,702.9	1,745.4	1,328.5	620.7	154.5	82.7	39.7	8,283.3
Present Value	19.7	284.7	825.0	1,324.7	1,538.9	1,537.9	1,141.3	519.9	126.2	65.8	30.8	7,414.9
<b>Multiyear Proposal</b>												
Then Year Cost	65.4	407.9	972.3	1,435.8	1,647.9	1,716.8	1,333.8	631.5	153.6	82.5	41.2	8,488.6
Constant Year Cost	65.4	401.9	946.7	1,377.7	1,552.2	1,587.6	1,219.7	574.5	140.9	75.2	37.1	7,978.9
Present Value	65.4	391.9	899.9	1,276.9	1,402.7	1,398.9	1,047.8	481.2	115.1	59.9	28.8	7,168.4
<b>Difference</b>												
Then Year Cost	(45.7)	(110.5)	(78.6)	55.8	161.0	171.2	119.1	50.7	14.8	8.1	2.9	348.9
Constant Year Cost	(45.7)	(109.9)	(78.9)	51.6	150.6	157.8	108.9	46.2	13.6	7.4	2.6	304.4
Present Value	(45.7)	(107.1)	(75.0)	47.8	136.1	139.0	93.5	38.7	11.1	5.9	2.0	246.5
<b>Multiyear Savings (\$)</b>	(45.7)	(110.5)	(78.6)	55.8	161.0	171.2	119.1	50.7	14.8	8.1	2.9	348.9
Remarks												

P-1 Shopping List - Item No 7/8

Exhibit MYP-4, Present Value Analysis  
(MYP, Page 15 of 17)

Exhibit MYP-4 Present Value Analysis (Air Force)						Date Feb-06						
Aircraft Procurement, Air Force						P-1 Line Item Nomenclature - CV-22						
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
<b>Annual Proposal</b>												
Then Year Cost	4.9	72.9	188.3	260.7	257.9	244.3	186.6	87.6	21.3	11.3	5.5	1341.2
Constant Year Cost	4.9	71.5	183.2	250.7	243.4	226.2	170.9	79.8	19.5	10.3	5.0	1265.4
Present Value	4.9	69.8	174.2	232.3	219.9	199.3	146.8	66.9	15.9	8.2	3.9	1142.1
<b>Multiyear Proposal</b>												
Then Year Cost	7.6	79.5	189.0	246.5	233.5	220.9	170.2	80.1	19.3	10.2	5.1	1261.9
Constant Year Cost	7.6	78.2	184.1	237.2	220.5	204.6	155.9	73.0	17.7	9.3	4.6	1192.7
Present Value	7.6	76.2	175.0	219.8	199.3	180.3	134.0	61.1	14.4	7.4	3.6	1078.7
<b>Difference</b>												
Then Year Cost	(2.7)	(6.7)	(0.7)	14.2	24.3	23.3	16.4	7.5	2.0	1.1	0.4	79.3
Constant Year Cost	(2.7)	(6.6)	(0.8)	13.5	22.9	21.6	15.0	6.9	1.9	1.0	0.4	72.8
Present Value	(2.7)	(6.5)	(0.8)	12.5	20.7	19.0	12.9	5.7	1.5	0.8	0.3	63.4
<b>Multiyear Savings (\$)</b>	(2.7)	(6.7)	(0.7)	14.2	24.3	23.3	16.4	7.5	2.0	1.1	0.4	79.3
Remarks												

P-1 Shopping List - Item No 12

Exhibit MYP-4, Present Value Analysis  
(MYP, Page 16 of 17)

Exhibit MYP-4 Present Value Analysis (USSOCOM)						Date Feb-06						
Procurement, Defense Wide						P-1 Line Item Nomenclature - CV-22 SOF Mod						
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	TOTAL
<b>Annual Proposal</b>												
Then Year Cost	1.5	16.7	43.2	61.0	61.8	59.7	46.4	22.3	5.3	2.8	1.4	322.2
Constant Year Cost	1.5	16.4	42.1	58.6	58.4	55.2	42.5	20.3	4.9	2.6	1.3	303.7
Present Value	1.5	16.0	40.0	54.3	52.7	48.6	36.5	17.0	4.0	2.0	1.0	273.8
<b>Multiyear Proposal</b>												
Then Year Cost	6.3	25.4	47.6	57.0	55.4	53.5	41.6	20.0	4.7	2.5	1.3	315.1
Constant Year Cost	6.3	25.1	46.5	54.8	52.3	49.6	38.0	18.2	4.3	2.3	1.2	298.6
Present Value	6.3	24.4	44.2	50.8	47.3	43.7	32.7	15.2	3.5	1.8	0.9	270.9
<b>Difference</b>												
Then Year Cost	(4.8)	(8.6)	(4.4)	4.0	6.5	6.1	4.9	2.3	0.6	0.3	0.1	7.1
Constant Year Cost	(4.8)	(8.6)	(4.4)	3.8	6.1	5.6	4.5	2.1	0.5	0.3	0.1	5.2
Present Value	(4.8)	(8.4)	(4.2)	3.5	5.5	5.0	3.8	1.8	0.4	0.2	0.1	2.9
<b>Multiyear Savings (\$)</b>												
	(4.8)	(8.6)	(4.4)	4.0	6.5	6.1	4.9	2.3	0.6	0.3	0.1	7.1
Remarks												

P-1 Shopping List - Item No 12

Exhibit MYP-4, Present Value Analysis  
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<b>Exhibit P-21, Production Schedule</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 18</b>	P-1 Line Item Nomenclature <b>CV-22 (Osprey)</b>
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PROCUREMENT YEAR	S E R V	PROC. QTY	ACCEP. PRIOR TO 1 OCT 2002	BALANCE DUE AS OF 1 OCT 2002	FISCAL YEAR 2003												FISCAL YEAR 2004												L A T E R
					2002			CALENDAR YEAR 2003									CALENDAR YEAR 2004												
					O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
2001	USAF	0	0	0																								0	
2002	USAF	0	0	0																								0	
2003	USAF	0	0	0																								0	
2004	USAF	2	0	2																								2	
2005	USAF	3	0	3																								3	
2006	USAF	2	0	2																								2	
2007	USAF	2	0	2																								2	
<b>TOTAL</b>		<b>9</b>	<b>0</b>	<b>9</b>																								<b>9</b>	

ITEM/MANUFACTURER'S NAME	LOCATION	PRODUCTION RATES			PROCUREMENT LEAD TIME				MFG TIME	TOTAL AFTER 1 OCT	INITIAL REORDER
		MIN SUST	SHIFT HOURS DAYS	M A X	ADMIN LEAD TIME		P R I O R 1 O C T	A F T E R 1 O C T			
Bell-Boeing	Patuxent River, MD	11		44							6

**REMARKS**  
 Minimum sustaining rate includes MV-22 production;  
 FY02: Two Production Representative Test Vehicles were funded with FY02 RDT&E and delivered in Sep 05 and Oct 05  
 Page 9: Format does not allow display of FY08 and FY09 aircraft deliveries



<b>Exhibit P-21, Production Schedule</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 18</b>	P-1 Line Item Nomenclature <b>CV-22 (Osprey)</b>
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PROCUREMENT YEAR	S E R V	PROC. QTY	ACCEP. PRIOR TO 1 OCT 2006	BALANCE DUE AS OF 1 OCT 2006	FISCAL YEAR 2007												FISCAL YEAR 2008												L A T E R
					2006						CALENDAR YEAR 2007						CALENDAR YEAR 2008												
					O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
2002	USAF	0	0	0																								0	
2003	USAF	0	0	0																									0
2004	USAF	2	2	0																									0
2005	USAF	3	0	3		1				1					1														0
2006	USAF	2	0	2																1							1		0
<b>TOTAL</b>		<b>7</b>	<b>2</b>	<b>5</b>			1			1					1				1							1		<b>0</b>	

ITEM/MANUFACTURER'S NAME	LOCATION	PRODUCTION RATES MIN SUST	SHIFT HOURS DAYS	M A X	PROCUREMENT LEAD TIME				MFG TIME	TOTAL AFTER 1 OCT
					ADMIN LEAD TIME		INITIAL REORDER	TOTAL		
						PRIOR 1 OCT			AFTER 1 OCT	
Bell-Boeing	Patuxent River, MD	11		44						
							6	36	44	

**REMARKS**  
 Minimum sustaining rate includes MV-22 production;  
 FY02: Two Production Representative Test Vehicles were funded with FY02 RDT&E and delivered in Sep 05 and Oct 05  
 Page 9: Format does not allow display of FY08 and FY09 aircraft deliveries

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Exhibit P-40, Budget Item Justification						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 19						CV-22 (Osprey) Advance Procurement					
Program Element for Code B Items:		N/A			Other Related Program Elements:				N/A		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Cost (\$ M)											0.000
Advance Proc Cost (\$ M)		44.709	10.866	10.385	34.390	41.245	14.266	13.837	13.421		183.119
Weapon System Cost (\$ M)		44.709	10.866	10.385	34.390	41.245	14.266	13.837	13.421	0.000	183.119
Initial Spares (\$ M)											0.000
Total Proc Cost (\$ M)		44.709	10.866	10.385	34.390	41.245	14.266	13.837	13.421	0.000	183.119
Flyaway Unit Cost (\$ M)											
Wpn Sys Unit Cost (\$ M)											

**Description**

The CV-22 is a Special Operations Forces (SOF) variant of the V-22 vertical lift, multi-mission aircraft. The CV-22 will provide critical capability to insert, extract, and resupply special operation forces into politically or militarily denied areas, not currently provided by existing aircraft. The Navy is the lead service for the joint V-22 program and is responsible for managing and funding the development of all V-22 variants, including the CV-22. The program will procure and field 50 CV-22 aircraft and support equipment. The Air Force funds the procurement of the basic aircraft (V-22 common components) and contractor logistics support for operational testing and Type I training. USSOCOM funds the procurement of SOF systems unique to the CV-22, such as the terrain following radar and electronic warfare suite. The Air Force funds 85 percent of the procurement cost for CV-22 training systems, while USSOCOM funds 15 percent. The Air Force and Navy utilize joint training facilities at MCAS New River, NC to conduct all maintenance, training, and initial V-22 aircrew qualification training. CV-22 SOF-unique aircrew mission qualification training will be conducted at the Special Operations Mission Qualification Schoolhouse at Kirtland AFB, NM.

**FY 2007 Program Justification**

In FY07 the \$34.39M in Advanced procurement will fund long lead items for five CV-22s to be procured in FY08 and EOQ for a five-year multiyear procurement starting FY08. See attached multiyear procurement exhibit for USN-USAF-USSOCOM.

<b>Exhibit P-10 p.1, Advance Procurement Requirements Analysis (Page 1 - Funding)</b>								Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 19</b>								P-1 Line Item Nomenclature <b>CV-22 (Osprey) Advance Procurement</b>				
Weapon System CV22AP				First System Award Date Mar-03				First System Completion Date Feb-06				
(\$ in Millions)												
<u>Description</u>	<u>PLT</u>	<u>When Rqd</u>	<u>Prior Years</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>To Comp</u>	<u>Total</u>
End Item Qty	31		2	3	2	2	5	6	5	5	18	48
CFE	31		44.709	10.830	10.349	14.906	17.357	14.033	13.604	13.188	47.593	186.569
GFE												0.000
EOQ						19.256	23.613					42.869
Design												0.000
Term Liability												0.000
GFE												0.000
ADF Antenna/Processor	33		N/A	0.022	0.022	0.140	0.165	0.142	0.142	0.142	0.194	0.969
ARN-147 (V)	26		N/A	0.004	0.004	0.025	0.031	0.026	0.026	0.026	0.034	0.176
Radar Altimeter Ant.	27		N/A	0.008	0.008	0.050	0.063	0.052	0.052	0.052	0.075	0.360
External Power Monitor	27		N/A	0.002	0.002	0.013	0.016	0.013	0.013	0.013	0.020	0.092
<b>TOTAL AP</b>			<b>44.709</b>	<b>10.866</b>	<b>10.385</b>	<b>34.390</b>	<b>41.245</b>	<b>14.266</b>	<b>13.837</b>	<b>13.421</b>	<b>47.916</b>	<b>231.035</b>
<b>Description</b>												
P-1 Shopping List Item No. 19						Advance Procurement Requirements Analysis (Page 1 - Funding) Exhibit P-10 p.1, page 2 of 3						

<b>Exhibit P-10 p.2, Advance Procurement Requirements Analysis (Page 2 - Budget Justification)</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 19</b>	P-1 Line Item Nomenclature <b>CV-22 (Osprey) Advance Procurement</b>
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Weapon System  
CV22AP

(TOA, \$ in Millions)

<u>Description</u>	<u>PLT</u>	<u>QPA</u>	<u>Unit Cost</u>	<u>2005 QTY</u>	<u>2005</u>	<u>2005 Total</u>	<u>2006 QTY</u>	<u>2006</u>	<u>2006 Total</u>	<u>2007 QTY</u>	<u>2007</u>	<u>2007 Total</u>
					<u>Contract</u>	<u>Cost</u>		<u>Contract</u>	<u>Cost</u>		<u>Contract</u>	<u>Cost</u>
<u>End Item</u>					<u>Forecast</u>	<u>Request</u>		<u>Forecast</u>	<u>Request</u>		<u>Forecast</u>	<u>Request</u>
CFE	31			2	Jan-05	10.830	2	Jan-06	10.349	2	Jan-07	14.906
GFE												
EOQ												19.256
Design												
Term Liability												
GFE												
ADF Antenna/Processor	33	1	0.011	2	Jan-05	0.022	2	Jan-06	0.022	2	Jan-07	0.140
ARN-147 (V)	27	1	0.002	2	Feb-05	0.004	2	Feb-06	0.004	2	Feb-07	0.025
Radar Altimeter Ant.	26	2	0.002	4	Feb-05	0.008	4	Feb-06	0.008	4	Feb-07	0.050
External Power Monitor	27	1	0.001	2	Feb-05	0.002	2	Feb-06	0.002	2	Feb-07	0.013
<b>TOTAL AP</b>						10.866			10.385			34.390

**Description**

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Exhibit P-40, Budget Item Justification						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 20						Civil Air Patrol					
Program Element for Code B Items:		N/A			Other Related Program Elements:						
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	28	27								55
Cost (\$ M)		10.427	2.904	6.484	2.193	4.416	2.417	2.479	2.511		33.831
Advance Proc Cost (\$ M)		0.000									0.000
Weapon System Cost (\$ M)		10.427	2.904	6.484	2.193	4.416	2.417	2.479	2.511	0.000	33.831
Initial Spares (\$ M)		0.000									0.000
Total Proc Cost (\$ M)		10.427	2.904	6.484	2.193	4.416	2.417	2.479	2.511	0.000	33.831
Flyaway Unit Cost (\$ M)											
Wpn Sys Unit Cost (\$ M)											

**Description**

The Civil Air Patrol (CAP) is a Congressionally chartered non-profit corporation that serves as the Auxiliary of the Air Force. CAP uses federally provided resources to provide assistance requested by the DoD, federal, state or local government authorities and non-governmental organizations (NGO's) to perform emergency or non-emergency public purpose missions and activities.

Pursuant to US Code (Title 10 & 36) the purpose of CAP Corporation is to encourage and aide citizens of the US in contributing their efforts, services, and resources in developing aviation and in maintaining air supremacy; and to encourage and develop by example the voluntary contribution of private citizens to the public welfare. CAP provides aviation education and training, as well as encourages and fosters civil aviation in local communities. CAP also provides an organization to assist in meeting local emergencies and assists the Dept of the Air Force in non-combat programs/missions.

This program has no initial spares cost. The weapon system cost, flyaway unit cost, and weapon system unit cost do not apply.

**FY 2007 Program Justification**

Award the production contract for 17 Cessna 182T's. Four seat fixed-wing single engine aircraft equipped with satellite digital imaging systems, automatic direction finder, emergency locator transmitter, fm radio, camera port window, ground power unit, and crew training.

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Exhibit P-5, Weapon System Cost Analysis					Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number					P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 20					Civil Air Patrol					
Manufacturer's Name/Plant City/State Location				Subline Item						
Cessna/Independence, KS Gippsland/Morwell Victoria, Australia Blanik/Kunovice, Czech SAGEM SDIS/Grand Prairie, TX or Puyallup, WA BYCA/Chatsworth, CA Becker DF's/Rheinmuenster, Germany										
Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Avionics										
Cessna 182T		10	0.304	3.040	17	0.403	6.851	5	0.424	2.118
Gippsland GA-8		1	0.496	0.496						
Blanik L23 Glider w/Trailer		2	0.070	0.140				1	0.070	0.070
Blanik L23 Glider		2	0.055	0.110						
Armament										
Software										
Other Government Furnished Equipment (GFE)										
Engineering Change Orders (ECO)										
Nonrecurring Costs										
Other Costs										
SAGEM SDIS System		13	0.019	0.247						
BYCA Ground Power Units		22	0.000	0.010	2	0.001	0.001	24	0.000	0.011
Becker DF-517		3	0.013	0.039						
Proceeds from Aircraft Sales				-1.178			-0.368			-0.006
FLYAWAY COST SUBTOTAL				2.904			6.484			2.193
Airframe Peculiar Ground Support Equipment (PGSE)										
Engine PGSE										
Peculiar Training Equipment										
Publications/Technical Data										
ECOs										
Other										
SUPPORT COST SUBTOTAL										
TOTAL PROGRAM										
Comments										
CAP shall request, through CAP-USAF, Air Force funds for the acquisition of aircraft for use in support of Air Force assigned missions and approved programs. The Air Force will have approval authority for all aircraft acquisitions for use in support of Air Force assigned missions. CAP shall also manage a program for modernization and upgrade of the CAP aircraft fleet used in support of Air Force assigned missions and approved programs. CAP's aircraft fleet consists of mainly small fixed wing aircraft such as Cessna 172s and 182s. CAP also maintains a smaller fleet of gliders that are used to support the Cadet Program.										

<b>Exhibit P-5, Weapon System Cost Analysis</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 20</b>	P-1 Line Item Nomenclature <b>Civil Air Patrol</b>
<p>*Note 1: Proceeds are derived from the sale of old aircraft IAW DoDGARS 32.34(e)</p> <p>DESCRIPTION</p> <p>Cessna 182T's: Four seat, fixed-wing, single engine aircraft equipped with Satellite Digital Imaging Systems (SDIS), automatic direction finder, emergency locator transmitter, fm radio, camera port window, ground power unit, and crew training.</p> <p>Gippsland GA-8: Eight seat, fixed-wing, single engine aircraft equipped with SDIS, automatic directional finder, emergency locator transmitter, fm radio, camera port window, ground power unit, Hyper Spectral Imaging System, and crew training.</p> <p>Blanik L23 Glider: Two seat, all metal, fixed-wing glider.</p> <p>SAGEM Satellite Digital Imaging System: Integrated system consisting of satellite phone, dialer, camera, and computer.</p> <p>BYCA Ground Power Unit: 24 volt ground power supply.</p> <p>Becker DF-517: Automatic direction finder that tracks emergency signal transmitted by downed aircraft.</p>	
P-1 Shopping List Item No. 20	Weapon System Cost Analysis Exhibit P-5, page 3 of 4

<b>Exhibit P-5A, Procurement History and Planning</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 20</b>	P-1 Line Item Nomenclature <b>Civil Air Patrol</b>

<u>Weapon System</u>				Subline Item							
CAP											
WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?
CAP Aircraft: Single Engine-Fixed Wing Aircraft	10	0.304	CAP, Inc. 105 S. hansell St. Bldg. 714 Maxwell AFB, AL 36112-6332	Jun-05	Negotiated Competitive	Fixed-Price IDIQ Contracts with Prospective Price Redeterminat ion AA	Cessna Aircraft Co. Wichita, KS	Feb-06	Aug-06	Yes	

**Remarks**

AETC FM (Anders) Input  
Procurement times for Cessna 182T, Gippsland GA-8 and Blanik gliders are one year. SAGEM SDIS Systems, BYCA Ground Power Units, and Becker DF-517 procurement times are 9 months.

Execution can be accomplished within 45 days of funding distribution.

A3SHA Input based on CAP-USAF FM (Root) Provided Info

The aforementioned contract is scheduled to expire 31 Jan 09. These responses are for powered aircraft only. There is no RFP for gliders at this time but we may issue one if granted approval to purchase gliders. We intend to use the same process outlined above resulting in one or more three year IDIQ contracts.

This contract also covers following aircraft: Type IIIA - Cessna 206 - \$569,635.00 less volume discount. Type IIIB - Gippsland GA-8 - \$518,043.00 less volume discount. Type IIIC - Found Air FBA-2C2 - \$521,989.00 less volume discount.

Additional Contractor and Location Information: Found Aircraft Canada/Parry Sound, Ontario and Gippsland Aeronautical PTY LTD Morwell/Victoria, Australia...A3SHA

Exhibit P-40, Budget Item Justification						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 21						Target Drones					
Program Element for Code B Items:		N/A			Other Related Program Elements:				N/A		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Cost (\$ M)		N/A	72.558	81.805	82.042	84.479	89.391	91.551	92.589	N/A	N/A
Advance Proc Cost (\$ M)											0.000
Weapon System Cost (\$ M)		N/A	72.558	81.805	82.042	84.479	89.391	91.551	92.589	N/A	N/A
Initial Spares (\$ M)											0.000
Total Proc Cost (\$ M)		N/A	72.558	81.805	82.042	84.479	89.391	91.551	92.589	N/A	N/A
Flyaway Unit Cost (\$ M)											
Wpn Sys Unit Cost (\$ M)											

**Description**

Full-scale and subscale targets assure warfighters that weapon systems will perform effectively against real-world enemy fighters and cruise missiles. Aerial targets help adherence to public law Title 10, Section 2366 "Live Fire/Lethality" developmental/operational test requirements. Target drones are used to validate operational missile/weapon system effectiveness and fighter operational flight program (OFP) updates. Target drones are also essential for development testing/operational testing for all air-to-air and ground-to-air missiles, and for the F-22A, F-35, F-16, F-15, etc., aircraft. The objective is to provide realistic targets for missile testing to enable the development of air defense systems capable of defeating changing airborne threats. This program provides funds for the procurement of full-scale (QF-4 and the follow-on full-scale Air Superiority Target--AST) and subscale (BQM-167A Air Force Subscale Aerial Target--AFSAT) target drones required for Congressionally mandated testing and Air Force developmental and operational testing. Funding also provides for capabilities to extend the life of the full-scale aerial target which supports the requirement for threat-representative presentations.

**FY 2007 Program Justification**

FY07 funds procure full-scale and subscale aerial targets required for developmental and operational testing requirements. Procurement funds are for full-scale (16 QF-4) and subscale (42 AFSAT) aerial targets for the Advanced Intercept Missile (AIM) programs (AIM-120, AIM-9, and AIM-7), for the F-22A and F-35 aircraft test programs, and for operational flight program (OFP) F-16/F-15 aircraft upgrades.

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Exhibit P-5, Weapon System Cost Analysis						Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature				
Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 21						Target Drones				
Manufacturer's Name/Plant City/State Location						Subline Item				
Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
QF-4 FULL SCALE AERIAL TARGET FLYAWAY COST	A									
QF-4 Hardware Recurring										
Aircraft Drone Mod & Integration		17	1.176	19.984	18	1.183	21.295	16	1.255	20.084
Productionization of New F-4 Models				5.000						4.000
F-4 In Plant Repairs				0.792			0.857			0.794
Engineering Change Orders/Engineering Change Proposal				0.312			3.895			2.447
FSAT Program Life Extension							1.398			
Aircraft Withdrawal/Aerospace Maintenance and Regeneration Center (AMARC)										
Restricted-Unmanned		12	1.006	12.072	14	1.100	15.400	8	1.155	9.240
Unrestricted - Manned		5	1.249	6.243	4	1.200	4.800	8	1.260	10.080
MILSTRIP RSD				0.500			0.943			0.990
MILSTRIP EOQ				0.020			0.124			0.130
Vector Doppler Scoring (VDOPS) Trim Kits										
Special Program Requirements							2.781			2.681
TOTAL FLYAWAY COST				44.923			51.493			50.446
SUPPORT COSTS										
Data/Tech Manuals				0.370			0.379			0.390
Government Support				2.020			2.647			2.779
PROGRAM SUPPORT COSTS				2.390			3.026			3.169
AIR FORCE SUBSCALE AERIAL TARGET										
Production Article		36	0.590	21.251	42	0.558	23.444	42	0.566	23.791
ECP/ECO				0.440			0.110			0.865
Data/Tech Manuals/Training										
Warranty	A									
Formal Qualification Testing (FQT)										
Peculiar Support Equipment				0.560			0.695			0.672
Special Program Requirements				0.927			1.364			1.385
FLYAWAY COSTS				23.178			25.613			26.713

P-1 Shopping List Item No. 21

Weapon System Cost Analysis  
Exhibit P-5, page 2 of 14

























<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 22</b>						P-1 Line Item Nomenclature <b>C-37</b>					

Program Element for Code B Items:		N/A			Other Related Program Elements:				None		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	0		1							1
Total Proc Cost (\$ M)		0.000	0.000	44.402	0.000	0.000	0.000	0.000	0.000		44.402

**Description**  
 This line item provides funding to purchase one C-37B aircraft. The C-37B is the military variant of the commercial Gulfstream 550 executive jet. This aircraft will be assigned to the 89th Airlift Wing, Andrews AFB, MD.

**FY 2007 Program Justification**  
 No activity planned.

<b>Exhibit P-5, Weapon System Cost Analysis</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 22</b>	P-1 Line Item Nomenclature <b>C-37</b>
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Manufacturer's Name/Plant City/State Location Gulfstream Aerospace, Savannah, GA	Subline Item
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Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Aircraft Purchase	A				1	44.402	44.402			
<b>TOTAL PROGRAM</b>						44.402				

Comments	None
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Exhibit P-5A, Procurement History and Planning Date: February 2006

Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number P-1 Line Item Nomenclature  
**Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 22** **C-37**

Weapon System Subline Item  
C-37A

WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?
C-37B	1	44.402	WPAFB, OH	Mar-06	C	FFP	Gulfstream Aerospace, Savannah, GA	Mar-06	Aug-07	Yes	

Remarks

None



<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
<b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 23</b>						<b>GLOBAL HAWK</b>					

Program Element for Code B Items:		N/A			Other Related Program Elements:				N/A		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	10	4	5	6	7	7	7	8		54
Cost (\$ M)		470.070	298.861	295.479	429.288	447.908	520.929	509.637	609.909	TBD	TBD
Advance Proc Cost (\$ M)		142.098	60.211	64.129	63.903	71.941	55.432	69.649		TBD	TBD
Weapon System Cost (\$ M)		612.168	359.072	359.608	493.191	519.849	576.361	579.286	609.909	TBD	TBD
Initial Spares (\$ M)		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Proc Cost (\$ M)		612.168	359.072	359.608	493.191	519.849	576.361	579.286	609.909	TBD	TBD
Flyaway Unit Cost (\$ M)		48.471	73.431	58.037	71.455	60.396	71.728	66.123	71.267	TBD	TBD
Wpn Sys Unit Cost (\$ M)		61.127	89.768	71.922	82.199	74.264	82.337	82.755	76.239	TBD	TBD

**Description**

The Global Hawk System provides high altitude, deep look, long endurance intelligence, surveillance, and reconnaissance (ISR) capability that complements space and other airborne collectors during peacetime, crisis, and war-fighting scenarios.

The Global Hawk System is comprised of an aircraft, a ground segment, and a support segment. The aircraft is a fully autonomous, high altitude, long endurance Remotely Piloted Aircraft (RPA). The RQ-4A is an imagery intelligence-collecting RPA designed to carry 2,000 pounds of payload. The RQ-4B is a multi-intelligence collecting RPA designed to carry a 3,000-pound payload. Payload designs include a Synthetic Aperture Radar (SAR), an Electro-Optical (EO)/Infrared (IR) camera, Signals Intelligence (SIGINT), and the Multi-Platform Radar Technology Insertion Program (MP-RTIP). The user will determine the optimal payload configuration and quantity for each aircraft based on current operational requirements. The Ground Segment (GS) includes the Mission Control Element (MCE) and the Launch and Recovery Element (LRE). The support segment includes aerospace ground equipment, tech orders, spares, support equipment, and training, etc. to enable the Global Hawk System.

Initial spares for the Global Hawk Program are included in the weapon system cost line. The Global Hawk Program will not separately budget for initial spares. The program includes initial spares and support equipment in production contracts as part of the Reformed Supply Support Program (RSSP).

Throughout the FYDP, the program will continue spiral development to enhance the system to meet requirements as documented in updates to the Capability Development Document (CDD). During this time, the user will determine the optimal payload configuration and quantity for each aircraft based on current operational requirements. To accommodate the concurrent development and production strategy, one of the aircraft procured in FY04 will initially be used for flight characterization test activity of the RQ-4B configuration. In addition, one of the aircraft procured in FY05 and one aircraft procured in FY06 will be used initially for advanced payloads testing.

**FY 2007 Program Justification**

Procurement funding includes six Global Hawk RQ-4B aircraft with optimal payload configurations and quantity as determined by the user, three Ground Segments, integrated logistics support (to include initial spares, support equipment, technical data, etc.), other support requirements (training devices, etc.), acceptance testing, program management support and related tasks.

Exhibit P-5, Weapon System Cost Analysis					Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number					P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 23					GLOBAL HAWK					
Manufacturer's Name/Plant City/State Location					Subline Item					
NGIS, Palmdale, CA										
Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Aircraft (RQ-4A/RQ-4B) (1)	A	4	68.703	274.813	5	54.573	272.866	6	62.903	377.418
Common Ground Station	A	1	18.910	18.910	1	17.319	17.319	3	17.104	51.311
Infrastructure Support (2)	A			30.100			26.320			64.688
Interim Contractor Support	A			25.700			39.185			
	A									
	A									
Adv Procurement - Credit	A			-50.662			-60.211			-64.129
Adv Procurement - Debit	A			60.211			64.129			63.903
<b>TOTAL PROGRAM</b>				<b>359.072</b>			<b>359.608</b>			<b>493.191</b>
Comments										
<p>(1) Average unit cost includes aircraft (which includes associated sensors), system engineering and program management, tooling, acceptance test, etc.</p> <p>(2) Infrastructure Support includes Integrated Logistics Support and program management support.</p> <p>(3) Advanced procurement in FY2007 includes funds for SIGINT sensor long lead items, however the budget does not yet have sufficient funds in FY2008 for those SIGINT sensors. The FY2008 funding shortfall for SIGINT sensors will be addressed in the FY2008 budget cycle to achieve "full funding." If full funding for the FY2008 SIGINT sensors is not achieved, then the FY2007 funds will be used to acquire SIGINT sensor support equipment and spares. Appropriate funds exist in FY2009 and beyond to procure all planned SIGINT sensors for the Global Hawk.</p>										
P-1 Shopping List Item No. 23					Weapon System Cost Analysis Exhibit P-5, page 2 of 23					

Exhibit P-5A, Procurement History and Planning								Date: February 2006			
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number								P-1 Line Item Nomenclature			
Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 23								GLOBAL HAWK			
Weapon System					Subline Item						
HAEUAV											
WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?
FY 2001											
Long lead for 2 Global Hawk Aircraft and 1 MCE (FY02)	2		GHSG/PK		SS	FPI	Northrop Grumman, Rancho Bernardo, CA	Jun-01	Sep-03	Yes	
FY 2002											
3 Global Hawk Aircraft and 1 MCE	3	52.544	GHSG/PK		SS	FPI	Northrop Grumman, Rancho Bernardo, CA	Jan-02	Sep-03	Yes	
Long lead for 3 Global Hawk Aircraft and 1 LRE	3		GHSG/PK		SS	FPI	Northrop Grumman, Rancho Bernardo, CA	Jul-02	Sep-04	No	N/A
FY 2003											
3 Global Hawk Aircraft and 1 LRE	3	79.135	GHSG/PK		SS	FPI	Northrop Grumman, Rancho Bernardo, CA	Jan-03	Sep-04	No	N/A
Long lead for 4 Global Hawk Aircraft, and 1 GS (FY04)	4		GHSG/PK		SS	FPI	Northrop Grumman, Rancho Bernardo, CA	Jun-03	Feb-06	No	N/A
FY 2004											
4 Global Hawk Aircraft, and 1 GS	4	46.689	GHSG/PK		SS	FFP	Northrop Grumman, Rancho Bernardo, CA	Mar-04	Feb-06	No	N/A
Long lead for 4 Global Hawk Aircraft and 1 GS (FY05)	4		GHSG/PK		SS	FPI	Northrop Grumman, Rancho Bernardo, CA	Mar-04	Oct-07	No	N/A
FY 2005											
4 Global Hawk Aircraft and 1 GS	4	68.703	GHSG/PK		SS	FPI	Northrop Grumman, Rancho Bernardo, CA	Jun-05	Oct-07	No	N/A
Long lead for 5 Global Hawk Aircraft and 1 GS (FY06)	5		GHSG/PK		SS	FPI	Northrop Grumman, Rancho Bernardo, CA	Aug-05	Mar-08	No	N/A
FY 2006											
5 Global Hawk Aircraft and 1 GS	5	54.573	GHSG/PK		SS	FPI	Northrop Grumman, Rancho Bernardo, CA	Jun-06	Mar-08	No	N/A
Long Lead for 6 Global Hawk Aircraft and 3 GS	6		GHSG/PK		SS	FPI	Northrop Grumman, Rancho Bernardo, CA	Mar-06	Feb-09	No	N/A

P-1 Shopping List Item No. 23

Procurement History and Planning  
Exhibit P-5A, page 3 of 23

<b>Exhibit P-5A, Procurement History and Planning</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 23</b>	P-1 Line Item Nomenclature <b>GLOBAL HAWK</b>

<b>Weapon System</b> HAEUAV				Subline Item							
WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?
(FY07)											
FY 2007											
6 Global Hawk Aircraft and 3 GS	6	62.903	GHSG/PK		SS	TBD	Northrop Grumman, Rancho Bernardo, CA	Mar-07	Feb-09	No	N/A
Long lead for 7 Global Hawk Aircraft and 1 GS (FY08)	7		GHSG/PK		SS	TBD	Northrop Grumman, Rancho Bernardo, CA	Mar-07	Jan-10	No	N/A

**Remarks**

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Exhibit P-40, Budget Item Justification						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 24						GLOBAL HAWK Advance Procurement					
Program Element for Code B Items:		N/A			Other Related Program Elements:				N/A		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Cost (\$ M)											0.000
Advance Proc Cost (\$ M)		142.098	60.211	64.129	63.903	71.941	55.432	69.649		TBD	TBD
Weapon System Cost (\$ M)		142.098	60.211	64.129	63.903	71.941	55.432	69.649	0.000	TBD	TBD
Initial Spares (\$ M)											0.000
Total Proc Cost (\$ M)		142.098	60.211	64.129	63.903	71.941	55.432	69.649	0.000	TBD	TBD
Flyaway Unit Cost (\$ M)			73.431	58.037	71.455	60.396	71.728	66.123	71.267		
Wpn Sys Unit Cost (\$ M)			89.768	71.922	82.199	74.264	82.337	82.755	76.239		

**Description**

The Global Hawk System provides high altitude, deep look, long endurance Intelligence, Surveillance, and Reconnaissance (ISR) capability that complements space and other airborne collectors during peacetime, crisis, and war-fighting scenarios.

The Global Hawk System is comprised of an aircraft, a ground segment, and a support segment. The aircraft is a fully autonomous, high altitude, long endurance remotely piloted aircraft (RPA). The RQ-4A is an imagery intelligence-collecting RPA designed to carry 2,000 pounds of payload. The RQ-4B is a multi-intelligence collecting RPA designed to carry a 3,000-pound payload. Payload designs include a Synthetic Aperture Radar (SAR), an Electro-Optical (EO)/Infrared (IR) camera, Signals Intelligence (SIGINT), and the Multi-Platform Radar Technology Insertion Program (MP-RTIP). The user will determine the optimal payload configuration and quantity for each aircraft based on current operational requirements. The Ground Segment (GS) includes the Mission Control Element (MCE) and the Launch and Recovery Element (LRE). The support segment includes aerospace ground equipment, tech orders, spares, support equipment, and training, etc. to enable the Global Hawk System.

**FY 2007 Program Justification**

In FY2007, advance procurement will long lead items for aircraft and ground segments that will go on contract in FY2008 and begin delivery in 2009. The advance procurement includes seven Global Hawk RQ-4B aircraft (with optimal payload configurations and quantity as determined by the user), one ground segment and associated support systems. Additionally, advanced Procurement in FY2007 includes funds for SIGINT sensor long lead items, however, the budget does not yet have sufficient funds in FY2008 for those SIGINT sensors. The FY2008 funding shortfall for SIGINT sensors will be addressed in the FY2008 budget to obtain "full funding." If the FY2008 SIGINT sensors are not fully funded, then the FY2007 funds will be used to acquire SIGINT sensor support equipment and spares. Sufficient funds exist in FY2009 and beyond to procure all planned SIGINT sensors for the Global Hawk.

<b>Exhibit P-10 p.1, Advance Procurement Requirements Analysis (Page 1 - Funding)</b>								Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 24</b>								P-1 Line Item Nomenclature <b>GLOBAL HAWK Advance Procurement</b>				
Weapon System HAE_AP				First System Award Date Jun-01				First System Completion Date Sep-03				
(\$ in Millions)												
<u>Description</u>	<u>PLT</u>	<u>When Rqd</u>	<u>Prior Years</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>To Comp</u>	<u>Total</u>
End Item Qty			10	4	5	6	7	7	7	8	TBD	54
CFE			142.098	60.211	64.129	60.079	48.320	31.308	39.527	0.000	TBD	445.672
GFE						3.824	23.621	24.124	30.122	0.000	TBD	81.691
EOQ				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.000
Design				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.000
Term Liability				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.000
												0.000
<b>TOTAL AP</b>			142.098	60.211	64.129	63.903	71.941	55.432	69.649	0.000	0.000	527.363
<b>Description</b>												
CFE and GFE figures are the long lead funding costs for Global Hawk aircraft with associated payloads and the GS (MCE and LRE).												
P-1 Shopping List Item No. 24						Advance Procurement Requirements Analysis (Page 1 - Funding) Exhibit P-10 p.1, page 2 of 3						

<b>Exhibit P-10 p.2, Advance Procurement Requirements Analysis (Page 2 - Budget Justification)</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 24</b>	P-1 Line Item Nomenclature <b>GLOBAL HAWK Advance Procurement</b>
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Weapon System  
HAE\_AP

(TOA, \$ in Millions)

Description	PLT	QPA	Unit Cost	2005 QTY	2005	2005 Total	2006 QTY	2006	2006 Total	2007 QTY	2007	2007 Total
					Contract Forecast Date	Cost Request		Contract Forecast Date	Cost Request		Contract Forecast Date	Cost Request
End Item				4	Aug-05	60.211	5	Mar-06	64.129	6	Mar-07	63.903
CFE												
Aircraft lead items			11.300	5		56.454	6		52.632	7		56.165
GS Lead Items			3.757	1		3.757	3		11.497	1		3.914
GFE												3.824
EOQ	N/A					N/A			N/A			N/A
Design	N/A					N/A			N/A			N/A
Term Liability	N/A					N/A			N/A			N/A
<b>TOTAL AP</b>						60.211			64.129			63.903

**Description**

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<b>Exhibit P-40, Budget Item Justification</b>							Date: February 2006				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 25</b>							P-1 Line Item Nomenclature <b>PREDATOR UAV</b>				
Program Element for Code B Items:		0305219F			Other Related Program Elements:				0305205F		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	102	27	9	26	47	56	50	40	TBD	TBD
Total Proc Cost (\$ M)		404.656	320.581	123.896	229.095	426.115	519.470	390.503	311.180	TBD	TBD

**Description**

Predator procurement includes all components of the MQ-1/MQ-9 weapon systems. The basic MQ-1/MQ-9 system consists of the aircraft, a control station, communications equipment, support equipment, simulator and training devices, readiness spares packages (RSP), technical data/training, and personnel required to operate, maintain, and sustain the system. The system is designed to be modular and open-ended: mission-specific equipment is employed in a 'plug-and-play' mission kit concept allowing specific aircraft and control station configurations to be tailored to fit mission needs.

## Breakout of aircraft quantities:

	FY05	FY06	FY07	FY08	FY09	FY10	FY11
MQ-1	22	7	24	43	48	42	32
MQ-9	5	2	2	4	8	8	8
Total	27	9	26	47	56	50	40

The MQ-1 Predator aircraft is a single-engine, propeller-driven, remotely piloted aircraft (formerly called unmanned aerial vehicle) designed to operate over-the-horizon at medium altitude for long endurance sorties. The aircraft is designed to provide real-time Intelligence, Surveillance, Reconnaissance, and Target Acquisition (ISR TA), and attack roles to aggressively prosecute Time Sensitive Targets (TST). The MQ-1 will operate primarily at medium altitudes, integrating with joint aerospace, ground, and maritime forces as well as coalition and Allied forces, to execute combatant commander priority missions. The aircraft carries a Multi-spectral Targeting System (MTS) (a sensor turret that incorporates electro-optical (EO), Infra-Red (IR), laser designator, and IR illuminator) capable of transmitting real-time motion imagery throughout the operational theater. Additionally the aircraft is multi-configurable to carry either a Synthetic Aperture Radar (SAR) or Hellfire laser-guided missiles. The MQ-1 aircraft will continue to evolve and upgrade its capabilities to include signals intelligence to satisfy new requirements and address reliability and maintainability (R&M) issues as they arise.

The MQ-9 Predator B aircraft is a single-engine, turbo-prop remotely piloted aircraft designed to operate over-the-horizon at medium-to-high altitude for long endurance sorties. The aircraft is being designed primarily to prosecute critical emerging TSTs as a radar-based attack asset with on-board hard-kill capability (hunter-killer) and also perform ISR TA as a secondary role. In the hunter-killer role, the aircraft will employ fused multi-spectral sensors to automatically find, fix, and track ground targets (Automatic Target Cueing (ATC)) and assess post-strike results. The MQ-9 is in continuing development and will field capability through incremental upgrades. Flight characterization evaluation of the original off-the-shelf, prototype aircraft is complete. The next step will be to develop and test a "baseline" capable system. The "baseline" development includes both a risk reduction phase and a System Development & Demonstration (SDD) phase. Risk reduction started in FY03 and includes system design, drawings, specifications, and initial MIL-STD-1760 advanced weapons data bus efforts. The SDD effort begins in FY05 and includes developing and testing the MQ-9's increment 1 capability. The capability will include increasing the aircraft's gross take-off weight; enhancing aircraft systems to include integrated redundant avionics, ice detection capability, navigation system upgrades, electrical system upgrades, sensor/stores management computer, MIL-STD-1760 advanced weapons data bus, advanced sensor and weapons payloads, and improved human-machine interface; integrating standard "precision" weapons (GBU-12/38); hardware and software upgrades to the ground control station (GCS) for MQ-9 operations; completing airworthiness certification and accreditation; and producing applicable training devices that emulate aircraft capabilities. Subsequent upgrades will continue to evolve the MQ-9's capabilities to satisfy new requirements and address R&M issues as they arise.

<b>Exhibit P-40, Budget Item Justification</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 25</b>	P-1 Line Item Nomenclature <b>PREDATOR UAV</b>
<p><b><u>Description Continued</u></b></p> <p>Nineteen Predator B aircraft will be purchased prior to completion of SDD largely through Congressional and OSD funding adds. To maintain a basic operational capability, these aircraft will require reliability/maintainability enhancements to keep them viable in supporting SDD and/or to provide an interim operational combat capability.</p> <p>The Ground Control Station (GCS) functions as the aircraft cockpit and can control the aircraft either within line-of-sight (LOS) or beyond LOS (BLOS) via a combination of satellite relay and terrestrial communications. The GCS is either mobile to support forward operating locations or fixed at a facility to support Remote Split Operations (RSO). A mobile GCS is containerized for deployability while a fixed facility GCS consists of similar capability in a permanent facility. The GCS has the capability to perform mission planning; provide a means for manual and/or autonomous control of multiple aircraft and payloads; allow personnel to launch, recover, and monitor aircraft, payloads, and system communications status; secure data links to receive payload sensor data and command links; monitor threats to the aircraft; display common operation picture; and provide support functions. Additionally, launch and recovery elements allow for servicing, systems checks, maintaining, launching, and recovering aircraft under LOS control for hand-off to a mobile or fixed GCS. The GCS will continue to evolve and upgrade its capabilities to fully support the MQ-1 and MQ-9 aircraft and the missions they perform.</p> <p>MQ-1s/MQ-9s are procured sole-source with General Atomics-ASI as the prime contractor (development, production, integration, depot).</p> <p><b><u>FY 2007 Program Justification</u></b></p> <p>Procurement funding includes MQ-1 Predator, MQ-9 Predator B, mobile and fixed Ground Control Stations (GCS), Launch and Recovery Elements (LRE), Ground Communication Systems, simulators &amp; training devices, production support, Ground Data Terminals (GDT), initial spares, Readiness Spares Packages (RSP), support equipment, and initial technical data/training.</p> <p>Air Force added funds in FY07-FY11 for additional procurement to increase Predator operational combat orbits as part of the Future Total Force.</p>	
P-1 Shopping List Item No. 25	<b>Budget Item Justification Exhibit P-40, page 2 of 29</b>

Exhibit P-5, Weapon System Cost Analysis					Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number					P-1 Line Item Nomenclature					
Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 25					PREDATOR UAV					
Manufacturer's Name/Plant City/State Location					Subline Item					
General Atomics ASI/Rancho Bernardo/CA										
Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
MQ-1 Predator Aircraft (1)	A	22	4.924	108.322	7	4.384	30.691	24	4.700	112.800
MQ-9 Predator-B Aircraft (2)	A	5	12.440	62.200	2	14.095	28.191	2	13.400	26.800
P3I	A			2.661			4.395			2.701
Production Support (3)	A			6.070			7.699			7.861
Ground Control Systems (4)	A	7		56.854	2		7.257	1		13.401
Communication Systems (5)	A	1		12.879			1.250	3		8.320
Deployment Support Kits(6)	A	1		35.041	1		8.104	2		13.515
Integrated Logistics Support (7)	A			36.554			23.709			30.257
Productionization	A									
Training Device/Simulator	A						12.600			13.440
<b>TOTAL PROGRAM</b>				<b>320.581</b>			<b>123.896</b>			<b>229.095</b>
Comments										
(1) Average unit cost includes aircraft with MTS laser sensor and Hellfire capability.										
(2) MQ-9 total aircraft cost includes MTS sensor, Lynx SAR, and associated GFE.										
(3) Production Support includes Other Government Costs (OGC) and program management support for both MQ-1 and MQ-9, production tooling, and production specific data/drawings.										
(4) Quantity for Ground Systems includes mobile and fixed GCSs. Additionally, this line funds other ground systems to include launch and recovery elements.										
(5) Quantity for Communication Systems includes Predator Primary Satellite Links (PPSL). Additionally, this line funds other communication equipment.										
(6) Deployment support kit unit cost varies based on aircraft type (MQ-1 or MQ-9) and kit content (i.e. MQ-9 kit includes Lynx SAR).										
(7) Integrated Logistics Support includes initial spares, support equipment, technical data/training, and organic repair capability startup for the MTS laser sensor.										
P-1 Shopping List Item No. 25										
Weapon System Cost Analysis Exhibit P-5, page 3 of 29										

Exhibit P-5A, Procurement History and Planning								Date: February 2006			
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number								P-1 Line Item Nomenclature			
Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 25								PREDATOR UAV			
Weapon System					Subline Item						
PRED											
WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?
FY 2002											
RQ-1/MQ-1/General Atomics ASI	23		PSS/PK		SS	FFP	RQ-1/MQ-1/General Atomics ASI, Rancho Bernardo, CA	Dec-01	Jan-03	Yes	
PRED B/General Atomics ASI	6		PSS/PK		SS	Other	PRED B/General Atomics ASI, Rancho Bernardo, CA	Oct-01	Dec-01	Yes	
FY 2003											
RQ-1/MQ-1/General Atomics ASI	22		PSS/PK		SS	FFP	RQ-1/MQ-1/General Atomics ASI, Rancho Bernardo, CA	Dec-02	Jul-04	Yes	
PRED B/General Atomics ASI	3		PSS/PK		SS	FPIF	PRED B/General Atomics ASI, Rancho Bernardo, CA	Jan-04	Jun-05		
FY 2004											
RQ-1/MQ-1/General Atomics ASI	10		PSS/PK		SS	FFP	RQ-1/MQ-1/General Atomics ASI, Rancho Bernardo, CA	Jul-04	Sep-05	Yes	
PRED B/General Atomics ASI	5		PSS/PK		SS	FPIF	PRED B/General Atomics ASI, Rancho Bernardo, CA	Aug-04	Oct-06	Yes	
GCS/General Atomics ASI	7		PSS/PK		SS	FFP	GCS/General Atomics ASI, Rancho Bernardo, CA	Mar-04	Aug-05		
PPSL/L-3 Comm	7		PSS/PK		SS	FFP	PPSL/L-3 Comm, Salt Lake City, UT	Dec-03	Sep-04	Yes	
FY 2005											
RQ-1/MQ-1/General Atomics ASI	22		PSS/PK		SS	FFP	RQ-1/MQ-1/General Atomics ASI, Rancho Bernardo, CA	Nov-04	Feb-06	Yes	
PRED B/General Atomics ASI	5		PSS/PK		SS	FPIF	PRED B/General Atomics ASI, Rancho Bernardo, CA	Oct-05	May-07	Yes	

P-1 Shopping List Item No. 25

Procurement History and Planning  
Exhibit P-5A, page 4 of 29

Exhibit P-5A, Procurement History and Planning								Date: February 2006			
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number								P-1 Line Item Nomenclature			
Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 25								PREDATOR UAV			
Weapon System					Subline Item						
PRED											
WBS Cost Elements	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method	Contract Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revision Available?
							CA				
GCS/General Atomics ASI	7		PSS/PK		SS	FFP	GCS/General Atomics ASI, Rancho Bernardo, CA	Feb-05	Sep-06	Yes	
PPSL/L-3 Comm	1		PSS/PK		SS	FFP	PPSL/L-3 Comm, Salt Lake City, UT	May-05	Oct-05	Yes	
FY 2006											
RQ-1/MQ-1/General Atomics ASI	7		PSS/PK		SS	FFP	RQ-1/MQ-1/General Atomics ASI, Rancho Bernardo, CA	Feb-06	Mar-07	Yes	
PRED B/General Atomics ASI	2		PSS/PK		SS	FPIF	PRED B/General Atomics ASI, Rancho Bernardo, CA	Jun-06	May-08	Yes	
GCS/General Atomics ASI	2		PSS/PK		SS	FFP	GCS/General Atomics ASI, Rancho Bernardo, CA	Feb-06	Sep-07	Yes	
FY 2007											
RQ-1/MQ-1/General Atomics ASI	24		PSS/PK		SS	FFP	RQ-1/MQ-1/General Atomics ASI, Rancho Bernardo, CA	Feb-07	Apr-08	Yes	
PRED B/General Atomics ASI	2		PSS/PK		SS	FFP	PRED B/General Atomics ASI, Rancho Bernardo, CA	Jun-07	Mar-09	Yes	
GCS/General Atomics ASI	1		PSS/PK		SS	FFP	GCS/General Atomics ASI	Feb-07	Feb-08	Yes	
PPSL/L-3 Comm	3		PSS/PK		SS	FFP	PPSL/L-3 Comm	May-07	Jan-08	Yes	
FY 2008											
RQ-1/MQ-1/General Atomics ASI	43		PSS/PK		SS	FFP	RQ-1/MQ-1/General Atomics ASI	Feb-08	Apr-09	Yes	
PRED B/General Atomics ASI	4		PSS/PK		SS	FFP	PRED B/General Atomics ASI	Jun-08	Dec-09	Yes	
GCS/General Atomics ASI	4		PSS/PK		SS	FFP	GCS/General Atomics ASI	Feb-08	Feb-09	Yes	

















Exhibit P-21, Production Schedule Date: February 2006

Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number P-1 Line Item Nomenclature  
**Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 25** **PREDATOR UAV**

PROCUREMENT YEAR	SERV	PROC. QTY	ACCEP. PRIOR TO 1 OCT 2005	BALANCE DUE AS OF 1 OCT 2005	FISCAL YEAR 2006												FISCAL YEAR 2007												L A T E R
					2005					CALENDAR YEAR 2006							CALENDAR YEAR 2007												
					OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	
2004	USAF	10	2	8	1	2	2	2	2	1																0			
2005	USAF	22	0	22					1	2	2	2	2	2	2	1	2	1	2	1	2					0			
2006	USAF	7	0	7																	1	1			1	3			
2007	USAF	24	0	24																						24			
2008	USAF	43	0	43																						43			
2009	USAF	48	0	48																						48			
2010	USAF	42	0	42																						42			
2011	USAF	32	0	32																						32			
<b>TOTAL</b>		<b>228</b>	<b>2</b>	<b>226</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>192</b>			

ITEM/MANUFACTURER'S NAME	LOCATION	PRODUCTION RATES			PROCUREMENT LEAD TIME				MFG TIME	TOTAL AFTER 1 OCT
		MIN SUST	SHIFT HOURS	MAX	ADMIN LEAD TIME		INITIAL	REORDER		
RQ-1/MQ-1/General Atomics ASI	Rancho Bernardo, CA	7	1-8-5	24	PRIOR 1 OCT				AFTER 1 OCT	
					6		6		14	20
					1		1		14	15

REMARKS











Exhibit P-21, Production Schedule Date: February 2006

Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number P-1 Line Item Nomenclature  
**Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 25** **PREDATOR UAV**

PROCUREMENT YEAR	S E R V	PROC. QTY	ACCEP. PRIOR TO 1 OCT 2005	BALANCE DUE AS OF 1 OCT 2005	FISCAL YEAR 2006												FISCAL YEAR 2007												L A T E R
					2005					CALENDAR YEAR 2006							CALENDAR YEAR 2007												
					O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
2004	USAF	7	2	5		1	1		1	1		1															0		
2005	USAF	7	0	7											1			1			1	1				1	0		
2006	USAF	2	0	2																						1	1		
2007	USAF	1	0	1																						1	1		
2008	USAF	4	0	4																						4	4		
2009	USAF	7	0	7																						7	7		
2010	USAF	1	0	1																						1	1		
2011	USAF	1	0	1																						1	1		
TOTAL		30	2	28		1	1		1	1		1			1			1	1		1	1			1	15	15		

ITEM/MANUFACTURER'S NAME	LOCATION	PRODUCTION RATES			PROCUREMENT LEAD TIME				MFG TIME	TOTAL AFTER 1 OCT
		MIN SUST	SHIFT HOURS DAYS	M A X	ADMIN LEAD TIME		PRIOR 1 OCT	AFTER 1 OCT		
GCS/General Atomics ASI	Rancho Bernardo, CA	0	1-8-5	12	INITIAL				6	6
					REORDER		1	1	14	15

REMARKS

Quantities include both deployable and fixed-site Ground Control Stations (GCS).

















<b>Exhibit P-21, Production Schedule</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 04, Other Aircraft, Item No. 25</b>	P-1 Line Item Nomenclature <b>PREDATOR UAV</b>
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PROCUREMENT YEAR	SERV	PROC. QTY	ACCEP. PRIOR TO 1 OCT 2011	BALANCE DUE AS OF 1 OCT 2011	FISCAL YEAR 2012												FISCAL YEAR 2013												L A T E R
					2011			CALENDAR YEAR 2012									CALENDAR YEAR 2013												
					OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	
2010	USAF	8	4	4			1	1																				0	
2011	USAF	8	0	8										1	1													0	
<b>TOTAL</b>		<b>16</b>	<b>4</b>	<b>12</b>			<b>1</b>	<b>1</b>						<b>1</b>	<b>1</b>													<b>0</b>	
					OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	
				<b>PRODUCTION RATES</b>			<b>PROCUREMENT LEAD TIME</b>																						
				MIN SUST	SHIFT HOURS DAYS	MAX							<b>ADMIN LEAD TIME</b>		MFG TIME	TOTAL AFTER 1 OCT													
ITEM/MANUFACTURER'S NAME		LOCATION											PRIOR 1 OCT	AFTER 1 OCT															
PRED B/General Atomics ASI		Rancho Bernardo, CA		6	1-8-5	18											14	20											
							INITIAL						6	6			14	20											
							REORDER						1	1			14	15											

REMARKS

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**FY 2007 BUDGET ESTIMATES**  
**BUDGET ACTIVITY 06 – AIRCRAFT SPARES AND REPAIR PARTS**  
**FEBRUARY 2006**

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<b>Exhibit P-40, Budget Item Justification</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 06, Aircraft Spares and Repair Parts, Item No. 69</b>	P-1 Line Item Nomenclature <b>Aircraft Initial Spares</b>
--	--

Program Element for Code B Items:	N/A				Other Related Program Elements:				N/A		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Total Proc Cost (\$ M)			213.285	200.338	305.207	360.215	385.753	402.928	510.836	N/A	N/A

**Description**

Program Description: Aircraft Initial Spares are required to fill the initial pipeline or inventory for all new aircraft systems, including modifications, support equipment, and other production categories. Initial spares include peculiar reparable and consumable components, assemblies, and subassemblies that must be available for issue at all levels of supply in time to support newly fielded end items.

Initial spares are funded in the two program segments described below.

Working Capital Fund (WCF) Spares. Since FY94 the primary means to purchase initial spares is using obligation authority in the WCF. When the spares are delivered this central procurement account will reimburse the WCF. Types of spares in this program segment are Readiness Spares Packages, New Acquisition Spares, Modification Spares, Support Equipment, Other Production, and Consumables.

Exempt Spares. This program segment finances spares that are not purchased through the WCF. The budget authority is a direct cite on the contract. Types of spares in this program segment are Whole Spare Engines, Whole Spare Quick Engine Change Kits, Contractor Logistics Support, Simulators/Trainers, Classified Equipment, and Munitions.

**FY 2007 Program Justification**

The major portion of the FY 2007 Initial Spares funds are in the Joint Strike Fighter (JSF, F-35), Manned Reconnaissance System (RC-135), CV-22, F-16 Mods, and Readiness Spares Packages for the KC-135.

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<b>Exhibit P-5, Weapon System Cost Analysis</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 06, Aircraft Spares and Repair Parts, Aircraft Initial Spares</b>						P-1 Line Item Nomenclature <b>Aircraft Initial Spares</b>					
Manufacturer's Name/Plant City/State Location						Subline Item					
Weapon System Cost Elements		Ident Code	Total Cost in Millions of Dollars								
			FY 2005			FY 2006			FY 2007		
			Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
INITIAL SPARES (Budget Program 16)					213.285			200.338			305.207
TOTAL PROGRAM					213.285			200.338			305.207
Comments											
P-1 Shopping List Item No. 69						Weapon System Cost Analysis Exhibit P-5, page 2 of 5					

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Exhibit P-18A, Initial Spare Funding Summary		Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number		P-1 Line Item Nomenclature		
<b>Aircraft Procurement, Air Force, Budget Activity 06, Aircraft Spares and Repair Parts, Item No. 69</b>		<b>Aircraft Initial Spares</b>		
Initial Spare Funding Summary	<b>Initial Spare Funding Summary</b>			
<u>P-1 LINE</u>	<u>END ITEM NOMENCLATURE</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
1	Low Observables Test Equipment (CLOVER)	0.000	0.000	0.978
2	Combat Training Range Equipment	1.164	1.409	1.487
3	Combat Development	0.101	0.121	0.127
4	C-130 Tactical Alft Sqdns (ANG)	0.004	0.004	0.004
5	MILSATCOM Terminals (Other)	0.676	0.591	0.976
6	EURO-NATO Joint Jet Pilot Training	2.750	0.034	0.019
7	Aerial Targets (Target Drones)	0.397	0.471	0.488
8	A-10 Squadrons	1.042	0.268	0.298
9	Joint Strike Fighter Squadrons (F-35)	0.000	0.000	98.084
10	B-1B Squadrons	1.463	3.476	6.792
11	B-2 Squadrons	2.222	6.544	2.653
12	B-52 Squadrons	2.839	3.150	1.952
13	VC-25A (Operational Support Airlift)	0.848	0.485	0.516
14	C-130 Airlift Squadrons	7.630	15.568	24.784
15	Special Operations Forces	15.851	0.000	18.451
16	KC-10	3.347	0.000	0.000
17	KC-135S	19.159	21.506	16.316
18	COMPASS CALL	11.985	14.036	14.433
19	Manned Reconnaissance System (RC-135S)	28.169	35.740	42.921
20	Airborne Warning and Control System (AWACS)	8.726	7.002	7.427
21	E-4B National Airborne Operations Center (NAOC)	0.699	4.330	0.150
22	JOINT STARS (E-8C)	8.024	0.584	1.139
23	F-15A/B/C/D Squadrons	0.339	6.742	3.478
24	F-15E Squadrons	6.544	7.447	5.492
25	F-16 Squadrons	23.049	32.946	15.821
26	F-117A Squadrons	1.029	0.000	0.000
27	Combat Rescue and Recovery (H-60)	1.861	0.944	1.270
28	Combat Rescue and Recovery (HH-60G)	0.240	0.248	0.259
29	Precision Attack Systems (Other)	1.362	1.755	2.726
30	Undergraduate Navigator / NFO TNG (UNT)	0.053	0.050	0.055
31	CV-22 Osprey	42.777	34.887	36.111

P-1 Shopping List Item No. 69

Initial Spare Funding Summary  
Exhibit P-18A, page 3 of 5

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<b>Exhibit P-18A, Initial Spare Funding Summary</b>			Date: February 2006	
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 06, Aircraft Spares and Repair Parts, Item No. 69</b>			P-1 Line Item Nomenclature <b>Aircraft Initial Spares</b>	
<u>P-1 LINE</u>	<u>END ITEM NOMENCLATURE</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
32	C-5 Airlift Squadrons	11.346	0.000	0.000
33	JPATS	7.589	0.000	0.000
	<b>TOTAL INITIAL SPARES</b>	<b>213.285</b>	<b>200.338</b>	<b>305.207</b>
P-1 Shopping List Item No. 69			Initial Spare Funding Summary Exhibit P-18A, page 4 of 5	

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<b>Exhibit P-18A, Initial Spare Funding</b>		Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 06, Aircraft Spares and Repair Parts, Item No. 69</b>		P-1 Line Item Nomenclature <b>Aircraft Initial Spares</b>		
Initial Spare Funding	<b><u>Initial Spare Funding</u></b>			
<u>P-1 LINE</u>	<u>END ITEM NOMENCLATURE</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
	WCF SPARES	130.531	100.782	133.123
	EXEMPT SPARES	82.754	99.556	172.084
	TOTAL INITIAL SPARES	213.285	200.338	305.207
		P-1 Shopping List Item No. 69	Initial Spare Funding Exhibit P-18A, page 5 of 5	

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**FY 2007 BUDGET ESTIMATES**

**BUDGET ACTIVITY 07 – AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES**

**FEBRUARY 2006**

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**FY 2007 BUDGET ESTIMATES**

**BP 12 – APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)**

**FEBRUARY 2006**

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<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> COMMON SUPPORT EQUIPMENT (OVERVIEW)
---	---

		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> (in Thousands)		\$204,525	\$122,767	\$138,918	\$124,968	\$134,021	\$137,618	\$139,636

**Description:**

1. This program provides funding for the procurement of replacement organizational and intermediate level support equipment for out-of-production aircraft. These items, common (used on more than one weapon system) and peculiar (unique to one weapon system), directly support aircraft maintenance and servicing requirements. These replacement requirements ensure continuation of serviceable, supportable equipment over the life of a weapon system. Items requiring replacement typically range in age from 10 to 35 years old. As a result, this equipment suffers frequent failures, is uneconomical to repair, and requires spare parts that are no longer available. Many items have become technologically obsolete or must be replaced due to environmental operating constraints. Items of equipment budgeted within this program include: avionics test stations, air conditioners, munitions handling equipment, electronic test sets, maintenance platforms, and automatic test systems. These items support multiple Air Force weapon systems. Failure to procure these items will negatively affect mission capable rates, increase maintenance costs, and increase sortie turn times.
  
2. FY07 reflects increased funding to begin procurement of the critical Common Low Observable Verification System used on F-117, B-2, and F-22A aircraft.
  
3. In FY05, Common Support Equipment received \$3.07M in additional funding under P.L. 109-13, the Emergency Supplemental Appropriation Act for Defense, The Global War on Terror, and Tsunami Relief Act, 2005.
  
4. Items requested in FY07 are identified on the following P-40A and are representative of items being procured. Items procured during execution may change based on critical equipment needed to support current Air Force mission requirements.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 1	Page 1 of 1
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BUDGET ITEM JUSTIFICATION FOR AGGREGATED ITEMS (EXHIBIT P-40A)							DATE: FEBRUARY 2006			
APPROP CODE/BA: APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)				P-1 NOMENCLATURE: COMMON SUPPORT EQUIPMENT (OVERVIEW)						
PROCUREMENT ITEMS	ID CODE			FY2005		FY2006		FY2007		
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	
ADVANCED DIGITAL TEST STATION	A			7	\$27,335	7	\$33,919	1	\$22,105	
RACKMOUNT IMPROVED AVIONICS INTERMEDIATE SHOP TEST STATION	A			2	\$11,411	1	\$7,518			
COMMON AIRCRAFT PORTABLE REPROGRAMMING EQUIPMENT	A			100	\$9,928	201	\$15,135		\$3,143	
ELECTRONIC SYSTEM TEST STATION	A				\$9,000		\$9,000			
SINGLE CONTAINER ADVANCED RADAR SIMULATOR	A			98	\$7,781					
AIR CONDITIONER, ACE DIESEL	A			29	\$6,166					
MHU-226 UNIVERSAL MUNITIONS TRAILER	A			224	\$6,535					
SELF GENERATING NITROGEN SERVICING CART	A			73	\$3,736					
HYDRAULIC COMPONENT TEST STAND	A			14	\$3,797					
TRUCK MOUNTED DEICER	A			18	\$5,190	30	\$8,581	47	\$13,692	
LINKLESS AMMUNITION LOADER	A			16	\$1,571					
ROOF MOUNTED AIR CONTIONER MODULE	A			10	\$287					
NEW GENERATION HEATER	A			360	\$4,276					
ENPENNAGE STAND	A			1	\$11,692			2	\$11,366	
TEST SET, STORES MAN-197	A			12	\$4,600	13	\$5,517	14	\$6,051	
		<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 2		Page 1 of 2				

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BUDGET ITEM JUSTIFICATION FOR AGGREGATED ITEMS (EXHIBIT P-40A)							DATE: FEBRUARY 2006			
APPROP CODE/BA: APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)				P-1 NOMENCLATURE: COMMON SUPPORT EQUIPMENT (OVERVIEW)						
PROCUREMENT ITEMS	ID CODE			FY2005		FY2006		FY2007		
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST	
TEST SET, STORES MAN-198	A			8	\$2,476	21	\$6,413	21	\$6,531	
COMMOM LOW OBSERVABLE VERIF SYS	A							2	\$19,897	
STORES SYSTEM TESTER (SST) - ORGANIZATION LEVEL	A					16	\$4,803	19	\$5,344	
STORES SYSTEM TESTER (SST) - INTERMEDIATE LEVEL	A					10	\$4,185	13	\$5,061	
ITEMS LESS THAN 5 MILLION DOLLARS	A				\$88,743		\$27,695		\$45,728	
<b>TOTALS:</b>				972	\$204,525	299	\$122,767	119	\$138,918	
<p><b>Remarks:</b> Cost information is in thousands of dollars.</p>										
P-1 ITEM NO 70			PAGE NO: 7 - 3			Page 2 of 2				

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<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> ADVANCED DIGITAL TEST STATION
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		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> (in Thousands)		\$27,335	\$33,919	\$22,105	\$19,163	\$18,484	\$10,811	\$5,742

**Description:**

1. The Advanced Digital Test Station (ADTS) is a single Commercial Off The Shelf (COTS) system that replaces 1970s vintage Digital Analog Video and Digital Radar Electronic Warfare Test Systems and Test Sets. ADTS is fully automated, programmable, stimulus generating, response measuring, intermediate automatic test equipment that will checkout, align, and fault isolate 134 avionics Line Replaceable Units (LRUs). ADTS interfaces to LRUs via Test Program Sets (TPSs). TPSs are required to perform the automated testing and fault isolation of the Unit Under Test (UUT). A TPS consists of test software, an interface test adapter (ITA), cables used to connect the ITA to the UUT, and supporting documentation.
  
2. This test station supports B-1 avionics LRUs, and ultimately impacts B-1 mission capability for Global Attack missions. Failure to provide funding for ADTS will reduce B-1 mission capability due to non-availability of serviceable assets. The Combat Air Force considers ADTS a top priority. The automatic test equipment (ATE) presently supporting B-1 LRU/Shop Replaceable Unit (SRU) troubleshooting and repair is no longer supportable due to diminished manufacturing sources and obsolescence caused by age of the equipment. The average ATE mission capable rate is 50%.
  
3. Items requested in FY07 are identified on the following P-5 and are representative of items to be procured. Items procured during execution may change based on critical equipment needed to support current Air Force mission requirements.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 4	Page 1 of 1
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<b>WEAPON SYSTEM COST ANALYSIS (EXHIBIT P-5)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> ADVANCED DIGITAL TEST STATION
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WEAPON SYSTEM COST ELEMENTS	ID CODE				FY2005			FY2006			FY2007		
		QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST
ADV DIGITAL TEST STATION	A				7	\$1,423,327	\$9,963	7	\$1,464,603	\$10,252	1	\$1,507,000	\$1,507
SELF TEST AND CALIBRATION (ITA) (1)							\$135			\$139			\$144
TO C&V							\$82						
PRODUCT SUPPORT AGREEMENT (2)							\$2,004			\$2,082			\$303
TEST PROGRAM SETS (TPS)							\$15,151			\$21,446			\$20,151
TOTALS:					7		\$27,335	7		\$33,919	1		\$22,105

**Remarks:**  
 Total Cost information is in thousands of dollars.

(1) ITA: Interface Test Adapters  
 (2) Supplier corrects legitimate problems at no additional item cost and keeps items servicable (supply parts, maintenance, software, and technical support).

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 5	Page 1 of 1
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**BUDGET PROCUREMENT HISTORY PLANNING (EXHIBIT P-5A)**

**DATE:** FEBRUARY 2006

**APPROP CODE/BA:**

APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)

**P-1 NOMENCLATURE:**

ADVANCED DIGITAL TEST STATION

ITEM NAME/ FISCAL YEAR	QTY.	UNIT COST	LOCATION OF PCO	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWD. DATE	DATE FIRST DEL.	SPECS AVAIL NOW	DATE REV. AVAIL
ADV DIGITAL TEST STATION									
FY2005	7	\$1,423,327	AFMC/OC-ALC	DO/FFP	TERADYNE INC/ NORTH READING, MA	Jan-05	Jan-06		
FY2006	7	\$1,464,603	AFMC/OC-ALC	DO/FFP	TERADYNE INC/ NORTH READING, MA	Dec-05	Dec-06		
FY2007	1	\$1,507,000	AFMC/OC-ALC	DO/FFP	TERADYNE INC/ NORTH READING, MA	Dec-06	Dec-07	Yes	

**Remarks:**

Cost information is in actual dollars.

Contract FA8102-04-D-0001 awarded 24 Nov 2003 as an order type contract and may be exercised through FY07.

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# UNCLASSIFIED

# UNCLASSIFIED

<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> COMMON AIRCRAFT PORTABLE REPROGRAMMING EQUIPMENT
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		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> (in Thousands)		\$9,928	\$15,135	\$3,143	\$348	\$354	\$0	\$0

**Description:**

1. Common Aircraft Portable Reprogramming Equipment (CAPRE) replaces the Digital Computer System and 11 Program Loader Verifier devices in organizational and intermediate level shops. CAPRE reprograms aircraft computer software, updates threat data in electronic warfare pods, performs aircraft diagnostic troubleshooting, and supports automated technical orders. CAPRE consists of a laptop, cables, interface modules, software, and Aircraft Adapter Groups (AAGs). Critical to CAPRE are the AAGs. AAGs connect CAPRE laptops, test equipment, and Line Replaceable Units (LRU) on supported weapon systems. 10 to 26 AAGs are required per CAPRE, depending on the aircraft type. Each AAG contains unique cables, connectors, interface module hardware, and software to support reprogramming LRUs. Each shop/location/platform utilizing the aircraft system requires AAGs. Mission-critical Operational Flight Programs (OFPs) and mission data files are downloaded to the CAPRE laptop from the secure bulletin board and over secure telephone units. Personnel then transport CAPRE to the weapon system and use AAGs to upload files to avionics/electronic warfare computers. CAPRE supports the following weapon systems: A-10, B-52, C-5, C-17, C-130, F-15, F-16, H-60, and MH-53.
  
2. Modern combat missions rely on rapid deployment of updated OFPs and enemy threat information to reduce aircrew vulnerability and enhance mission effectiveness. Current reprogramming equipment is increasingly unsupportable due to obsolete components. Failure to procure CAPRE will prevent essential loading of OFPs to meet mission requirements of avionics systems. Without reprogramming capability, aircraft mission capability rates degrade, rapid response to combat missions is impeded, and risk of mission failure, loss of aircraft, and loss of life substantially increase.
  
3. Funding in FY07 supports development of F-15E unique AAGs
  
4. Items requested in FY07 are identified on the following P-5 and are representative of items to be procured. Items procured during execution may change based on critical equipment needed to support current Air Force mission requirements.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 7		Page 1 of 1
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# UNCLASSIFIED

<b>WEAPON SYSTEM COST ANALYSIS (EXHIBIT P-5)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> COMMON AIRCRAFT PORTABLE REPROGRAMMING EQUIPMENT
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WEAPON SYSTEM COST ELEMENTS	ID CODE				FY2005			FY2006			FY2007		
		QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST
CAPRE	A				100	\$16,464	\$1,646	201	\$17,255	\$3,468			
TECHNICAL ORDER/LICENSES (1)							\$60			\$122			
AIRCRAFT ADAPTER GROUPS (AAG)							\$8,178			\$11,475			\$3,093
DATA (2)							\$44			\$70			\$50
<b>TOTALS:</b>							\$9,928			\$15,135			\$3,143

**Remarks:**  
Total Cost information is in thousands of dollars.

(1) Technical orders require updating with each CAPRE laptop contract award and purchase of operating system licenses.  
 (2) Data being procured for government use to validate existing CAPRE technical order updates as changes occur.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 8	Page 1 of 1
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# UNCLASSIFIED

# UNCLASSIFIED

<b>BUDGET PROCUREMENT HISTORY PLANNING (EXHIBIT P-5A)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> COMMON AIRCRAFT PORTABLE REPROGRAMMING EQUIPMENT
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ITEM NAME/ FISCAL YEAR	QTY.	UNIT COST	LOCATION OF PCO	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWD. DATE	DATE FIRST DEL.	SPECS AVAIL NOW	DATE REV. AVAIL
CAPRE									
FY2005(1)	100	\$16,464	AFMC/WR-ALC	MIPR/C/FFP	GSA/ GSA/ GOVERNMENT TECHNOLOGIES SERVICES INC./ CHANTILLY, VA	Dec-05	Mar-06		
FY2006	201	\$17,255	AFMC/WR-ALC	MIPR/C/FFP	GSA/ UNKNOWN	Mar-06	Apr-06	Yes	

**Remarks:**  
 Cost information is in actual dollars.

(1) FY05 contract award slipped due to market research and environmental testing of commercial buy. Delivery of 100 each delayed to Mar 06.

# UNCLASSIFIED

<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> TRUCK MOUNTED DEICER
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		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> (in Thousands)		\$5,190	\$8,581	\$13,692	\$13,965	\$14,238	\$14,525	\$14,811

**Description:**

1. The Truck Mounted Deicer is a spraying unit that provides deicing, anti-icing, and hot air blast capabilities. The combined maneuverability of the truck and aerial boom enable access to any area on the aircraft, including zones normally inaccessible from the ground. The enclosed cabin protects personnel from inclement weather and exposure to the fluids, while utilizing a patented nozzle that shoots out a high-speed air stream injected with deicing fluid to remove ice and snow from aircraft surfaces. Operators can use a mix of air and liquid which results in less fluid (glycol) consumption. This truck-mounted deicer supports the following aircraft: B-1, B-52, C-5, C-130, C-17, E-8, KC-10, and KC-135.
  
2. The average age of the Truck Mounted Deicer inventory is 17 years while life expectancy is 15 years. The increase from FY06 to FY07 recognizes a critical need for replacement assets.
  
3. Failure to procure the Truck Mounted Deicer will severely delay mission readiness of all unsheltered aircraft on bases located in cold weather climates. Field units do not have sufficient hangar space to protect mission-required aircraft from snow and ice. This limitation requires units to remove ice from aircraft more frequently to meet daily operational requirements. Reliance on a reduced, aging fleet of deicing equipment will increase maintenance and operations costs, creating a burden at the field level. Increased FY07 funding reflects the MAJCOM's priority need to replace this aging piece of equipment.
  
4. Items requested in FY07 are identified on the following P-40A and are representative of items to be procured. Items procured during execution may change based on critical equipment needed to support current Air Force mission requirements.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 10	Page 1 of 1
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# UNCLASSIFIED

<b>BUDGET ITEM JUSTIFICATION FOR AGGREGATED ITEMS (EXHIBIT P-40A)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> TRUCK MOUNTED DEICER
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PROCUREMENT ITEMS	ID CODE	FY2005		FY2006		FY2007			
		QTY.	COST	QTY.	COST	QTY.	COST		
TRUCK MOUNTED DEICER	A			18	\$5,190	30	\$8,581	47	\$13,692
<b>TOTALS:</b>				18	\$5,190	30	\$8,581	47	\$13,692

**Remarks:**

Cost information is in thousands of dollars.

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# UNCLASSIFIED

<b>BUDGET PROCUREMENT HISTORY PLANNING (EXHIBIT P-5A)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> TRUCK MOUNTED DEICER
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ITEM NAME/ FISCAL YEAR	QTY.	UNIT COST	LOCATION OF PCO	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWD. DATE	DATE FIRST DEL.	SPECS AVAIL NOW	DATE REV. AVAIL
TRUCK MOUNTED DEICER									
FY2005(1)	18	\$288,337	AFMC/WR-ALC	OPT/FFP	GLOBAL GROUND SUPPORT/ OLATHE, KS	Mar-05	May-05		
FY2006(1)	30	\$286,049	AFMC/WR-ALC	OPT/FFP	GLOBAL GROUND SUPPORT/ OLATHE, KS	Feb-06	Apr-06	Yes	
FY2007(1)	47	\$291,310	AFMC/WR-ALC	OPT/FFP	GLOBAL GROUND SUPPORT/ OLATHE, KS	Jan-07	Mar-07	Yes	

**Remarks:**  
 Cost information is in actual dollars.

(1) Basic contract number F41608-99-D-0297 competitively awarded 3 Jun 99 with 3 annual options. The contract was modified to extend it to 10 years. Contract remains valid until Jun 2009.

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# UNCLASSIFIED

<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> EMPENNAGE MAINT STAND
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		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> (in Thousands)		\$11,692	\$0	\$11,366	\$11,968	\$12,578	\$0	\$0

**Description:**

1. The C-5 Empennage Stand is a self-propelled unit used to work on the tail section of the C-5 aircraft. The Stand is 71' 9" tall and 76' 8" wide. It is designed to provide access to all inspection points enabling removal, installation, and inspection of all empennage accessories and flight controls. Existing stands require replacement due to their non-compliance with the latest Occupational Safety and Health Administration (OSHA) standards as well as electrical and structural degradation. The replacement stand will bring the Air Force into compliance with OSHA standards.
  
2. This equipment is urgently required to replace the 30-year-old tail stands located at five Air Force bases. The tail stands currently in use were built prior to current OSHA standards and are seriously deteriorated resulting in electrical problems, extensive corrosion, and potential structural hazards. These hazards compromise the ability to effectively and safely maintain a quarter of the nation's strategic airlift platforms. The amount of maintenance performed per aircraft, the number of aircraft assigned to each base, the heavy C-5 transit flow, the severity of the weather, and harsh environmental conditions have exacerbated overall deterioration of empennage stands. Safety hazards increase with each passing year. In order to keep the stands functional, each base implements workaround safety guidelines for areas of the stands that have corrosion and lack of fall protection. Ultimately, these stands will increase the readiness posture of C-5 strategic airlift capability.
  
3. Items requested in FY07 are identified on the following P-5 and are representative of items to be procured. Items procured during execution may change based on critical equipment needed to support current Air Force mission requirements.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 13	Page 1 of 1
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# UNCLASSIFIED

<b>WEAPON SYSTEM COST ANALYSIS (EXHIBIT P-5)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> EMPENNAGE MAINT STAND
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WEAPON SYSTEM COST ELEMENTS	ID CODE				FY2005			FY2006			FY2007		
		QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST
MAINTENANCE PLATFORM, C5 EMPENNAGE	A				1	\$9,220,000	\$9,220				2	\$5,683,000	\$11,366
FIRST ARTICLE NON-RECURRING COSTS							\$2,472						
TOTALS:					1		\$11,692				2		\$11,366

**Remarks:**  
Total Cost information is in thousands of dollars.

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# UNCLASSIFIED

<b>BUDGET PROCUREMENT HISTORY PLANNING (EXHIBIT P-5A)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> EMPENNAGE MAINT STAND
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ITEM NAME/ FISCAL YEAR	QTY.	UNIT COST	LOCATION OF PCO	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWD. DATE	DATE FIRST DEL.	SPECS AVAIL NOW	DATE REV. AVAIL
MAINTENANCE PLATFORM, C5 EMPENNAGE									
FY2005	1	\$9,220,000	AFMC/WR-ALC	C/FFP W/OPT	KERN STEEL FABRICATION INC (KSF)/ BAKERSFIELD, CA	Aug-05	Feb-07		
FY2007(1)	2	\$5,683,000	AFMC/WR-ALC	OPT/FFP	KERN STEEL FABRICATION INC (KSF)/ BAKERSFIELD, CA	Mar-07	Dec-07	Yes	

**Remarks:**  
 Cost information is in actual dollars.

(1) Contract number FA8518-05-C-011 was awarded 22 Aug 05 with 2 options

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# UNCLASSIFIED

<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> T197C-STORES MGMT TEST SET
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		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> (in Thousands)		\$4,600	\$5,517	\$6,051	\$4,408	\$4,495	\$4,585	\$4,675

**Description:**

1. The T-197 Stores Management Sub-System Test Set replaces the obsolete T-170 tester. The T-197 provides intermediate level maintenance capability to test Line Replaceable Units (LRU) of the F-15's conventional and nuclear armament systems. Air-to-Air and Air-to-Ground pylons, launchers, adapters, bomb racks, encoder/decoders and power supplies are tested to verify functionality, insulation resistance and continuity. The T-197 also provides in-depth fault isolation and troubleshooting capability for fault isolation and repair.
  
2. The F-15 is a mature combat aircraft and has received many robust upgrades to its smart weapons capabilities (such as AIM-9X, Suite 4, Suite 4E Plus, Programmable Armament Control Set, ALE-58, Suite 5 and others) to increase combat capabilities and to keep the aircraft flying. Due to these numerous aircraft modifications, as well as parts obsolescence and condemnations, T-170 launcher pylon test sets are no longer capable of maintaining the armament system. Replacing the T-170 with the T-197 provides the Air Force immediate capability to perform in-depth troubleshooting and repairs of conventional and nuclear weapon release systems, while reducing workarounds that increase risk and decrease mission capability.
  
3. The current T-170 tester is 16 years old and is uneconomical to repair due to obsolete and outdated parts. Older test sets are failing at higher rates, are becoming more difficult to repair and are no longer reliable for troubleshooting F-15 armament system anomalies. Procurement of this tester is critical to maintaining F-15 mission capability.
  
4. Items requested in FY07 are identified on the following P-40A and are representative of items to be procured. Items procured during execution may change based on critical equipment needed to support current Air Force mission requirements.

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# UNCLASSIFIED

<b>BUDGET ITEM JUSTIFICATION FOR AGGREGATED ITEMS (EXHIBIT P-40A)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> T197C-STORES MGMT TEST SET
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PROCUREMENT ITEMS	ID CODE	FY2005		FY2006		FY2007			
		QTY.	COST	QTY.	COST	QTY.	COST		
T197C - STORES MGMT TEST SET	A			12	\$4,600	13	\$5,517	14	\$6,051
<b>TOTALS:</b>				12	\$4,600	13	\$5,517	14	\$6,051

**Remarks:**

Cost information is in thousands of dollars.

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# UNCLASSIFIED

**BUDGET PROCUREMENT HISTORY PLANNING (EXHIBIT P-5A)**

**DATE:** FEBRUARY 2006

**APPROP CODE/BA:**

APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)

**P-1 NOMENCLATURE:**

T197C-STORES MGMT TEST SET

ITEM NAME/ FISCAL YEAR	QTY.	UNIT COST	LOCATION OF PCO	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWD. DATE	DATE FIRST DEL.	SPECS AVAIL NOW	DATE REV. AVAIL
T197C - STORES MGMT TEST SET									
FY2005(1)	12	\$383,318	AFMC/WR-ALC	SS/FFP W/OPT	BOEING ST LOUIS/ MO	Sep-05	Dec-06		
FY2006(1)	13	\$424,399	AFMC/WR-ALC	OPT/FFP	BOEING ST LOUIS/ MO	Mar-06	Dec-07	Yes	
FY2007(1)	14	\$432,205	AFMC/WR-ALC	OPT/FFP	BOEING ST LOUIS/ MO	Mar-07	Nov-08	Yes	

**Remarks:**

Cost information is in actual dollars.

(1) Basic contract F09603-01-D-0025-0061 awarded 22 Sep 05 with two option years.

**P-1 ITEM NO**  
70

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<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> T198C-STORES MGMT TEST SET
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		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> (in Thousands)		\$2,476	\$6,413	\$6,531	\$4,758	\$4,852	\$4,949	\$5,047

**Description:**

1. The T-198 Stores Management System Test Set (T-198 SMSTS) replaces the obsolete T-169 tester. The T-198 SMSTS provides capability to test and fault isolate the F-15 weapons release system at the organizational and intermediate levels of maintenance. This tester performs weapon system functional checks, electrical checkout and fault isolation of aircraft-installed launchers, pylons, bomb racks, adapters, disconnects and wiring.
2. The F-15 is a mature combat aircraft which has received many robust upgrades to its smart weapons capabilities (such as AIM-9X, Suite 4, Suite 4E Plus, Programmable Armament Control Set, ALE-58, Suite 5 and others) to increase combat capabilities and to keep the aircraft flying. Due to these numerous aircraft modifications, as well as parts obsolescence and condemnations, T-169 tester sets are incapable of testing certain avionics applications and smart weapons on the aircraft. Replacement of the T-169 tester with the T-198 tester provides immediate capability to perform in-depth troubleshooting and repairs of conventional and nuclear weapon release systems while reducing workarounds that increase risk and decrease mission capability. The AF has made procurement of this tester a high priority for the F-15.
3. The current T-169 tester is 16 years old and is uneconomical to repair due to obsolete and outdated parts. Older test sets are failing at higher rates, are becoming more difficult to repair, and are no longer reliable for troubleshooting F-15 armament system anomalies. Procurement of this tester is critical to maintaining F-15 mission capability.
4. Items requested in FY07 are identified on the following P-40A and are representative of items to be procured. Items procured during execution may change based on critical equipment needed to support current Air Force mission requirements.

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# UNCLASSIFIED

<b>BUDGET ITEM JUSTIFICATION FOR AGGREGATED ITEMS (EXHIBIT P-40A)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> T198C-STORES MGMT TEST SET
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PROCUREMENT ITEMS	ID CODE			FY2005		FY2006		FY2007	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
T198C - STORES MGMT TEST SET	A			8	\$2,476	21	\$6,413	21	\$6,531
<b>TOTALS:</b>				8	\$2,476	21	\$6,413	21	\$6,531

**Remarks:**

Cost information is in thousands of dollars.

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# UNCLASSIFIED

# UNCLASSIFIED

<b>BUDGET PROCUREMENT HISTORY PLANNING (EXHIBIT P-5A)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> T198C-STORES MGMT TEST SET
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ITEM NAME/ FISCAL YEAR	QTY.	UNIT COST	LOCATION OF PCO	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWD. DATE	DATE FIRST DEL.	SPECS AVAIL NOW	DATE REV. AVAIL
T198C - STORES MGMT TEST SET									
FY2005(1)	8	\$309,479	AFMC/WR-ALC	SS/FFP W/OPT	BOEING/ ST LOUIS, MO	Sep-05	Oct-06		
FY2006(1)	21	\$305,403	AFMC/WR-ALC	OPT/FFP	BOEING/ ST LOUIS, MO	Mar-06	Mar-07	Yes	
FY2007(1)	21	\$311,021	AFMC/WR-ALC	OPT/FFP	BOEING/ ST LOUIS, MO	Mar-07	Feb-08	Yes	

**Remarks:**  
 Cost information is in actual dollars.

(1) Basic contract F09603-01-D-0025-0061 awarded 22 Sep 05 with two option years.

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# UNCLASSIFIED

<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> COMMON LOW OBSERVABLE VERIFICATION SYSTEM (CLOVERS)
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		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> (in Thousands)		\$0	\$0	\$19,897	\$20,371	\$32,594	\$33,733	\$34,453

**Description:**

1. Common Low Observable Verification System (CLOVerS) is a deployable flightline maintenance inspection system capable of evaluating radar cross-section (RCS) defects on low observable aircraft. The system performs zone and whole body aircraft measurements to detect, locate and assess RCS defects and potential defects. Following repair of the defect, CLOVerS measures the area surrounding the defect to verify that the maintenance action corrected the defect. CLOVerS provides a common RCS assessment system to support operations and maintenance of F-117, B-2 and F-22 aircraft. CLOVerS will provide RCS assessment support at main operating bases and forward operating locations. CLOVerS employs three modes of operation to manage access to classified information. CLOVerS is comprised of a radar imaging cart, diagnostic software and both common and unique ancillary equipment (landing gear shrouds, calibration target, aircraft control surface supports, rudder locks, ground RF absorber, position system scale bars and in-scene reflectors). CLOVerS has a fully automated movement and data analysis capability. CLOVerS is in the Engineering and Manufacturing Development (EMD) phase (PE 0604762F), which is funded with RDT&E funds. CLOVerS is in the final spiral of its spiral development process. CLOVerS is scheduled to complete EMD in the third quarter of FY06.

2. Current low observable (LO) maintenance practices are deficient in accurately identifying RCS defects and verification of LO repairs. This results in unnecessary maintenance, and maintenance that does not always correct the RCS defect. Failure to procure CLOVerS will allow these deficiencies to continue, thereby placing LO aircraft at risk in combat, and will drive increased LO maintenance manning levels and continued high cost of LO repair materials.

3. Items requested in FY07 are identified on the following P-5 and are representative of items to be procured. Items procured during execution may change based on critical equipment needed to support current Air Force mission requirements.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 22	Page 1 of 1
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<b>WEAPON SYSTEM COST ANALYSIS (EXHIBIT P-5)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> COMMON LOW OBSERVABLE VERIFICATION SYSTEM (CLOVERS)
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WEAPON SYSTEM COST ELEMENTS	ID CODE				FY2005			FY2006			FY2007		
		QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST
COMMON LOW OBSERVABLE VERIFICATION SYSTEM (CLOVERS)	A										2	\$8,969,000	\$17,938
DATA													\$326
INTERIM CONTRACT SUPPORT (ICS)													\$1,240
TRAINING													\$393
<b>TOTALS:</b>											2		\$19,897

**Remarks:**  
Total Cost information is in thousands of dollars.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 23	Page 1 of 1
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<b>BUDGET PROCUREMENT HISTORY PLANNING (EXHIBIT P-5A)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> COMMON LOW OBSERVABLE VERIFICATION SYSTEM (CLOVERS)
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ITEM NAME/ FISCAL YEAR	QTY.	UNIT COST	LOCATION OF PCO	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWD. DATE	DATE FIRST DEL.	SPECS AVAIL NOW	DATE REV. AVAIL
COMMON LOW OBSERVABLE VERIFICATION SYSTEM (CLOVERS)									
FY2007	2	\$8,969,000	AFMC/ASC	C/FPIF	UNKNOWN	Apr-07	Apr-08	No	Sep-06

**Remarks:**  
Cost information is in actual dollars.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 24	Page 1 of 1
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# UNCLASSIFIED

<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> STORES SYSTEM TESTER - ORGANIZATION LEVEL
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		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> (in Thousands)		\$0	\$4,803	\$5,344	\$14,325	\$14,325	\$14,630	\$13,470

**Description:**

1. The Stores System Tester - Organizational (SSTO) replaces the Stores Management System (SMS) tester which performs on-aircraft organizational level functional and fault isolation tests on the F-16 aircraft. Tester sustainability, parts obsolescence, and resulting tester shortages are creating severe limitations on mission accomplishment. Procurement of existing testers is not an option due to diminishing manufacturing sources (DMS). Procurement of the SSTO fills existing tester shortages and precludes further DMS complications.
  
2. The current test set is uneconomical to maintain due to obsolete and outdated parts. Older test sets are failing at higher rates, are becoming increasingly more difficult to repair, and are no longer reliable for determining the cause of F-16 SMS failures. If a replacement tester is not made available, essential SMS maintenance will lag, impacting timely weapons loading on the aircraft; thus reducing F-16 mission capability.
  
3. Items requested in FY07 are identified on the following P-5 and are representative of items to be procured. Items procured during execution may change based on critical equipment needed to support current Air Force mission requirements.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 25	Page 1 of 1
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# UNCLASSIFIED

<b>WEAPON SYSTEM COST ANALYSIS (EXHIBIT P-5)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> STORES SYSTEM TESTER - ORGANIZATION LEVEL
---	---

WEAPON SYSTEM COST ELEMENTS	ID CODE				FY2005			FY2006			FY2007		
		QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST
STORES SYSTEM TESTER - ORGANIZATION LEVEL	A							16	\$276,817	\$4,429	19	\$281,246	\$5,344
DATA/TRAINING										\$374			
TOTALS:								16		\$4,803	19		\$5,344

**Remarks:**  
Total Cost information is in thousands of dollars.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 26	Page 1 of 1
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# UNCLASSIFIED

**BUDGET PROCUREMENT HISTORY PLANNING (EXHIBIT P-5A)**

**DATE:** FEBRUARY 2006

**APPROP CODE/BA:**

APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)

**P-1 NOMENCLATURE:**

STORES SYSTEM TESTER - ORGANIZATION LEVEL

ITEM NAME/ FISCAL YEAR	QTY.	UNIT COST	LOCATION OF PCO	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWD. DATE	DATE FIRST DEL.	SPECS AVAIL NOW	DATE REV. AVAIL
STORES SYSTEM TESTER - ORGANIZATION LEVEL									
FY2006	16	\$276,817	AFMC/OO-ALC	DO/IDIQ	BAE SYSTEM/ NASHUA, NH	Feb-06	Jan-07	Yes	
FY2007	19	\$281,246	AFMC/OO-ALC	DO/IDIQ	BAE SYSTEM/ NASHUA, NH	Jan-07	Jan-08	Yes	

**Remarks:**

Cost information is in actual dollars.

This 5 year IDIQ contract, FA8212-04-D-0014, was awarded 7 Sep 04.

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<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> STORES SYSTEM TESTER - INTERMEDIATE
---	---

		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> <small>(in Thousands)</small>		\$0	\$4,184	\$5,061	\$13,087	\$13,087	\$10,529	\$0

**Description:**

1. The Stores System Tester - Intermediate (SSTI) replaces the Stores Release Equipment tester and directly impacts the Air Force's ability to safely load, carry, and launch weapons on the F-16 aircraft. The current tester accomplishes intermediate level testing of F-16 Alternate Mission Equipment (AME), which includes aircraft launchers, pylons, bomb racks, gun pods, and associated relays/adapters. The tester performs AME functional and fault isolation tests. Tester shortages are creating severe limitations on mission accomplishment. Procurement of existing testers is not an option due to diminishing manufacturing sources (DMS). Procurement of the SSTI fills the existing tester shortages and precludes further DMS complications.
  
2. The current test set is uneconomical to maintain due to obsolete and outdated parts. Older test sets are failing at higher rates, are becoming increasingly more difficult to repair, and are no longer reliable in determining the cause of AME failures. If a replacement tester is not made available, essential AME maintenance will lag, impacting timely weapons loading on the aircraft; thus reducing F-16 mission capability.
  
3. Items requested in FY07 are identified on the following P-5 and are representative of items to be procured. Items procured during execution may change based on critical equipment needed to support current Air Force mission requirements.

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# UNCLASSIFIED

<b>WEAPON SYSTEM COST ANALYSIS (EXHIBIT P-5)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> STORES SYSTEM TESTER - INTERMEDIATE
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WEAPON SYSTEM COST ELEMENTS	ID CODE				FY2005			FY2006			FY2007		
		QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST	QTY	Unit Cost	TOTAL COST
STORES SYSTEM TESTER - INTERMEDIATE LEVEL	A							10	\$383,179	\$3,832	13	\$389,310	\$5,061
DATA/TRAINING										\$353			
TOTALS:								10		\$4,184	13		\$5,061

**Remarks:**  
Total Cost information is in thousands of dollars.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 29	Page 1 of 1
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# UNCLASSIFIED

**BUDGET PROCUREMENT HISTORY PLANNING (EXHIBIT P-5A)**

**DATE:** FEBRUARY 2006

**APPROP CODE/BA:**

APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)

**P-1 NOMENCLATURE:**

STORES SYSTEM TESTER - INTERMEDIATE

ITEM NAME/ FISCAL YEAR	QTY.	UNIT COST	LOCATION OF PCO	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWD. DATE	DATE FIRST DEL.	SPECS AVAIL NOW	DATE REV. AVAIL
STORES SYSTEM TESTER - INTERMEDIATE LEVEL									
FY2006	10	\$383,179	AFMC/OO-ALC	DO/IDIQ	BAE SYSTEMS/ NASHUA, NH	Feb-06	Jan-07	Yes	
FY2007	13	\$389,310	AFMC/OO-ALC	DO/IDIQ	BAE SYSTEMS/ NASHUA, NH	Jan-07	Jan-08	Yes	

**Remarks:**

Cost information is in actual dollars.

This 5 year IDIQ contract, FA8212-04-D-0014, was awarded 7 Sep 04.

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<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> ITEMS LESS THAN \$5 MILLION
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		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> <small>(in Thousands)</small>		\$88,743	\$27,695	\$45,728	\$22,545	\$24,712	\$33,584	\$48,786

**Description:**

1. The Items Less Than \$5 Million line procures replacement organizational and intermediate (common and peculiar) support equipment for out-of-production aircraft. Common items (used on more than one weapon system) and peculiar items (unique to one weapon system) directly support aircraft maintenance and servicing requirements. These replacement items ensure continuation of serviceable equipment over the life of a weapon system, and consist of over 2,800 national stock numbered (NSN) items as well as numerous items which are non-stock listed (NSL).
2. The FY07 funding increase reflects the AF's high prioritization and criticality of need to replace these aging assets such as the 30MM Ammunition Loader, Flight Control Test Set, and various other aircraft maintenance specialized equipment.
3. Items requested in FY07 are identified on the following P-40A-IL and are representative of items being procured. Items procured during execution may change based on critical equipment needed to support current Air Force mission requirements.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 31	Page 1 of 1
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BUDGET ITEM JUSTIFICATION FOR AGGREGATED ITEMS (EXHIBIT P-40A-IL)				DATE: FEBRUARY 2006	
APPROP CODE/BA: APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)			P-1 NOMENCLATURE: ITEMS LESS THAN \$5 MILLION		
PROCUREMENT ITEMS	NSN			FY2007	
		QTY.	COST	QTY.	COST
MAJOR PROCUREMENTS					
B105 BRAT	6625014560079KV			2	\$1,469
B305 BRAT	6625015045581KV			2	\$4,262
B405 BRAT	6625014548121KV			1	\$1,300
30MM AMMUNITION LOADER	1730010648482RN			12	\$4,017
EXTENDED REACH DEICER	1730014955449RN			2	\$1,152
HIGH REACH MAINTENANCE PLATFORM	2320012490097RN			4	\$2,414
TEST SET, ACFT	4920004762230RN			4	\$1,432
COMBINED GENERATOR AIR CONDITIONER	6115014958117ID			1	\$2,500
TEST SET, TRANSPONDER	6625014584627TG			292	\$3,049
FLIGHT CONTROL TEST SET	4920010347670			14	\$4,054
MINOR PROCUREMENTS (GROUPED BY FSC)					
FSC 1730 AIRCRAFT GROUND SERVICING EQUIPMENT					\$2,540
	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 32	Page 1 of 2	

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<b>BUDGET ITEM JUSTIFICATION FOR AGGREGATED ITEMS (EXHIBIT P-40A-IL)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/AIRCRAFT REPLACEMENT SUPPORT EQUIPMENT (O&I)	<b>P-1 NOMENCLATURE:</b> ITEMS LESS THAN \$5 MILLION
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PROCUREMENT ITEMS	NSN			FY2007	
		QTY.	COST	QTY.	COST
FSC 4130 REFRIGERATION & AIR COND COMPONENTS					\$2,102
FSC 4920 AIRCRAFT MAINT SHOP SPECIALIZED EQP					\$8,692
FSC 4930 LUBRICATION & DISPENSING EQUIPMENT					\$2,145
FSC 6625 ELECT & ELCTRONIC PROPERTIES INSTRUMENT					\$2,349
FSC 6635 PHYSICAL PROPERTIES TESTING EQUIP					\$2,251
TOTALS:					\$45,728

**Remarks:**

Cost information is in thousands of dollars.

	<b>P-1 ITEM NO</b> 70		<b>PAGE NO:</b> 7 - 33	Page 2 of 2
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**FY 2007 BUDGET ESTIMATES**  
**BP 13 – POST PRODUCTION SUPPORT**  
**FEBRUARY 2006**

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<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 71</b>						P-1 Line Item Nomenclature <b>B-1 Post Prod Support</b>					
Program Element for Code B Items:		11126F			Other Related Program Elements:				64226f; 11126f		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Total Proc Cost (\$ M)			11.474	13.287	10.320	0.000	0.000	0.000	0.000		35.081

**Description**

Aircraft Post-Production Support for B-1 aircraft. The B-1 is a long range, all weather, precision attack, heavy bomber. The aircraft is 147 feet long by 137 feet wide and weighs 477,000 pounds fully loaded. The B-1 operates at speeds up to Mach 1.2 and at altitudes from 200 feet above ground level to 40,000 feet.

**FY 2007 Program Justification**

Provides funding for acquisition of essential avionics test stations, test program sets and interface test adapters to rectify unacceptable B-1 test station mission capable rates. Current B-1 Automatic Test Equipment (ATE) is becoming increasingly unsupportable, and test station downtime is adversely affecting B-1 Line Replaceable Unit (LRU) backlog with unserviceable line replaceable units. In addition, the funding provides for the acquisition and support of other depot-level equipment and tooling to maintain the repairable spare assets to maintain the B-1 weapon system, support the aircraft structural integrity program, and engineering repair enhancements. Funding is essential to prevent aircraft grounding incidents, sustains weapon system mission capable rates, and allows for the acquisition of Government Furnished Material essential to repair critical B-1 components. Funding is essential for other depot equipment requirements, which were under-supported when the aircraft was initially procured and fielded.



<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 72</b>						P-1 Line Item Nomenclature <b>B-2A Post Prod Support</b>					

Program Element for Code B Items:		11127F			Other Related Program Elements:					N/A	
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Cost (\$ M)			6.661	7.207	7.693						21.561
Interim Ctr Support (\$ M)			30.002	21.817	11.709	8.860	9.702				82.090
Advance Proc Cost (\$ M)											0.000
Weapon System Cost (\$ M)		0.000	36.663	29.024	19.402	8.860	9.702	0.000	0.000	0.000	103.651
Initial Spares (\$ M)											0.000
Total Proc Cost (\$ M)		0.000	36.663	29.024	19.402	8.860	9.702	0.000	0.000	0.000	103.651
Flyaway Unit Cost (\$ M)											
Wpn Sys Unit Cost (\$ M)			6.661	7.207	7.693						

**Description**

- Post Production Support funds are used for the following three requirements:

- Maintain Weapon System Support Center (WSSC) software lab capabilities. The WSSC is a one-of-a-kind facility that develops, maintains, integrates, and tests the B-2 Spirit software. No other facility exists that can perform all of these functions. The WSSC combines flight controls, radar, weapons, navigation, traffic control, communications, flight management, external interfaces, and defensive management functionality in a lab environment.
- Depot Activation for B-2 components as directed by HQ AFMC via the Source of Repair Assignment Process (SORAP).
- Procurement of non-stock listed piece parts and other peculiar and common support equipment.

**FY 2007 Program Justification**

- WSSC FY07 funding is required to accomplish the following tasks:

- Engineer replacements to procurement specifications of the Laboratory Test Console (LTC) which is special test equipment (STE) for flight controls certification; develop and re-host affected software and scripts, and procure three units. The LTC is an essential component for each of the software integration lines in the laboratory.
- Procure and install EBGU-28 weapons STE to procurement specifications and develop software and scripts to take advantage of fault insertion capabilities. The WSSC requires fault insertion capability to adequately assess anomalies for this system. Complete LTC equipment failure is deemed eminent due to age, failure rates, and unsupportable maintenance requirements. Without this equipment the WSSC lab cannot certify B-2 software builds, leading to inability to discover faults in the software builds that have been certified as operational. The inability to troubleshoot software faults will continue to hinder the hung stores investigations.
- Evaluate rehosting the 1553 data bus protocol portion of the Ground Data Acquisition System to personal computer-based circuits in an attempt to eliminate the need for specialized equipment, as well as formulate solution options with a recommendation to proceed based upon the best overall option. These boards are the primary means the laboratory has to measure and capture data on the 1553 bus.

- Depot Activation FY07 funding is required to:

- Transition organic Air Force hydraulic actuator depot repair capabilities from OO-ALC to WR-ALC in accordance with HQ AFMC SORAP decision.
- Procure equipment, data, and piece parts to support landing gear removal and replacement for depot overhaul at OO-ALC.
- Procure equipment, fixtures, tech data, and depot maintenance personnel training for the Airframe Mounted Accessory Drive (AMAD), power transmission shaft (PTS), and the tailpipe. These components were recently directed for organic repair by HQ AFMC.

<b>Exhibit P-40, Budget Item Justification</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 72</b>	P-1 Line Item Nomenclature <b>B-2A Post Prod Support</b>
<p><b><u>FY 2007 Program Justification Continued</u></b></p> <p>-- FY07 non-stock listed piece part funding is required for the Defensive Management System, COMM/NAV, and the controls and displays. Piece parts for these systems are being depleted, driving cannibalization from one LRU to another to complete repairs and significantly increasing the repair time and MICAP hours.</p>	
P-1 Shopping List Item No. 72	<b>Budget Item Justification Exhibit P-40, page 2 of 3</b>



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<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 73</b>						P-1 Line Item Nomenclature <b>B-2A ICS</b>					

Program Element for Code B Items:		N/A11			Other Related Program Elements:					N/A	
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Cost (\$ M)											0.000
Interim Ctr Support (\$ M)			30.002	21.817	11.709	8.860	9.702				82.090
Advance Proc Cost (\$ M)											0.000
Weapon System Cost (\$ M)		0.000	30.002	21.817	11.709	8.860	9.702	0.000	0.000	0.000	82.090
Initial Spares (\$ M)											0.000
Total Proc Cost (\$ M)		0.000	30.002	21.817	11.709	8.860	9.702	0.000	0.000	0.000	82.090
Flyaway Unit Cost (\$ M)											
Wpn Sys Unit Cost (\$ M)			30.002	21.817	11.709	8.860	9.702				

**Description**

Interim Contractor Support (ICS) provides maintenance and repair capability to meet Air Combat Command (ACC) operational requirements for the B-2 weapon system. The ICS program is a comprehensive repair capability repairing 592 different B-2 Line Replaceable Units (LRU), Shop Replaceable Units (SRU), airframe structures, hydro-mechanical components, and avionics components until permanent depot capability is established.

**FY 2007 Program Justification**

ICS provides maintenance/repairs for failed B-2 aircraft components needed to operate the aircraft.

This includes repair of:

MICAP items needed to maintain the B-2 aircraft in flyable status, components necessary to meet mission capable (MC) requirement AFI 21-103, Addendum C (Mission Essential Sub-System List), and provides laboratory assistance needed to maintain software maintenance capabilities at the B-2 Weapon System Support Center (WSSC) at Tinker Air Force Base.

<b>Exhibit P-5, Weapon System Cost Analysis</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 73</b>	P-1 Line Item Nomenclature <b>B-2A ICS</b>

Manufacturer's Name/Plant City/State Location	Subline Item

Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Interim Contractor Support				30.002			21.817			11.709
<b>TOTAL PROGRAM</b>				<b>30.002</b>			<b>21.817</b>			<b>11.709</b>

Comments

<b>Exhibit P-40, Budget Item Justification</b>					Date: February 2006						
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 74</b>					P-1 Line Item Nomenclature <b>B-52 SQUADRONS</b>						
Program Element for Code B Items:		N/A			Other Related Program Elements:				010113F		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Total Proc Cost (\$ M)			18.978	20.881	8.081	0.000	0.000	0.000	0.000		47.940

**Description**

The Conventional Enhancement Module (CEM) is a new tester that is baselined to the Off-Aircraft Pylon Test (OAPT) developed under the Integrated Conventional Stores Management System (ICSMS). The tester, termed: Multi-Use System Tester Armament - Next Generation or MUSTANG, combines the test capabilities of three separate testers: Off-Aircraft Pylon Tester (OAPT), Ground Weapons Maintenance Tester (GWM-9) and Weapons Pre load Tester (WPT). The OAPT is utilized to certify the common pylons for conventional and Mil Std 1760 weapons release every 180 days. The WPT tests aircraft nuclear and conventional (Mil Std 1760 conventional munitions) launcher/weapon control systems. The GWM-9 tests legacy conventional weapon control and suspension systems.

**FY 2007 Program Justification**

In Fiscal Year 2007, the Air Force will complete the procurement of MUSTANG testers. The Air Force is planning to procure 7 MUSTANG testers during the fiscal year and complete depot activation support.

<b>Exhibit P-5, Weapon System Cost Analysis</b>		Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 74</b>		P-1 Line Item Nomenclature <b>B-52 SQUADRONS</b>

Manufacturer's Name/Plant City/State Location Boeing IDS/Wichita/KS	Subline Item
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Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Support Equipment	A	15	1.078	16.165	16	1.051	16.815	7	1.027	7.192
Engineering Change Orders (ECO)	A									
Nonrecurring Costs	A									
Other Costs	A			2.183			2.411			0.664
Publications/Technical Data	A			0.630			1.655			0.225
SUPPORT COST SUBTOTAL										
<b>TOTAL PROGRAM</b>				18.978			20.881			8.081

Comments





<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 76</b>						P-1 Line Item Nomenclature <b>F-15 Post Prod Support</b>					

Program Element for Code B Items:		N/A			Other Related Program Elements:				n/a		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Total Proc Cost (\$ M)		34.411	13.112	12.995	10.741	1.039	2.524	2.589	2.622	TBD	TBD

**Description**

The program continues Post-Production Support of the F15 A-E fleet including contractor support of various air vehicle subsystems and the Electronic Systems Test Set (ESTS). The F15A-D Eagle is a highly maneuverable all-weather air superiority fighter. The F15E Strike Eagle retains the basic air-to-air capability of the F15 A-D Eagle, but adds a weapon systems operator (WSO), rear cockpit, conformal fuel tanks and advanced systems for all-weather day/night all-altitude deep penetration air-to-surface attack.

**FY 2007 Program Justification**

Funding is required for Post Production Support, Interim Contractor Support (ICS), Electronic Subsystem Test Set (ESTS), tooling storage and Peculiar Ground Support Equipment.

Peculiar Ground Support Equipment is required to modernize the organizational and depot support equipment essential to the maintenance of the F15 Aircraft.

Post Production Support and ICS are required to provide repair support for critical air vehicle and ground support equipment assets from the time the equipment is fielded until a support decision (organic or contract) is implemented. Grounding of aircraft will result without this repair support.

Funding is also required to manage obsolescence associated with the ESTS.

Mission essential program management support is also required to continue fleet modernization and sustainment.

<b>Exhibit P-5, Weapon System Cost Analysis</b>		Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 76</b>		P-1 Line Item Nomenclature <b>F-15 Post Prod Support</b>

Manufacturer's Name/Plant City/State Location	Subline Item

Weapon System Cost Elements	Ident Code	Total Cost in Millions of Dollars								
		FY 2005			FY 2006			FY 2007		
		Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost
Airframe Peculiar Ground Support Equipment (PGSE)	A			1.505			1.110			1.123
Engine PGSE	A			0.000			0.000			0.000
PPS	A			1.499			1.976			2.284
ICS (including ESTS)	A			7.500			6.300			3.400
Support Contracts	A			2.608			3.609			3.934
Plant Shutdown	A			0.000			0.000			
<b>TOTAL PROGRAM</b>				<b>13.112</b>			<b>12.995</b>			<b>10.741</b>

Comments  
 Funds included in ICS line for ESTS FY05:\$6.5M, FY06:\$5.3M, FY07:\$2.4M,FY08:\$1M, FY09:\$2.4M.

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<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 77</b>						P-1 Line Item Nomenclature <b>F-16 Post Prod Support</b>					

Program Element for Code B Items:		N/A			Other Related Program Elements:				N/A		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A	0									0
Total Proc Cost (\$ M)		248.800	11.277	17.596	12.245	19.188	20.528	20.310	20.608	TBD	TBD

**Description**

The F-16 Fighting Falcon is the world's premier multi-mission fighter. It is a fixed wing, high performance, single-engine fighter aircraft. In its 25-year history, the F-16 has proven itself in combat in a variety of air-to-air and air-to-surface missions such as defense suppression, armed reconnaissance, close air support, combat air patrol, forward air control, and battle air interdiction (day/night and all-weather). Also, during these years the aircraft has evolved in its capabilities to exploit the advances made in computer, avionics systems, engine, and structures technologies. The F-16 has been selected by over 20 air forces around the world.

**FY 2007 Program Justification**

This appropriation is for the continuation of prime contract post production support, procurement of deferred peculiar ground support equipment, Improved Avionics Intermediate Shop, training devices, and activities associated with F-16 production line shutdown.



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**FY 2007 BUDGET ESTIMATES**  
**BP 14 – INDUSTRIAL PREPAREDNESS**  
**FEBRUARY 2006**

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<b>Exhibit P-40, Budget Item Justification</b>						Date: February 2006					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 78</b>						P-1 Line Item Nomenclature <b>Industrial Responsiveness</b>					

Program Element for Code B Items:		N/A			Other Related Program Elements:				N/A		
	ID Code	Prior Years	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Comp	Total
Proc Qty	A										0
Total Proc Cost (\$ M)			20.634	22.062	23.524	24.215	24.948	25.585	25.917		166.885

**Description**

1. The Air Force Industrial Preparedness program element combines the resources of several appropriations (APAF, MPAF, OPAF, O&M, and RDT&E) to create a comprehensive program that ensures the defense industry can supply reliable, affordable systems to operational commanders. The Aircraft Procurement (APAF) part of Industrial Preparedness supports the following: 1) management of government-owned industrial plants; and 2) management of industrial base planning activities and compliance with the Defense Production Act.

2. Two basic activities are funded in this appropriation: Industrial Facilities and Industrial Base Planning:

Industrial Facility cost elements (MPCs 1000, 3000, 7000, and 9000): Provide for repair and expansion, major rehabilitation, environmental compliance, equipment movement, and energy conservation at Air Force-owned-contractor-operated industrial facilities. These plants are the backbone of DoD weapon system assembly and maintenance for the B-2, U-2, F-16, C-130, C-5B, F-117, and F-22.

Industrial Planning cost element (MPC 6000): Provides for the identification/analysis of critical aircraft industrial base problems/constraints (e.g., diminishing manufacturing sources material shortages -- on the B-1B, B-52, F-15, C-5, and C-141 fielded systems, as well as on the F-16, F-22, C-17, and C-130 systems in production). Supports Air Force management of the Defense Priorities and Allocations System (Title I, Defense Production Act). Provides timely and accurate industrial base information to support Air Force decisions on: 1) aircraft weapon system acquisition risks; 2) budget allocation and investments; 3) weapon system sustainment and logistics support; and 4) defense industry mergers and acquisitions and divestitures. Supports joint-Service industrial base planning on shared commodities, technologies, and facilities.

**FY 2007 Program Justification**

This appropriation line item supports Industrial Preparedness per Defense planning documents, Defense Production Act, and DoD Mantech Program as mandated by Section 2521, Title 10, United States Code.



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**FY 2007 BUDGET ESTIMATES**

**BP 17 – WAR CONSUMABLES**

**FEBRUARY 2006**

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<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/WAR CONSUMABLES	<b>P-1 NOMENCLATURE:</b> WAR CONSUMABLES (OVERVIEW)
--	--

		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> <small>(in Thousands)</small>		\$40,431	\$23,780	\$25,438	\$163,726	\$132,585	\$121,730	\$121,887

**Description:**

1. This program provides funding for the procurement of initial/replacement War Consumables, and includes commodities such as Missile Rail Launchers, Radio Frequency (RF) (expendable) Towed Decoys, Fiber Optic Towed Decoys (FOTD), and Aerial Target Drone (ATD) rocket motors. These items support War Reserve Materiel (WRM) requirements and fleet inventory objectives across multiple weapon systems.
2. In FY06, War Consumables received \$24.1M in funding under Title IX of the FY06 Appropriations Conference Report 109-359 (dated 18 December 2005).
3. Items to be procured in FY07 are listed on the attached P-40A. Items procured during execution may change based on the most critical equipment needed to support current Air Force mission requirements.

	<b>P-1 ITEM NO</b> 79		<b>PAGE NO:</b> 7 - 59	Page 1 of 1
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<b>BUDGET ITEM JUSTIFICATION FOR AGGREGATED ITEMS (EXHIBIT P-40A)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/WAR CONSUMABLES	<b>P-1 NOMENCLATURE:</b> WAR CONSUMABLES (OVERVIEW)
--	--

PROCUREMENT ITEMS	ID CODE			FY2005		FY2006		FY2007	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
WAR CONSUMABLES (OVERVIEW)									
ADVANCED AIRBORNE EXPENDABLE DECOY (AAED)	A			1,284	\$28,018	860	\$20,211	917	\$21,605
ITEMS LESS THAN \$5 MILLION	A				\$12,413		\$3,569		\$3,833
<b>TOTALS:</b>					\$40,431		\$23,780		\$25,438

**Remarks:**

Cost information is in thousands of dollars.

	<b>P-1 ITEM NO</b> 79		<b>PAGE NO:</b> 7 - 60	Page 1 of 1
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<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>						<b>DATE:</b> FEBRUARY 2006		
<b>APPROP CODE/BA:</b> APAF/WAR CONSUMABLES				<b>P-1 NOMENCLATURE:</b> ADVANCED AIRBORNE EXPENDABLE DECOY (AAED)				
		<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>
<b>QUANTITY</b>								
<b>COST</b> <small>(in Thousands)</small>		\$28,018	\$20,211	\$21,605	\$22,143	\$29,527	\$30,285	\$30,677
<p><b>Description:</b></p> <p>1. The Advanced Airborne Expendable Decoy (AAED) is part of the ALE-50 Radio Frequency (RF) towed decoy system integrated into the F-16 and B-1B aircraft. The ALE-50 significantly enhances aircraft countermeasure capabilities against modern RF threats. It provides protection by acting as a RF-repeater that decoys threat systems engaging the aircraft, resulting in increased missile miss distances. Major system components for the F-16 are the AAED (includes towline assembly and canister), magazine, launcher/controller and pylons. The major system components for the B-1B are the AAED, magazine, launcher, multi-platform launch controller and farings.</p> <p>2. Failure to procure the AAED impacts sustainment of projected wartime sortie rates, impeding mission accomplishment.</p>								
	<b>P-1 ITEM NO</b> 79		<b>PAGE NO:</b> 7 - 61		Page 1 of 1			

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<b>BUDGET ITEM JUSTIFICATION FOR AGGREGATED ITEMS (EXHIBIT P-40A)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/WAR CONSUMABLES	<b>P-1 NOMENCLATURE:</b> ADVANCED AIRBORNE EXPENDABLE DECOY (AAED)
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PROCUREMENT ITEMS	ID CODE			FY2005		FY2006		FY2007	
		QTY.	COST	QTY.	COST	QTY.	COST	QTY.	COST
DECOY	A			1,284	\$28,018	860	\$20,211	917	\$21,605
<b>TOTALS:</b>				1,284	\$28,018	860	\$20,211	917	\$21,605

**Remarks:**

Cost information is in thousands of dollars.

	<b>P-1 ITEM NO</b> 79		<b>PAGE NO:</b> 7 - 62		Page 1 of 1
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**BUDGET PROCUREMENT HISTORY PLANNING (EXHIBIT P-5A)**

**DATE:** FEBRUARY 2006

**APPROP CODE/BA:**  
APAF/WAR CONSUMABLES

**P-1 NOMENCLATURE:**  
ADVANCED AIRBORNE EXPENDABLE DECOY (AAED)

ITEM NAME/ FISCAL YEAR	QTY.	UNIT COST	LOCATION OF PCO	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWD. DATE	DATE FIRST DEL.	SPECS AVAIL NOW	DATE REV. AVAIL
DECOY									
FY2005	1,284	\$21,821	AFMC/WR-ALC	OPT/FP	RAYTHEON/ GOLETA, GA	Mar-05	May-06		
FY2006	860	\$23,502	AFMC/WR-ALC	OPT/FP	RAYTHEON/ GOLETA, GA	Mar-06	May-07	Yes	
FY2007	917	\$23,560	AFMC/WR-ALC	OPT/FP	RAYTHEON/ GOLETA, GA	Mar-07	May-08	Yes	

**Remarks:**

Cost information is in actual dollars.

Contract is an FY04 base year with ten option years.

**P-1 ITEM NO**  
79

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7 - 63

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<b>BUDGET ITEM JUSTIFICATION (EXHIBIT P-40)</b>	<b>DATE:</b> FEBRUARY 2006
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<b>APPROP CODE/BA:</b> APAF/WAR CONSUMABLES	<b>P-1 NOMENCLATURE:</b> ITEMS LESS THAN \$5 MILLION
--	---

		FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
<b>QUANTITY</b>								
<b>COST</b> <small>(in Thousands)</small>		\$12,413	\$3,569	\$3,833	\$141,583	\$103,058	\$91,445	\$91,210

**Description:**

1. The "Items Less Than \$5 Million" line includes commodities such as aerial target rocket motors. These items are applicable across multiple weapon systems. These initial/replacement War Consumable requirements ensure continuation of serviceable, supportable equipment over the life of a weapon system.
  
2. All items have an annual procurement value of less than \$5 million and are code A. Items requested in FY07 are identified on the following P-40A and are representative of items to be procured. Items procured during execution may change based on the most critical equipment needed to support current Air Force mission requirements.

	<b>P-1 ITEM NO</b> 79		<b>PAGE NO:</b> 7 - 64	Page 1 of 1
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<b>BUDGET ITEM JUSTIFICATION FOR AGGREGATED ITEMS (EXHIBIT P-40A-IL)</b>				<b>DATE:</b> FEBRUARY 2006	
<b>APPROP CODE/BA:</b> APAF/WAR CONSUMABLES			<b>P-1 NOMENCLATURE:</b> ITEMS LESS THAN \$5 MILLION		
<b>PROCUREMENT ITEMS</b>	<b>NSN</b>			<b>FY2007</b>	
		<b>QTY.</b>	<b>COST</b>	<b>QTY.</b>	<b>COST</b>
REEFING LINE CUTTER				1,100	\$96
TITAN 40C RATO & INITIATOR				188	\$3,357
MK-17 IGNITER				1,204	\$185
MK44 IMPULSE CART				1,126	\$195
TOTALS:					\$3,833
<p><b>Remarks:</b> Cost information is in thousands of dollars.</p>					
	<b>P-1 ITEM NO</b> 79		<b>PAGE NO:</b> 7 - 65		Page 1 of 1

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**FY 2007 BUDGET ESTIMATES**  
**BP 19 – OTHER PRODUCTION CHARGES**  
**FEBRUARY 2006**

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<b>Exhibit P-40, Budget Item Justification</b>					Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80</b>					P-1 Line Item Nomenclature <b>Other Production Charges</b>		
	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Proc Qty							
Total Proc Cost (\$ M)	246.799	636.385	474.853	832.326	709.608	914.509	1147.515
<u>Description</u>							
P-1 Shopping List Item No. 80					Budget Item Justification Exhibit P-40, page 1 of 18		

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<b>Exhibit P-40A, Budget Item Justification for Aggregated Items</b>		<b>Date: February 2006</b>		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number		P-1 Line Item Nomenclature		
<b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80</b>		<b>Miscellaneous Production Charges</b>		
<u>Procurement Items (\$M)</u>		<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
NATO AWACS Modernization		41.692	70.846	77.435
C-130 Airlift Squadrons		0.000	11.058	0.000
C-17 (ANG)		1.313	1.384	1.447
C-17 AIRCRAFT		20.029	0.000	0.000
C-5 Airborne Broadcast Intelligence/Combat Track II		1.122	1.220	1.316
Classified Programs		33.554	362.018	188.308
Combat Training Range Equipment		13.906	13.918	4.934
EW Equipment Sustainment		4.565	4.915	5.245
Electronic Warfare Integrated Reprogramming (EWIR)		2.606	2.825	2.960
F-16		0.331	0.000	0.000
F-22		25.232	49.450	49.647
F-22A Squad		0.000	26.136	48.743
Joint National Training Capability		0.000	2.915	3.007
KC-135 Airborne Broadcast Intelligence (ABI)		1.273	1.414	1.525
Precision Attack Systems Procurement		68.002	50.705	62.117
Manned Destructive Suppression		2.860	16.917	9.374
NAVSTAR Global Positioning System (GPS) User Equipment		28.033	11.521	10.888
Pollution Prevention		2.281	2.306	2.410
Undergraduate Navigator (SECT)		0.000	1.911	0.000
Aerial Targets		0.000	4.926	5.497
Total Adjustments		246.799	636.385	474.853

<b>Exhibit P-1900, P-1900</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80</b>	P-1 Line Item Nomenclature <b>NATO AWACS Modernization</b>
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**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:** NATO AWACS Modernization

**MODELS OF AIRCRAFT APPLICABLE:** E-3A

**DESCRIPTION/JUSTIFICATION:** NATO E-3 aircraft provide air and maritime surveillance for allied forces in and out of the NATO area of operations in support of NATO. This project provides the U.S. share of the total NATO Airborne Early Warning and Control Modernization Program and modernization efforts in order to participate in the NATO Response Force (NRF). The modernization program includes but is not limited to the NATO Mid-Term (NMT) project and the Large Aircraft Infrared Counter-Measures (LAIRCM) project. The NMT project upgrades the mission computers, provides improved man-machine interfaces, Multi-Sensor Integration (MSI), digital communications, satellite communications, and adds 5 new consoles to the aircraft. These Mid-Term projects will update the NATO E-3 aircraft with capabilities to maintain fleet operational effectiveness and interoperability well into the 21st century. Fiscal Year Defense Plan funding provides the required U.S. contribution for the projects defined by the NATO AEW&C Board of Directors and approved by the U.S. government.

**PROJECTED FINANCIAL PLAN:**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>BASIS FOR COST ESTIMATE:</b>			
NATO AWACS-Near/Mid Term	41.692	70.846	77.435
<b>TOTAL COST</b>	<b>41.692</b>	<b>70.846</b>	<b>77.435</b>

Exhibit P-1900, P-1900

Date: February 2006

Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number

P-1 Line Item Nomenclature

**Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80**

**C-130 Airlift Squadrons**

**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:**

C-130 Airlift Squadrons

**MODELS OF AIRCRAFT APPLICABLE:**

LC-130

**DESCRIPTION/JUSTIFICATION:**

Procures 1500 Jet-Assisted-Takeoff rockets (Bottles). JATO bottles are used only by the ANG's LC-130 aircraft in their support of the National Science Foundation (NSF) in Antarctica and Greenland. These rockets are used to assist the LC-130 takeoff from the deep snow at some of the NSF's forward sites in Antarctica and Greenland.

**PROJECTED FINANCIAL PLAN:**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>BASIS FOR COST ESTIMATE:</b>	0.000	11.058	0.000
<b>TOTAL COST</b>	0.000	11.058	0.000

<b>Exhibit P-1900, P-1900</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80</b>	P-1 Line Item Nomenclature <b>C-17 (ANG)</b>
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**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

<b>PROJECT TITLE:</b>	C-17 (ANG)		
<b>MODELS OF AIRCRAFT APPLICABLE:</b>	C-17		
<b>DESCRIPTION/JUSTIFICATION:</b>	Funds will provide Modern Intermediate Level Teststand (MILT) and peculiar supply equipment for maintenance training devices for the C-17 strategic airlift squadrons (ANG).		
<b>PROJECTED FINANCIAL PLAN:</b>			
	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>BASIS FOR COST ESTIMATE:</b>			
	1.313	1.384	1.447
<b>TOTAL COST</b>	1.313	1.384	1.447

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**Exhibit P-1900, P-1900**

Date: February 2006

Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number

P-1 Line Item Nomenclature

**Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80**

**C-17 AIRCRAFT**

**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:**

C-17 AIRCRAFT

**MODELS OF AIRCRAFT APPLICABLE:**

C-17

**DESCRIPTION/JUSTIFICATION:**

This activity is for the Depot Activation of the C-17 system at the three USAF Air Logistic Centers.

**PROJECTED FINANCIAL PLAN:**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
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**BASIS FOR COST ESTIMATE:**

20.029

**TOTAL COST**

20.029

0.000

0.000

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<b>Exhibit P-1900, P-1900</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80</b>	P-1 Line Item Nomenclature <b>C-5 Airborne Broadcast Intelligence/Combat Track II</b>
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**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:**

C-5 Airborne Broadcast Intelligence/Combat Track II

**MODELS OF AIRCRAFT APPLICABLE:**

C-5

**DESCRIPTION/JUSTIFICATION:**

Mobility Air Forces (MAF) aircraft are increasingly moving closer to the battle and operate within hostile environments while supporting refueling and troop/supply delivery missions. The Air Mobility Command (AMC) Airlift and Air Refueling Mission Area Plans identified a deficiency in the ability to protect MAF aircraft from hostilities during combat operations. To enhance mission safety during these combat operations, it is critical to provide aircrews timely and essential off-board information. Enabling real-time information in the cockpit allows mission adjustments in response to rapidly changing combat conditions while in-flight. The Airborne Broadcast Intelligence (ABI) and Combat Track II (CTII) systems provide real-time intelligence, situational awareness (national/theater intelligence and displays air/land/blue water threats), beyond line-of-sight C2 data, and secure text messaging enabling aircrews to receive updated threat and mission information. To limit system implementation costs, ABI/CTII are roll-on/roll-off systems enabling immediate employment on all MAF aircraft. Without real-time information and C2 communications in the cockpit, MAF aircraft will be forced to continue to operate without secure access to mission critical beyond line-of-sight C2 and situational/threat awareness leaving them vulnerable to enemy threats and hostile actions. These systems are interchangeable between all MAF aircraft.

**PROJECTED FINANCIAL PLAN:**

	FY 2005	FY 2006	FY 2007
<b>BASIS FOR COST ESTIMATE:</b>			
<b>TOTAL COST</b>	1.122	1.220	1.316
	1.122	1.220	1.316

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<b>Exhibit P-1900, P-1900</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number  
**Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80**

P-1 Line Item Nomenclature  
**Classified Programs**

**FY 2007 PRESIDENT'S BUDGET  
 FACT SHEET  
 (Dollars in Millions)**

**PROJECT TITLE:**

Classified Programs

**MODELS OF AIRCRAFT APPLICABLE:**

N/A

**DESCRIPTION/JUSTIFICATION:**

Details of this program are available on a need-to-know basis.

**PROJECTED FINANCIAL PLAN:**

**BASIS FOR COST ESTIMATE:**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>TOTAL COST</b>	33.554	362.018	188.308
	33.554	362.018	188.308

**UNCLASSIFIED**

<b>Exhibit P-1900, P-1900</b>	Date: February 2006
-------------------------------	---------------------

Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80</b>	P-1 Line Item Nomenclature <b>Combat Training Range Equipment</b>
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**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:** Combat Training Range Equipment

**MODELS OF AIRCRAFT APPLICABLE:** A-10, F-15, F-16, F-22A, F-35, B-52, B-1, B-2

**DESCRIPTION/JUSTIFICATION:** This item provides aircraft equipment for air combat training including the procurement of the P5 Combat Training System (P5CTS) and upgrades for legacy systems. P5CTS is a cooperative AF/Navy program to provide test, training, and evaluation of AF and Navy aircrews. It also provides the capability for operational testing of weapon systems and tactics under simulated combat conditions. The equipment provides the capability to train aircrews in air-to-air, air-to-ground, and ground-to-air combat, as well as electronic warfare during joint force exercises and distributed mission operation training. FY06 funding continued procurement/fielding of the P5CTS and the upgrade of legacy systems. FY07 will continue the procurement/fielding of the P5CTS and upgrade of legacy systems.

**PROJECTED FINANCIAL PLAN:**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>BASIS FOR COST ESTIMATE:</b>			
Air Combat Training Systems (ACTS)			
-- P5 Combat Training Systems (P5CTS)	13.656	13.668	14.084
-- Other Legacy ACTS Systems	0.250	0.250	0.250
-- Reprogramming Advanced Targeting Pod Precision			-9.400
<b>PENDING PROGRAM CHANGES:</b>			
<b>TOTAL COST</b>	13.906	13.918	4.934

Exhibit P-1900, P-1900

Date: February 2006

Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number

P-1 Line Item Nomenclature

**Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80**

**Electronic Warfare Integrated Reprogramming (EWIR)**

**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:**

Electronic Warfare Integrated Reprogramming (EWIR)

**MODELS OF AIRCRAFT APPLICABLE:**

Multiple A/C

**DESCRIPTION/JUSTIFICATION:**

This program funds equipment and aircraft sytem components for the EW Avionics Integrated Support Facility (EWASIF) to provide critical reprogramming of EW systems for all Air Force and Foreign Military Sales customers.

**PROJECTED FINANCIAL PLAN:**

**BASIS FOR COST ESTIMATE:**

**TOTAL COST**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
	2.606	2.825	2.960
	2.606	2.825	2.960

Exhibit P-1900, P-1900

Date: February 2006

Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number

P-1 Line Item Nomenclature

**Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80**

**F-16**

**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:**

F-16

**MODELS OF AIRCRAFT APPLICABLE:**

F-16 Block 50/52

**DESCRIPTION/JUSTIFICATION:**

Funds will support other cost associated with Blk 50/52 aircraft Destruction of Enemy Defense (DEAD) mission.

**PROJECTED FINANCIAL PLAN:**

**BASIS FOR COST ESTIMATE:**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
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**TOTAL COST**

	0.331		
	0.331	0.000	0.000

**UNCLASSIFIED**

<b>Exhibit P-1900, P-1900</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80</b>	P-1 Line Item Nomenclature <b>F-22</b>
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**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:**

F-22

**MODELS OF AIRCRAFT APPLICABLE:**

F-22A

**DESCRIPTION/JUSTIFICATION:**

This request provides for units necessary for electronic warfare requirements. Additional information is available on a need-to-know basis.

**PROJECTED FINANCIAL PLAN:**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>BASIS FOR COST ESTIMATE:</b>			
F-22A	25.232	49.450	49.647
<b>TOTAL COST</b>	<b>25.232</b>	<b>49.450</b>	<b>49.647</b>

**UNCLASSIFIED**

<b>Exhibit P-1900, P-1900</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80</b>	P-1 Line Item Nomenclature <b>KC-135 Airborne Broadcast Intelligence (ABI)</b>
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**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:** KC-135 Airborne Broadcast Intelligence (ABI)

**MODELS OF AIRCRAFT APPLICABLE:** KC-135

**DESCRIPTION/JUSTIFICATION:** Mobility Air Forces (MAF) aircraft are increasingly moving closer to the battle and operate within hostile environments while supporting refueling and troop/supply delivery missions. The Air Mobility Command (AMC) Airlift and Air Refueling Mission Area Plans identified a deficiency in the ability to protect MAF aircraft from hostilities during combat operations. To enhance mission safety during these combat operations, it is critical to provide aircrews timely and essential off-board information. Enabling real-time information in the cockpit allows mission adjustments in response to rapidly changing combat conditions while in-flight. The Airborne Broadcast Intelligence (ABI) and Combat Track II (CTII) systems provide real-time intelligence, situational awareness (national/theater intelligence and displays air/land/blue water threats), beyond line-of-sight C2 data, and secure text messaging enabling aircrews to receive updated threat and mission information. To limit system implementation costs, ABI/CTII are roll-on/roll-off systems enabling immediate employment on all MAF aircraft. Without real-time information and C2 communications in the cockpit, MAF aircraft will be forced to continue to operate without secure access to mission critical beyond line-of-sight C2 and situational/threat awareness leaving them vulnerable to enemy threats and hostile actions. These systems are interchangeable between all MAF aircraft.

<b>PROJECTED FINANCIAL PLAN:</b>			
	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>BASIS FOR COST ESTIMATE:</b>			
	1.273	1.414	1.525
<b>TOTAL COST</b>	1.273	1.414	1.525

**UNCLASSIFIED**

<b>Exhibit P-1900, P-1900</b>	Date: February 2006
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80</b>	P-1 Line Item Nomenclature <b>Precision Attack Systems Procurement</b>
<p align="center"><b>FY 2007 PRESIDENT'S BUDGET FACT SHEET (Dollars in Millions)</b></p> <p><b>PROJECT TITLE:</b> Precision Attack Systems Procurement</p> <p><b>MODELS OF AIRCRAFT APPLICABLE:</b> F-16, F-15, F-15E, A-10, B-52, B-1</p> <p><b>DESCRIPTION/JUSTIFICATION:</b> Advanced Targeting Pods (ATP) are nondevelopmental items that supplements and replaces the obsolete Low-Altitude Navigation and Targeting Infrared, Night (LANTIRN) Targeting Pod with a newer systems featuring Third Generation Forward Looking Infrared Sensor, charged coupled device TV, improved laser capability, laser spot tracker, infrared marker, and real-time data-transfer connectivity with the Battlefield ground forces. Greater aircraft standoff, improved resolution, eye safe laser, higher system reliability, and smaller deployment footprint give ATPs a greater combat effectiveness across several mission areas, including Suppression/Destruction of Enemy Air Defenses, precision attack interdiction, close air support, reconnaissance, and time-sensitive targeting. Long- range target acquisition with improved sensor systems expands weapons delivery envelopes for greater aircraft survivability. ATP features 2-level maintenance and open architecture to facilitate capability upgrades. Technological advances and new Combat Air Forces (CAF) requirements drive ATP product improvements and provides cost of ownership savings over the current system. The video image upgrade to ATPs provides ground forces improved combat effectiveness resulting in quicker kills with reduced collateral damage and fratricide. The CAF requires a minimum of 724 ATPs. Laser Infrared Targeting and Navigating (LITENING) Advance Technology (AT) and Sniper Extended Range (XR) are ATPs currently used by the active duty, Air National Guard, and Air Force Reserve Command. Sniper XR won the CAF source selection and are funded through this exhibit. Air National Guard (NAG) and Air Force Reserve Command (AFRC) have purchased LITENING AT ATPs through Congressional plus-ups. Air Combat Command's centrally managed pod utilization strategy ensures all units preparing for or deploying with Air Expeditionary Forces are equipped with the most appropriate targeting pod.</p>	
P-1 Shopping List Item No. 80	P-1900 <b>Exhibit P-1900, page 14 of 18</b>

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Exhibit P-1900, P-1900

Date: February 2006

Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number

P-1 Line Item Nomenclature

**Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80**

**Precision Attack Systems Procurement**

**PROJECTED FINANCIAL PLAN:**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>BASIS FOR COST ESTIMATE:</b>	68.002	50.705	62.117
<b>TOTAL COST</b>	68.002	50.705	62.117

**UNCLASSIFIED**

<b>Exhibit P-1900, P-1900</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80</b>	P-1 Line Item Nomenclature <b>Manned Destructive Suppression</b>
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**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:** Manned Destructive Suppression

**MODELS OF AIRCRAFT APPLICABLE:** F-16 Block 50/52

**DESCRIPTION/JUSTIFICATION:** The AN/ASQ-213 pod is the key component of the HARM Targeting System (HTS). The HTS pod senses radar emissions and provides targeting information to the F-16 Block 50/52 pilot and the HARM Missile. This permits launch using the missiles' most lethal 'range known' mode. The F-16 HTS provides the only USAF HARM Suppression of Enemy Air Defenses (SEAD) capability. The Air Force has a shortage of HTS Pods. During Operation Allied Force a significant portion of HTS assets were deployed causing home station aircrew training to cease due to lack of HTS pods. In FY 2001, 31 new HTS Release 6 (R6) configured pods were procured. FY 2004 - FY 2006 funds are for the HTS Microwave Circuit Board (MCB) re-layout as part of the ongoing HTS Service Life Extension Program (SLEP) and Producibility Enhancement Program. This effort improves pod producibility and reliability and is essential to affordable pod production in FY 2006 and beyond. FY 2006 funds are for procurement of 22 HTS Release 7 (R7) pods. Funds are programmed in FY 2007 - FY 2009 to procure approximately 27 additional R7 pods.

**PROJECTED FINANCIAL PLAN:**

	FY 2005	FY 2006	FY 2007
<b>BASIS FOR COST ESTIMATE:</b>			
	2.860	16.917	9.374
<b>TOTAL COST</b>	2.860	16.917	9.374

**UNCLASSIFIED**

<b>Exhibit P-1900, P-1900</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80</b>	P-1 Line Item Nomenclature <b>NAVSTAR Global Positioning System (GPS) User Equipment</b>
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**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

<b>PROJECT TITLE:</b>	NAVSTAR Global Positioning System (GPS) User Equipment
<b>MODELS OF AIRCRAFT APPLICABLE:</b>	A-10A,B-1B, B-2A,B-52H,C-5A/B/C,C-17A,C-20A/B/H,C-21A,C-38A, C-130, C-141B/C, C/KC-135, CV-22,VC-25A,E-3B/C, E-4B, E-8C, E-9A, F-15C/D/E, F-16C/D, F-117A,F/A-22, HH-60,KC-10A, MH-53J/M, RC-135, RQ-1A,T-38C,T-43A,U-2S, UH-1N, Global Hawk, Predator
<b>DESCRIPTION/JUSTIFICATION:</b>	Navstar GPS is a space-based navigation system that provides users with precise position, velocity, and time using passive receivers on a day/night all-weather world-wide basis. These funds provide for the procurement of user equipment technologies and associated costs for the above aircraft. This program also includes production engineering, testing, and other support to all GPS aircraft modifications.

**PROJECTED FINANCIAL PLAN:**

	FY 2005	FY 2006	FY 2007
<b>BASIS FOR COST ESTIMATE:</b>			
Non-recurring/Integration	28.033	11.521	10.888
<b>TOTAL COST</b>	28.033	11.521	10.888

**UNCLASSIFIED**

<b>Exhibit P-1900, P-1900</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 80</b>	P-1 Line Item Nomenclature <b>Pollution Prevention</b>
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**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:** Pollution Prevention

**MODELS OF AIRCRAFT APPLICABLE:** N/A

**DESCRIPTION/JUSTIFICATION:** Installations and Government Owned, Contractor Operated (GOCO) facilities throughout the Air Force require and are authorized equipment, facility projects, and services that must be acquired to accomplish the DoD and Air Force pollution prevention goals. These goals are a direct result of the Pollution Prevention Act of 1990, Montreal Protocol, Executive Order 12856 and 12873, the DoD Comprehensive Pollution Prevention Strategy, and the Air Force Pollution Prevention Strategy. This budget item identifies the pollution prevention initiatives required to reduce and prevent harmful releases of hazardous and toxic materials to the air, land, and water. It includes requirements such as refrigerant recovery equipment, recycling equipment, efforts to reduce solid waste generation, enhance hazardous material management practices, hazardous waste minimization efforts, and opportunity assessments to identify pollution prevention opportunities.

**PROJECTED FINANCIAL PLAN:**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>BASIS FOR COST ESTIMATE:</b>			
<b>TOTAL COST</b>	2.281	2.306	2.410

**UNCLASSIFIED**

<b>Exhibit P-40, Budget Item Justification</b>					Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 81</b>					P-1 Line Item Nomenclature <b>DEPOT MODERNIZATION</b>		
	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Proc Qty							
Total Proc Cost (\$ M)	84.805	113.989	1.370	15.211	24.222	0.000	0.000
<b>Description</b>							
<p>Depot Modernization provides new technology and state-of-the-art equipment to support the Air Force Depot Maintenance Strategy. Depot Modernization incorporates projects at each of the three Air Logistics Centers, and provides capability to meet current and future core requirements for avionics, instruments, oxygen components, software, fuel accessories and engines.</p>							
P-1 Shopping List Item No. 81					Budget Item Justification Exhibit P-40, page 1 of 2		

**UNCLASSIFIED**

<b>Exhibit P-1900, P-1900</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 81</b>	P-1 Line Item Nomenclature <b>DEPOT MODERNIZATION</b>
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**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:**

**MODELS OF AIRCRAFT APPLICABLE:**

A-10, B-1, B-2, B-52, C-5, C-17, C-130, E-3, E-6A, F-4, F-22, F-15, F-16, F-14, JSF, KC-135, T-37, T-38

**DESCRIPTION/JUSTIFICATION:**

Depot Modernization provides new technology and state-of-the-art equipment to support the Air Force Depot Maintenance Strategy. Depot Modernization incorporates projects at each of the three Air Logistics Centers, and provides capability to meet current and future core requirements for avionics, instruments, oxygen components, software, fuel accessories and engines. A multi-phased effort at OC-ALC will transform Bldg. 3001 into a state-of-the-art facility by implementing Lean/Cellular principles across the entire maintenance complex. The project incorporates a holistic approach, coupling Lean/Cellular design engineering with new and refurbished equipment that is key to achieving reduced flow days and increased throughput. The project includes design, shop floor preparations, new equipment purchase and refurbishment, equipment relocation and employee training. Similarly, the investment at OO-ALC is part of an overall Lean Manufacturing/Benchmarking effort that includes open-architecture state-of-the-art equipment and high velocity oxygen fuel thermal spray systems. WR-ALC projects transform outdated avionics integration software facility hardware/software to open industry standards. WR-ALC projects also include transformation of the metal bond process and the heat treat and sheetmetal manufacturing process.

**PROJECTED FINANCIAL PLAN:**

**BASIS FOR COST ESTIMATE:**

Benchmarking with Contractor/Industry Leaders

**TOTAL COST**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
Benchmarking with Contractor/Industry Leaders	84.805	113.989	1.370
<b>TOTAL COST</b>	<b>84.805</b>	<b>113.989</b>	<b>1.370</b>

**UNCLASSIFIED**

<b>Exhibit P-40, Budget Item Justification</b>					Date: February 2006		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 86</b>					P-1 Line Item Nomenclature <b>DARP</b>		
	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Proc Qty							
Total Proc Cost (\$ M)	73.723	67.522	13.000	0.000	0.000	0.000	0.000
<b>Description</b>							
This program provides centralized funding for multi-Service and Air Force requirements to field future airborne reconnaissance systems.							
P-1 Shopping List Item No. 86					Budget Item Justification Exhibit P-40, page 1 of 2		

<b>Exhibit P-1900, P-1900</b>	Date: February 2006
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Air Force, Budget Activity 07, Aircraft Support Equipment and Facilities, Item No. 86</b>	P-1 Line Item Nomenclature <b>DARP</b>
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**FY 2007 PRESIDENT'S BUDGET  
FACT SHEET  
(Dollars in Millions)**

**PROJECT TITLE:**

**MODELS OF AIRCRAFT APPLICABLE:**

N/A

**DESCRIPTION/JUSTIFICATION:**

Information pertaining to DARP programs is classified and available on a need-to-know basis. However, efforts include Mission Planning Systems, Airframe, Synthetic Aperture Radar, Avionics, Data Links, Defensive System, Electro/Optical Sensors, Engines, Life Support and Signals Intelligence (SIGINT).

**PROJECTED FINANCIAL PLAN:**

**BASIS FOR COST ESTIMATE:**

**TOTAL COST**

	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
	73.723	67.522	13.000
<b>TOTAL COST</b>	73.723	67.522	13.000