

DEPARTMENT OF THE NAVY  
FISCAL YEAR (FY) 2000/2001 BIENNIAL BUDGET  
ESTIMATES



JUSTIFICATION OF ESTIMATES  
FEBRUARY 1999

AIRCRAFT PROCUREMENT,NAVY  
Volume I:  
BUDGET ACTIVITIES 1-4

UNCLASSIFIED

Department of the Navy

FY 2000/2001 Procurement Program

Exhibit P-1

APPROPRIATION: 1506N Aircraft Procurement, Navy

DATE: February 1999

LINE NO	ITEM NOMENCLATURE	IDENT CODE	(DOLLARS)	TOA, \$ IN MILLIONS								S
			FY 2000 UNIT COST	-----FY 1998----- QUANTITY COST	-----FY 1999----- QUANTITY COST	-----FY 2000----- QUANTITY COST	-----FY 2001----- QUANTITY COST	E				
BUDGET ACTIVITY 01: Combat Aircraft												
-----												
Combat Aircraft												
1	0124 AV-8B (V/STOL)Harrier	A	25,103,250	12	304.5	12	295.7	12	301.2	8	244.3	U
	Less: Advance Procurement (PY)				-22.8		-17.5		-40.8		-45.6	
					-----		-----		-----		-----	
					281.7		278.2		260.4		198.7	
2	0124 AV-8B (V/STOL)Harrier	A			17.5		55.5		30.8			U
	Advance Procurement (CY)				17.5		-		-		-	U
	(FY 1998 for 1999) (MEMO)				-		40.8		-		-	
	(FY 1999 for 2000) (MEMO)				-		14.7		-		-	
	(FY 1999 for 2001) (MEMO)				-		-		30.8		-	
	(FY 2000 for 2001) (MEMO)				-		-		-		-	
3	0144 F/A-18C/D (Fighter) Hornet	A		8	272.5		-		-			U
4	0145 F/A-18E/F (Fighter) Hornet	B	77,808,556	20	2,256.7	30	2,848.9	36	2,801.1	42	2,894.9	U
	Less: Advance Procurement (PY)				-237.8		-87.4		-109.1		-105.5	
					-----		-----		-----		-----	
					2,018.9		2,761.5		2,692.0		2,789.4	
5	0145 F/A-18E/F (Fighter) Hornet	B			87.4		109.1		162.2		101.2	U
	Advance Procurement (CY)				87.4		-		-		-	U
	(FY 1998 for 1999) (MEMO)				-		109.1		-		-	
	(FY 1999 for 2000) (MEMO)				-		-		105.5		-	
	(FY 2000 for 2001) (MEMO)				-		-		18.9		-	
	(FY 2000 for 2002) (MEMO)				-		-		18.9		-	
	(FY 2000 for 2003) (MEMO)				-		-		18.9		-	
	(FY 2000 for 2004) (MEMO)				-		-		-		94.7	
	(FY 2001 for 2002) (MEMO)				-		-		-		3.3	
	(FY 2001 for 2003) (MEMO)				-		-		-		3.3	
	(FY 2001 for 2004) (MEMO)				-		-		-		-	
6	0164 V-22 (Medium Lift)	B	85,025,400	7	672.5	7	667.8	10	850.3	16	1,167.9	U
	Less: Advance Procurement (PY)				-55.9		-60.0		-53.9		-71.0	
					-----		-----		-----		-----	
					616.6		607.9		796.4		1,096.9	

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LINE NO	ITEM NOMENCLATURE	IDENT CODE	(DOLLARS)	TOA, \$ IN MILLIONS								S E C
			FY 2000 UNIT COST	FY 1998		FY 1999		FY 2000		FY 2001		
				QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	
7	0164 V-22 (Medium Lift) Advance Procurement (CY)	B			60.0		53.9		71.0		80.5	U
	(FY 1998 for 1999) (MEMO)				60.0		-		-		-	
	(FY 1999 for 2000) (MEMO)				-		53.9		-		-	
	(FY 2000 for 2001) (MEMO)				-		-		71.0		-	
	(FY 2001 for 2002) (MEMO)				-		-		-		80.5	
8	0165 AH-1W (Helicopter) Sea Cobra	A			-		-		2.0		2.4	U
9	0178 UH-1Y/AH-1Z				-		-		-		.8	U
10	0182 SH-60R		30,956,000		-		-	7	216.7	9	266.2	U
11	0195 E-2C (Early Warning) Hawkeye Less: Advance Procurement (PY)	A	82,733,000	4	314.9	3	233.7	3	248.2	5	361.9	U
					-22.2		-18.8		-37.7		-114.2	
					292.7		214.9		210.5		247.8	
12	0195 E-2C (Early Warning) Hawkeye Advance Procurement (CY)	A			18.8		182.4		172.6		68.1	U
	(FY 1998 for 1999) (MEMO)				18.8		-		-		-	
	(FY 1999 for 2000) (MEMO)				-		37.7		-		-	
	(FY 1999 for 2001) (MEMO)				-		48.1		-		-	
	(FY 1999 for 2002) (MEMO)				-		48.6		-		-	
	(FY 1999 for 2003) (MEMO)				-		48.1		-		-	
	(FY 2000 for 2001) (MEMO)				-		-		66.1		-	
	(FY 2000 for 2002) (MEMO)				-		-		53.2		-	
	(FY 2000 for 2003) (MEMO)				-		-		53.2		-	
	(FY 2001 for 2002) (MEMO)				-		-		-		40.6	
	(FY 2001 for 2003) (MEMO)				-		-		-		27.6	
TOTAL	Combat Aircraft				3,666.2		4,263.4		4,614.6		4,852.0	

\* ITEMS UNDER \$50,000

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APPROPRIATION: 1506N Aircraft Procurement, Navy

DATE: February 1999

LINE NO	ITEM NOMENCLATURE	IDENT CODE	(DOLLARS)	TOA, \$ IN MILLIONS								S
			FY 2000 UNIT COST	-----FY 1998----- QUANTITY	COST	-----FY 1999----- QUANTITY	COST	-----FY 2000----- QUANTITY	COST	-----FY 2001----- QUANTITY	COST	
BUDGET ACTIVITY 02: Airlift Aircraft												
-----												
Airlift Aircraft												
13	0240 CH-60S		18,044,385	1	29.7	5	111.1	13	234.6	18	279.1	U
	Less: Advance Procurement (PY)				-		-		-26.1		-73.8	
					-----		-----		-----		-----	
					29.7		111.1		208.5		205.3	
14	0240 CH-60S				-		26.1		73.8		73.8	U
	Advance Procurement (CY)				-		26.1		-		-	U
	(FY 1999 for 2000) (MEMO)				-		-		73.8		-	
	(FY 2000 for 2001) (MEMO)				-		-		-		73.8	
	(FY 2001 for 2002) (MEMO)				-		-		-		-	
15	0244 UC-35	B			-		-		-	2	11.8	U
16	0246 C-40A	A	49,029,000		-		-	1	49.0		-	U
17	0248 C-37	A			-		-		-	1	41.1	U
					-----		-----		-----		-----	
TOTAL	Airlift Aircraft				29.7		137.2		331.3		331.9	

\* ITEMS UNDER \$50,000

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Department of the Navy

FY 2000/2001 Procurement Program

Exhibit P-1

APPROPRIATION: 1506N Aircraft Procurement, Navy

DATE: February 1999

LINE NO	ITEM NOMENCLATURE	IDENT CODE	(DOLLARS)	TOA, \$ IN MILLIONS								S E C
			FY 2000 UNIT COST	FY 1998		FY 1999		FY 2000		FY 2001		
				QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	
BUDGET ACTIVITY 03: Trainer Aircraft												
Trainer Aircraft												
18	0338 T-45TS (Trainer) Goshawk Less: Advance Procurement (PY)	A	22,230,200	15	302.0	15	298.2	15	333.5	15	316.1	U
					-25.4		-6.0		-8.0		-9.6	
					276.6		292.2		325.5		306.5	
19	0338 T-45TS (Trainer) Goshawk Advance Procurement (CY) (FY 1998 for 1999) (MEMO) (FY 1999 for 2000) (MEMO) (FY 2000 for 2001) (MEMO) (FY 2001 for 2002) (MEMO)	A			6.0		8.0		9.6		9.7	U
					6.0		-		-		-	
					-		8.0		-		-	
					-		-		9.6		-	
					-		-		-		9.7	
20	0339 JPATS	B	5,603,250		-		-	8	44.8	24	82.3	U
					-		-		-		-	
					282.6		300.2		379.9		398.5	
TOTAL Trainer Aircraft					282.6		300.2		379.9		398.5	

\* ITEMS UNDER \$50,000

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Department of the Navy

FY 2000/2001 Procurement Program

Exhibit P-1

APPROPRIATION: 1506N Aircraft Procurement, Navy

DATE: February 1999

			TOA, \$ IN MILLIONS									
LINE		IDENT	(DOLLARS)	-----FY 1998-----		-----FY 1999-----		-----FY 2000-----		-----FY 2001-----		S
NO	ITEM NOMENCLATURE	CODE	FY 2000 UNIT COST	QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	QUANTITY	COST	E C
BUDGET ACTIVITY 04: Other Aircraft												
-----												
Other Aircraft												
21	0416 KC-130J	B		2	117.1	2	112.1		12.3			4.8 U
TOTAL Other Aircraft					117.1		112.1		12.3			4.8

\* ITEMS UNDER \$50,000

UNCLASSIFIED

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Department of the Navy

FY 2000/2001 Procurement Program - Reserve Component

Exhibit P-1R

APPROPRIATION: 1506N Aircraft Procurement, Navy

DATE: February 1999

LINE NO	ITEM NOMENCLATURE	IDENT CODE	(DOLLARS)	TOA, \$ IN MILLIONS								S E C
			FY 2000 UNIT COST	-----FY 1998----- QUANTITY	COST	-----FY 1999----- QUANTITY	COST	-----FY 2000----- QUANTITY	COST	-----FY 2001----- QUANTITY	COST	
BUDGET ACTIVITY 02: Airlift Aircraft												
-----												
Airlift Aircraft												
1	0246 C-40A(RESERVE)	A	49,029,000	-	-	1	49.0	-	-	-	U	
TOTAL Airlift Aircraft				-	-		49.0	-	-	-	-	

\* ITEMS UNDER \$50,000

UNCLASSIFIED

Aircraft Procurement, Navy  
Program and Financing (in Thousands of dollars)

Budget Plan (amounts for PROCUREMENT  
actions programed)

Identification code	17-1506-0-1-051	1998 actual	1999 est.	2000 est.	2001 est.
-----					
Program by activities:					
Direct program:					
00.0101	Combat aircraft	3,666,192	4,263,383	4,614,610	4,852,020
00.0201	Airlift aircraft	29,684	137,226	331,314	331,931
00.0301	Trainer aircraft	282,570	300,158	379,854	398,547
00.0401	Other aircraft	117,143	112,072	12,257	4,799
00.0501	Modification of aircraft	1,473,529	1,594,404	1,504,977	1,193,151
00.0601	Aircraft spares and repair parts	676,710	734,016	871,820	858,349
00.0701	Aircraft support equipment and facilities	342,386	365,098	513,823	372,083
		-----	-----	-----	-----
00.9101	Total direct program	6,588,214	7,506,357	8,228,655	8,010,880
01.0101	Reimbursable program	645	7,100	7,100	7,100
		-----	-----	-----	-----
10.0001	Total	6,588,859	7,513,457	8,235,755	8,017,980
-----					
Financing:					
Offsetting collections from:					
11.0001	Federal funds(-)	-645	-7,100	-7,100	-7,100
17.0001	Recovery of prior year obligations				
Unobligated balance available, start of year:					
21.4002	For completion of prior year budget plans				
21.4003	Available to finance new budget plans	-29,200			
21.4009	Reprogramming from/to prior year budget plans	-10,785			
Unobligated balance available, end of year:					
24.4002	For completion of prior year budget plans				
25.0001	Unobligated balance expiring	10,785			
		-----	-----	-----	-----
39.0001	Budget authority	6,559,014	7,506,357	8,228,655	8,010,880
-----					
Budget authority:					
40.0001	Appropriation	6,506,244	7,519,709	8,228,655	8,010,880
40.1501	Appropriation (emergency)	272,500			
40.7601	Reduction pursuant to P.L. 105-56 (-), 8041	-118,293			
41.0001	Transferred to other accounts (-)	-102,977	-13,352		
42.0001	Transferred from other accounts	1,540			
		-----	-----	-----	-----
43.0001	Appropriation (adjusted)	6,559,014	7,506,357	8,228,655	8,010,880
-----					

Aircraft Procurement, Navy  
Program and Financing (in Thousands of dollars)

Obligations

Identification code	17-1506-0-1-051	1998 actual	1999 est.	2000 est.	2001 est.
-----					
Program by activities:					
Direct program:					
00.0101	Combat aircraft	3,940,615	3,722,295	4,238,565	4,775,206
00.0201	Airlift aircraft	8,753	125,891	281,089	318,209
00.0301	Trainer aircraft	333,586	257,612	342,828	388,854
00.0401	Other aircraft	132,547	95,747	26,573	13,428
00.0501	Modification of aircraft	1,661,628	1,493,805	1,439,302	1,268,011
00.0601	Aircraft spares and repair parts	695,027	575,533	790,446	851,667
00.0701	Aircraft support equipment and facilities	366,310	307,118	457,049	392,854
		-----	-----	-----	-----
00.9101	Total direct program	7,138,466	6,578,001	7,575,852	8,008,229
01.0101	Reimbursable program	6,737	7,700	7,145	7,100
		-----	-----	-----	-----
10.0001	Total	7,145,203	6,585,701	7,582,997	8,015,329
-----					
Financing:					
Offsetting collections from:					
11.0001	Federal funds(-)	-3,591	-7,100	-7,100	-7,100
17.0001	Recovery of prior year obligations	-25,496			
Unobligated balance available, start of year:					
21.4002	For completion of prior year budget plans	-1,295,981	-757,294	-1,685,050	-2,337,808
21.4003	Available to finance new budget plans	-29,200			
21.4009	Reprogramming from/to prior year budget plans				
Unobligated balance available, end of year:					
24.4002	For completion of prior year budget plans	757,294	1,685,050	2,337,808	2,340,459
25.0001	Unobligated balance expiring	10,785			
		-----	-----	-----	-----
39.0001	Budget authority	6,559,014	7,506,357	8,228,655	8,010,880
-----					
Budget authority:					
40.0001	Appropriation	6,506,244	7,519,709	8,228,655	8,010,880
40.1501	Appropriation (emergency)	272,500			
40.7601	Reduction pursuant to P.L. 105-56 (-), 8041	-118,293			
41.0001	Transferred to other accounts (-)	-102,977	-13,352		
42.0001	Transferred from other accounts	1,540			
		-----	-----	-----	-----
43.0001	Appropriation (adjusted)	6,559,014	7,506,357	8,228,655	8,010,880
-----					

Aircraft Procurement, Navy  
Program and Financing (in Thousands of dollars)

Obligations

Identification code	17-1506-0-1-051	1998 actual	1999 est.	2000 est.	2001 est.
-----					
Relation of obligations to outlays:					
71.0001	Obligations incurred	7,141,612	6,578,601	7,575,897	8,008,229
72.1001	From Federal sources: Receivables and unpaid, unfilled orders, SOY	9,194	1,808	1,808	1,808
72.4001	Obligated balance, start of year	7,927,332	9,066,831	9,045,439	9,495,143
74.1001	From Federal sources: Receivables and unpaid, unfilled orders, EOY	-1,808	-1,808	-1,808	-1,808
74.4001	Obligated balance, end of year	-9,066,831	-9,045,439	-9,495,143	-9,948,267
77.0001	Adjustments in expired accounts (net)	-138,715			
78.0001	Adjustments in unexpired accounts	-25,496			
-----					
90.0001	Outlays (net)	5,845,287	6,599,993	7,126,193	7,555,105
-----					

Aircraft Procurement, Navy  
Object Classification (in Thousands of dollars)

Identification code	17-1506-0-1-051	1998 actual	1999 est.	2000 est.	2001 est.
-----					
Direct obligations:					
125.101	Advisory and assistance services	96,932	99,594	105,319	101,865
	Purchases goods/services from Government accounts				
125.303	Purchases from revolving funds	516,783	411,403	389,063	331,425
126.001	Supplies and materials	373,578	323,766	216,775	219,119
131.001	Equipment	6,151,173	5,743,238	6,864,695	7,355,820
		-----	-----	-----	-----
199.001	Total Direct obligations	7,138,466	6,578,001	7,575,852	8,008,229
Reimbursable obligations:					
231.001	Equipment	6,737	7,700	7,145	7,100
		-----	-----	-----	-----
299.001	Total Reimbursable obligations	6,737	7,700	7,145	7,100
		-----	-----	-----	-----
999.901	Total obligations	7,145,203	6,585,701	7,582,997	8,015,329

**COMPARISON OF FY 1998 PROGRAM REQUIREMENTS AS REFLECTED IN FY 1999 PRESIDENT'S BUDGET  
WITH FY 1998 PROGRAM REQUIREMENTS SHOWN IN FY 2000 PRESIDENT'S BUDGET**

(In Thousands of Dollars)

	<u>Total Program Requirements per FY 1999 Budget</u>	<u>Total Program Requirements per FY 2000 Budget</u>	<u>Increase (+) or Decrease (-)</u>
Combat Aircraft .....	\$ 3,391,481	3,666,192	\$ +274,711
Airlift Aircraft.....	29,684	29,684	
Trainer Aircraft .....	284,673	282,570	-2,103
Other Aircraft.....	117,143	117,143	
Modification of Aircraft.....	1,468,478	1,473,529	+5,051
Aircraft Spares and Repair Parts.....	663,364	676,710	+13,346
Aircraft Support Equipment and Facilities .....	332,706	342,386	+9,680
Reimbursable Program.....	<u>7,100</u>	<u>645</u>	<u>-6,455</u>
<b>TOTAL FISCAL YEAR PROGRAM.....</b>	<b>\$ 6,294,629</b>	<b>\$ 6,588,859</b>	<b>\$+294,230</b>

**EXPLANATION BY BUDGET ACTIVITY (B. A.)**

**Combat Aircraft (+\$274.711 million):**

Major changes in this budget activity include the DOD Supplemental for F-18 C/D for procurement of 8 aircraft (+\$272.5 million); an unrealized reprogramming, that had been anticipated in the FY 1999 President's Budget submission, from the F/A-18 E/F aircraft program to RDT&E appropriation (+\$26 million); a reduction to the F/A-18 E/F aircraft program for the FY 1998 Military Personnel, Navy reprogramming (-\$14.855

million); a BTR from P-3 Series to V-22 aircraft to fund target to ceiling costs on prime contract (+6.886 million); a BTR from AV-8 Series to the AV-8 aircraft program to fund critical support shortfalls (+\$7.2 million); and multiple below threshold reprogrammings (BTRs) to execute current program requirements (-\$23.02 million).

**Trainer Aircraft (-\$2.103 million)**

Minor adjustments in this budget activity include a realignment from T-45TS Trainer to Other Production Changes for Government Furnished Equipment Support (-\$.189 million), a BTR from T-45TS Trainer aircraft program to the Trainer Aircraft Series program for the CT-39G modification program for GPS (-\$1.35 million) and various other slight adjustments to effectively accomplish planned program objectives (-\$.564 million).

**Modification of Aircraft (+\$5.051 million):**

Major changes in this budget activity are the following adjustments for unrealized offsets, that had been anticipated in the FY 1999 President's Budget, for the FY 1998 Military Personnel, Navy reprogramming: AH-1W Series (+\$11 million), H-1 Series (+\$2 million), and F-18 Series (+\$6 million); a reduction to the Common Avionics program for the FY 1998 Military Personnel, Navy reprogramming (-\$3.5 million); a transfer for Counter Drug Interdiction support (+\$1.54 million); a BTR from AV-8 Series to the AV-8 aircraft program to fund critical support shortfalls (-\$7.2 million); a BTR from P-3 Series to V-22 aircraft to fund target to ceiling costs on prime contract (-\$6.886 million) and multiple minor BTR actions to effectively execute program requirements (+\$2.097 million).

**Spares (+\$13.346 million):**

Changes in this budget activity are a BTR action from various other budget activities to fund Aviation Outfitting shortfalls (+\$11.508 million); and several BTR actions to effectively execute current program requirements including internal realignments within the Spares account to fund AOA shortfalls, E-6A requirements, and P-3 AIP spares requirements (+\$1.838 million).

**Aircraft Support Equipment and Facilities (+\$9.68 million):**

Changes in this budget activity are several BTR actions to fund First Destination Transportation Charges (+\$3 million); various BTR actions to fund Canceled Account Adjustments (+\$7.481 million); and several BTR actions to execute current requirements (-\$.801 million).

**Reimbursable Program (-\$6.455 million):**

Actual reimbursable program collections are less than were anticipated in the budget plan.

**COMPARISON OF FY 1998 FINANCING AS REFLECTED IN FY 1999 PRESIDENT'S BUDGET  
WITH FY 1998 FINANCING SHOWN IN FY 2000 PRESIDENT'S BUDGET**

(In Thousands of Dollars)

	<u>Financing per FY 1999 Budget</u>	<u>Financing per FY 2000 Budget</u>	<u>Increase (+) or Decrease (-)</u>
<b>Program Requirements (Total)</b> .....	6,294,629	6,588,859	+294,230
Program Requirements (Service account) .....	6,287,529	6,588,214	+300,685
Program Requirements (Reimbursable).....	7,100	645	-6,455
<b>Less:</b>			
<b>Anticipated Reimbursements</b> .....	7,100	645	+6,455
<b>Available to finance new budget plans</b> .....	24,000	29,200	-5,200
<b>Unobligated balance expiring</b> .....		10,785	-10,785
<b>Transferred from other account</b> .....		1,540	-1,540
<b>Appropriation (emergency)</b> .....		272,500	-272,500
<b>Add:</b>			
<b>Transferred to other accounts</b> .....	129,622	102,977	-26,645
<b>Appropriation Rescinded (unoblig. balance)</b> ..	24,000		-24,000
<b>Reduction pursuant P.L. 105-56</b> .....	118,293	118,293	
<b>Reprogrammings from/to prior year budgets</b> .		10,785	+10,785
<b>Appropriation</b> .....	6,535,444	6,506,244	-29,200

**EXPLANATION OF CHANGES IN FINANCING**

The change in program financing of \$294,230,000 is due to increased program account needs (+\$300,685,000) explained previously plus fewer actual orders than anticipated in the reimbursable account (-\$6,455,000).

Financing changes reduce the appropriation by the new amount of -\$29,200,000. Financing adjustments include transfers of -\$26,645,000, -\$24,000,000 relating to unobligated balances, and +\$10,785,000 for reprogrammings associated with prior year budget plans. These were offset by +\$6,455,000 anticipated reimbursables, -\$5,200,000 funds to finance new budget plans, -\$10,785,000 unobligated balances expiring, -\$1,540,000 transferred from other accounts, and -\$272,500,000 for an emergency supplemental appropriation.

**COMPARISON OF FY 1999 PROGRAM REQUIREMENTS AS REFLECTED IN FY 1999 PRESIDENT'S BIENNIAL BUDGET  
WITH FY 1999 PROGRAM REQUIREMENTS SHOWN IN FY 2000 PRESIDENT'S BUDGET**

(In Thousands of Dollars)

	<u>Total Program Requirements per FY 1999 Budget</u>	<u>Total Program Requirements per FY 2000 Budget</u>	<u>Increase (+) or Decrease (-)</u>
Combat Aircraft .....	\$ 4,289,737	\$ 4,263,383	\$ -26,354
Airlift Aircraft.....	132,187	137,226	+5,039
Trainer Aircraft .....	342,826	300,158	-42,668
Other Aircraft.....	0	112,072	+112,072
Modification of Aircraft.....	1,594,602	1,594,404	-198
Aircraft Spares and Repair Parts.....	727,838	734,016	+ 6,178
Aircraft Support Equipment and Facilities .....	379,544	365,098	- 14,446
Reimbursable Program.....	<u>7,100</u>	<u>7,100</u>	<u>-</u>
<b>TOTAL FISCAL YEAR PROGRAM.....</b>	<b>\$7,473,834</b>	<b>\$ 7,513,457</b>	<b>\$+ 39,623</b>

**EXPLANATION BY BUDGET ACTIVITY**

**Combat Aircraft (-\$26.354 million):**

Major changes in this budget activity include Congressional action to reduce the AV-8B (VSTOL) Harrier aircraft program (-\$3.2 million) and the F/A-18 E/F (Fighter) Hornet program (-\$15 million); the following Congressional reductions: Revised Economic Assumptions (-\$12.445 million) and Advisory and Assistance Services (-\$5.209 million); and a BTR action from the E-2C modification program to the E-2C aircraft program for a propeller engineering change proposal (+\$9.5 million).

**Airlift Aircraft (+\$5.039 million):**

Major changes in this budget activity include Congressional action only to procure 1 CH-60 helicopter (+\$19 million); the following Congressional reductions: Revised Economic Assumptions (-\$.44 million), and Advisory and Assistance Services (-\$.169 million); and a reprogramming from the CH-60 helicopter aircraft program to the CH-60 Research, Development, Test and Evaluation (RDT&E) program within the RDT&E appropriation (-\$13.352 million).

**Trainer Aircraft (-\$42.668 million):**

Major changes in this budget activity include Congressional action to increase T-45TS Trainer aircraft funding (+\$10.9 million) and reduce the T-45TS Advanced Procurement program due to disapproval of the Multiyear acquisition strategy (-\$52.159 million); and the following Congressional reductions: Revised Economic Assumptions (-\$.878 million), and Advisory and Assistance Services (-\$.531 million).

**Other Aircraft (+\$112.072 million):**

Major changes in this budget activity include Congressional action to procure 2 KC-130J aircraft for the Marine Corps (\$112.4 million); and a Congressional reduction for Revised Economic Assumptions (-\$.328 million).

**Modification of Aircraft (-\$.198 million)**

Major changes in this budget activity include Congressional action to the following modification programs: Common Avionics Changes (-\$2 million), AH-1 Series (+\$.5.5 million), H-1 Series (+\$8 million), AV-8 Series (-\$12.6 million), P-3 Series (\$23 million), EP-3 Series (+\$2 million), ES-3 Series (-\$5.172 million), EA-6 Series (+\$20 million), E-2 Series (+\$2 million), F-14 Series (-\$7.3 million), F-18 Series (-\$3.9 million), and Common ECM Equipment (-\$.3 million); the following Congressional reductions: Revised Economic Assumptions (-\$4.72 million), and Advisory and Assistance Services (-\$6.906 million); a BTR action from E-2C Series to the E-2C aircraft program (-\$9.5 million); and a few BTRs within this budget activity to meet current program requirements.

**Aircraft Spares and Repair Parts (+\$6.178 million):**

Changes in this budget activity consist of a Congressional reduction for Revised Economic Assumptions (-\$2.122 million); and a few BTRs within this budget activity to meet current program requirements.

**Aircraft Support Equipment and Facilities (-\$14.446 million):**

Major changes in this budget activity include the following Congressional actions: a reduction to Common Ground Equipment (-\$9 million); a reduction from the Aircraft Industrial Facilities (-\$1.8 million) and the following Congressional reductions: Revised Economic Assumptions (-\$1.067 million), and Advisory and Assistance Services (-\$2.579 million).

**COMPARISON OF FY 1999 FINANCING AS REFLECTED IN FY 1999 BIENNIAL BUDGET  
WITH FY 1999 FINANCING SHOWN IN FY 2000 PRESIDENT'S BUDGET**

(In Thousands of Dollars)

	<b>Financing per FY 1999 <u>Budget</u></b>	<b>Financing per FY 2000 <u>Budget</u></b>	<b>Increase (+) or <u>Decrease (-)</u></b>
<b>Program Requirements (Total)</b> .....	7,473,834	7,513,457	+39,623
<b>Program Requirements (Service account)</b> .....	7,466,734	7,506,357	+39,623
<b>Program Requirements (Reimbursable)</b> .....	7,100	7,100	
<b>Less:</b>			
<b>Anticipated Reimbursements</b> .....	7,100	7,100	
<b>Add:</b>			
<b>Transferred to other accounts</b> .....	<u>                    </u>	<u>13,352</u>	<u>+13,352</u>
<b>Appropriation</b> .....	7,466,734	7,519,709	+52,975

**EXPLANATION OF CHANGES IN FINANCING**

The change in program requirements of \$39,623,000 is the result of specific Congressional increases of \$226,200,000 and specific reductions of -\$135,831,000 which were offset by Congressionally directed decreases for Revised Economic Assumptions (-\$22,000,000), Advisory and Assistance Services (-\$15,394,000), and a Departmental reprogramming of (-\$13,352,000), as previously explained.

A financing change increases the appropriation to the new amount of \$52,975,000. The only financing adjustment is a transfer of \$13,352,000.

## **AIRCRAFT PROCUREMENT, NAVY**

For construction, procurement, production, modification and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefore; specialized equipment; expansion of public and private plants, including the land necessary therefore, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; \$8,228,655,000 to remain available for obligation until September 30, 2002.

## **FINANCING**

FY 2000 budget plan of \$8,228,655,000 for the Aircraft Procurement, Navy appropriation is to be financed by new obligational authority.

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET  
P-40

DATE: (Amended)  
**February 1999**

APPROPRIATION/BUDGET ACTIVITY <b>Aircraft Procurement, Navy</b>								P-1 ITEM NOMENCLATURE <b>AV-8B Remanufacture (MYP)</b>					
Program Element for Code B Items:								Other Related Program Elements					
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total Program
QUANTITY	16		12	12	12	12	8						72
Net P-1 Cost (\$M)	463.236	A	330.786	281.670	278.230	260.444	230.730						1845.096
Advance Proc (\$M)	51.759	A	22.832	17.505	55.524	30.832							178.452
Wpn Sys Cost (\$M)	514.995	A	353.618	299.175	333.754	291.276	230.730						2023.548
Initial Spares (\$M)	14.856	A	5.076	24.724	24.373	16.456	8.376						93.861
Proc Cost (\$M)	529.851		358.694	323.899	358.127	307.732	239.106						2117.409
Unit Cost (\$M)	33.116		29.891	26.992	29.844	25.644	29.888						29.408

Description:

MISSION: The AV-8B meets the Marine Corps requirements for a light attack aircraft to provide responsive offensive air power that can operate from austere forward bases in direct support of ground forces.

DESCRIPTION: The AV-8B Remanufacture program converts older AV-8B day attack configured aircraft to the most recent production radar/night attack Harrier II Plus configuration. The AV-8B (Harrier II) is a second generation, vertical/short takeoff and landing (V/STOL), light attack jet aircraft utilized by the USMC. The AV-8B is a responsive, versatile, and dispersable aircraft capable of being operated from air-capable ships and/or ashore in support of marine operations.

BASIS FOR REQUEST: This budget requests funds for procurement of 12 aircraft in FY 2000. The multiyear contract is fully funded with separately identified advance procurement dollars to fund economic order quantities (EOQ).

P-1 SHOPPING LIST

CLASSIFICATION:

FY00 President's Budget (Amended)  
P-5 Cost Sheet

AIRCRAFT COST ANALYSIS

Date: February 1999

Aircraft model: AV-8B

\$ in thousands

	Prior Years	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001	
		Qty: 12	Qty: 12	Qty: 12	Qty: 12	Qty: 12	Qty: 12	Qty: 8			
	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>								
1 Airframe CFE	330,018,324	16,104,605	193,255,264	15,101,469	181,217,624	14,922,244	179,066,923	15,199,044	182,388,534	15,480,843	123,846,745
2 CFE Electronics											
3 GFE Electronics	8,266,206	717,422	8,609,061	606,716	7,280,595	651,212	7,814,543	659,810	7,917,719	683,156	5,465,245
4 Engines/Eng Acc	67,291,080	4,039,998	48,479,975	4,220,980	50,651,755	3,965,351	47,584,217	3,692,363	44,308,357	3,825,622	30,604,977
5 Armament											
6 Other GFE	877,924	748,821	8,985,856	869,146	10,429,748	817,218	9,806,612	881,484	10,577,805	843,303	6,746,428
7 Rec Flyaway ECO											
8 Rec Flyaway Cost	406,453,534	21,610,846	259,330,156	20,798,310	249,579,722	20,356,025	244,272,295	20,432,701	245,192,415	20,832,924	166,663,395
9 Non-Recur Cost	16,361,163		6,781,148		6,465,468						2,085,824
10 Ancillary Equip											
11											
12 Total Flyaway	422,814,697	22,175,942	266,111,304	21,337,099	256,045,190	20,356,025	244,272,295	20,432,701	245,192,415	21,093,652	168,749,219
13 Airframe PGSE	10,005,509		10,219,614		5,399,500		7,221,000		10,143,438		13,248,166
14 Engine PGSE	1,515,578		2,678,191		1,807,600		910,000		1,942,547		1,027,553
15 Avionics PGSE	20,651,968		30,023,680		10,393,240		15,240,000		11,814,427		13,348,278
16 Pec Trng Eq	8,173,270		12,196,067		493,982		5,750,000		5,002,795		21,467,569
17 Pub/Tech Eq	5,498,659		4,738,630		2,819,301		2,674,000		2,723,346		8,072,780
18 Prod Eng Supt	18,607,051		18,975,916		19,946,477		16,336,735		16,647,924		35,269,269
19 ILS/REL Dem	6,146,674		7,424,598		7,596,710		3,331,455		7,771,956		15,108,318
20											
21 Support Cost	70,598,709		86,256,696		48,456,810		51,463,190		56,046,433		107,541,933
22 Gross P-1 Cost	493,413,406		352,368,000		304,502,000		295,735,485		301,238,848		276,291,152
23 Adv Proc Credit	-30,177,100		-21,582,000		-22,832,000		-17,505,485		-40,794,848		-45,561,152
24 Net P-1 Cost	463,236,306		330,786,000		281,670,000		278,230,000		260,444,000		230,730,000
25 Adv Proc CY	51,759,100		22,832,000		17,505,485		55,524,000		30,832,000		
26 Weapon System Cost	514,995,406		353,618,000		299,175,485		333,754,000		291,276,000		230,730,000
27 Initial Spares	14,856,000		5,076,000		24,724,000		24,373,000		16,456,000		8,376,000
28 Procurement Cost	529,851,406		358,694,000		323,899,485		358,127,000		307,732,000		239,106,000

P-1 SHOPPING LIST

ITEM NO PAGE NO  
1 2

FY00 President's Budget (Amended)  
P-5 Cost Sheet

Date: February 1999

COST ANALYSIS

Aircraft model: **AV-8B**

\$ in thousands

	FY 2002		FY 2003		FY 2004		FY 2005		To Complete Cost	TOTAL COST
	Qty: 0	0								
Prior Years Total Cost	Unit Cost	Total Cost								
1 Airframe CFE	0	0	0	0	0	0	0	0	0	1,189,793,414
2 CFE Electronics	0	0	0	0	0	0	0	0	0	0
3 GFE Electronics	0	0	0	0	0	0	0	0	0	45,353,369
4 Engines/Eng Acc	0	0	0	0	0	0	0	0	0	288,920,361
5 Armament	0	0	0	0	0	0	0	0	0	0
6 Other GFE	0	0	0	0	0	0	0	0	0	47,424,373
7 Rec Flyaway ECO	0	0	0	0	0	0	0	0	0	0
8 Rec Flyaway Cost	0	0	0	0	0	0	0	0	0	1,571,491,517
9 Non-Recur Cost	0	0	0	0	0	0	0	0	0	31,693,603
10 Ancillary Equip	0	0	0	0	0	0	0	0	0	0
11										0
12 Total Flyaway	0	0	0	0	0	0	0	0	0	1,603,185,120
13 Airframe PGSE		0		0		0		0	0	56,237,227
14 Engine PGSE		0		0		0		0	0	9,881,469
15 Avionics PGSE		0		0		0		0	0	101,471,593
16 Pec Trng Eq		0		0		0		0	0	53,083,683
17 Pub/Tech Eq		0		0		0		0	0	26,526,716
18 Other ILS		0		0		0		0	0	125,783,372
19 Prod Eng Supt		0		0		0		0	0	47,379,711
20										
21 Support Cost		0		0		0		0	0	420,363,771
22 Gross P-1 Cost		0		0		0		0	0	2,023,548,891
23 Adv Proc Credit		0		0		0		0	0	(178,452,585)
24 Net P-1 Cost		0		0		0		0	0	1,845,096,306
25 Adv Proc CY		0		0		0		0	0	178,452,585
26 Weapon System Cost		0		0		0		0	0	2,023,548,891
27 Initial Spares		0		0		0		0	0	93,861,000
28 Procurement Cost		0		0		0		0	0	2,117,409,891

P-1 SHOPPING LIST

# UNCLASSIFIED

CLASSIFICATION:

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System <b>AV-8B</b>		A. DATE (Amended) <b>February 1999</b>			
B. APPROPRIATION/BUDGET ACTIVITY <b>Aircraft Procurement, Navy                      BUDGET ACTIVITY 1</b>					C. P-1 ITEM NOMENCLATURE <b>AV-8B REMANUFACTURE AIRFRAME (MYP)</b>				SUBHEAD <b>U1CC/U1AK</b>	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
Regular/ 1998	12	15,101	NAVAIR	Nov-96	SS/FFP	Boeing, St. Louis	1/98	11/99	YES	N/A
Advance/ 1998			NAVAIR	Oct-97	SS/AAC	Boeing, St. Louis	7/98			
Regular / 1999	12	14,922	NAVAIR		MYP/FFP	Boeing, St. Louis	2/99*	10/00	YES	N/A
Advance / 1999			NAVAIR	Jan-98	MYP/AAC	Boeing, St. Louis	3/99			
Regular / 2000	12	15,199	NAVAIR		MYP/FFP	Boeing, St Louis	10/99	10/01	YES	N/A
Advance / 2000			NAVAIR	Jan-98	MYP/AAC	Boeing, St. Louis	3/00			

D. REMARKS  
 \*Liability funding obligated 12/98; multiyear procurement (MYP) in negotiations; contract award anticipated 2/99.  
  
 Boeing contract priced at the OSD directed Foreign Exchange Rate (\$1.65) for British Sterling. (FY99-FY01)

CLASSIFICATION:

**UNCLASSIFIED**

B. APPROPRIATION/BUDGET ACTIVITY					C. P-1 ITEM NOMENCLATURE				SUBHEAD	
Aircraft Procurement, Navy BUDGET ACTIVITY 1					AV-8B REMANUFACTURE ENGINE				U1CC/U1AK	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
Regular / 1998	12	4,221	NAVAIR	Apr-96	SS/FFP	Rolls Royce, Bristol UK	1/98	5/99	YES	N/A
Advance/ 1998			NAVAIR	Jun-98	SS/AAC	Rolls Royce, Bristol UK	9/98			
Regular / 1999	12	3,965	NAVAIR		SS/FFP	Rolls Royce, Bristol UK	3/99	4/00	YES	N/A
Advance / 1999			NAVAIR	Jun-98	SS/AAC	Rolls Royce, Bristol UK	4/99			
Regular / 2000	12	3,692	NAVAIR		SS/FFP	Rolls Royce, Bristol UK	10/99	4/01	YES	N/A
Advance/ 2000			NAVAIR	Jun-98	SS/AAC	Rolls Royce, Bristol UK	4/00			

D. REMARKS

Unit cost includes amortized Private Venture Non-recurring Recoupment (PVNR) costs through the sixth unit of the FY 99 buy.  
Rolls Royce contract priced at the OSD directed Foreign Exchange Rate (\$1.56) for British Sterling.





FY 2000/2001 BUDGET PRODUCTION SCHEDULE, P-21						DATE February 1999																										
APPROPRIATION/BUDGET ACTIVITY						Weapon System					P-1 ITEM NOMENCLATURE																					
AIRCRAFT PROCUREMENT, NAVY						AV-8B					AV-8B ENGINES																					
						Production Rate			Procurement Leadtimes																							
Item		Manufacturer's Name and Location				MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																		
AV-8B REMANUFACTURE ENGINES		ROLLS-ROYCE, LTD BRISTOL, ENGLAND				8	8	20	9	7		24	31																			
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 1998												FISCAL YEAR 1999												B A L	
							97						CALENDAR YEAR 1998						CALENDAR YEAR 1999													
							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		
FY 96 INSTALLS		96	N	8	4	4				1	1	1	1																			
FY 96 SPARES		96	N	2	1	1	1																									
FY 97 INSTALLS		97	N	12	0	12		1	1			1	1	2	2	1	1		1	1												
FY 97 SPARES		97	N	1	0	1												1														
FY 98 INSTALLS		98	N	12	0	12																				1	1	1	1	1	1	7
FY 98 SPARES		98	N	5	0	5																		1	1		1	1		1		
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2000												FISCAL YEAR 2001												B A L	
							99						CALENDAR YEAR 2000						CALENDAR YEAR 2001													
							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		
FY 98 INSTALLS		98	N	12	5	7	2	2		1	1	1																				
FY 99 INSTALLS		99	N	12	0	12							1	1	1	1	1	1	1	1	1	1	1	1								
FY 99 SPARES		99	N	6	0	6								2		2	2															
FY 00 INSTALLS		00	N	12	0	12																			1	1	1	1	1	1	1	6
FY 00 SPARES		00	N	4	0	4																		1	1	1	1					

FY 2000/2001 BUDGET PRODUCTION SCHEDULE, P-21						DATE Feb-99																								
APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT, NAVY						Weapon System AV-8B					P-1 ITEM NOMENCLATURE AV-8B ENGINES																			
		Production Rate			Procurement Leadtimes																									
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																
AV-8B REMANUFACTURE ENGINES	ROLLS-ROYCE, LTD BRISTOL, ENGLAND					8	8	20	9	7		24	31	MONTHS																
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2002												FISCAL YEAR 2003												B A L
						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	
FY 00 INSTALLS	00	N	12	6	6	1	1	1	1	1	1																			
FY 01 INSTALLS	01	N	8	0	8							1	1	1	1	1	1													
FY 01 SPARES	01	N	2	0	2							1	1																	

EXHIBIT P-43  
**SIMULATOR AND TRAINING DEVICE JUSTIFICATION**

DATE: Feb-99 (Amended)

Appropriation/P-1 Line Item  
**AIRCRAFT PROCUREMENT, NAVY**

Weapon System  
**AV-8B REMANUFACTURE**

IOC Date  
**Aug-97**

Training Device by Type	Site	Delivery Date	Ready for Training Date	Average Student Throughput	Prior Years		FY 1997		FY 1998		FY 1999		FY 2000		FY 2001		FY 2002		FY 2003		FY 2004		FY 2005		To Complete		Total		
					Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty
HARDWARE COSTS																													
Aircrew Trainer 2F149/WST Radar Upgrade Visual Sys Upgrade	YUMA YUMA		Aug-99 Jan-00				10,209				5,200																		10,209 5,200
Aircrew Trainer NAWST 2F150 Computer Rehost	CHPT		Jun-98			3,562																							3,562
RNAWST/2F150A Visual Sys Upgrade Computer Rehost	CHPT CHPT		Nov-01 Jan-99			3,562	1,200					4,500																4,500 4,762	
Avionics Maint Trainer 11H94 Radar Upgrade Rehost	CHPT CHPT		Dec-02 Oct-01												14,535 5,175														14,535 5,175
<b>TOTAL HARDWARE</b>						7,124	11,409				5,200	4,500		19,710														47,943	
SUPPORT COSTS																													
Technical support/field	NAWC TSD					1,049	787	493		550	503		1,758															5,140	
<b>TOTAL COST</b>						8,173	12,196	493		5,750	5,003		21,468															53,083	

Description  
 Aircrew Simulators/Training Devices: OFT 2F133, WST 2F149-1, WST 2F149-2, NAWST 2F 150, TNAWST 2F 150A  
 Maintenance Trainers: 11H943, 11H156

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-20, Requirements Study			APPROPRIATION/BUDGET ACTIVITY				DATE: (Amended) February 1999		
P-1 ITEM NOMENCLATURE AV-8B REMANUFACTURE		Admin Leadtime (after Oct1): Two months			Prod Leadtime : 32 months				
	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Buy Summary	12	12	12	12	8				
Unit Cost	\$29.892	\$26.992	\$29.842	\$25.642	\$29.888				
Total Cost	\$ 358.7	\$323.9	\$358.1	\$307.7	\$239.1				
Asset Dynamics									
Beginning Asset Position		6	14	27	39	52	64	72	72
Deliveries from all prior year funding		8	13	1	1				
Deliveries from FY 1998 funding				11					
Deliveries from FY 1999 funding					12				
Deliveries from FY 2000 funding						12			
Deliveries from subsequent years' funding							8		
Other Gains									
Combat Losses/Usage									
Training Losses/Usage									
Test Losses/Usage									
Other Losses/Usage									
Disposals/Retirements/Attritions/etc.									
End of Year Asset Position		6	14	27	39	52	64	72	72
Inventory Objective or Current Authorized Allowance		72	72	72	72	72	72	72	72
Aircraft: AV-8B	Remarks: *AV-8B Remanufacture is a capabilities improvement program whereby selected day attack AV-8B's are "remanufactured" into the radar/night attack AV-8B configuration with no increase in total AV-8B inventory.								
TOAI: 72									
PAA: 72									
TAI: 5									
Attrition Res: 0									
BAI: 0									
Inactive Inv: 0									
Storage: 0									

CLASSIFICATION:

**UNCLASSIFIED**

BUDGET ITEM JUSTIFICATION SHEET										DATE:			
P-40										February 1999			
APPROPRIATION/BUDGET ACTIVITY								P-1 ITEM NOMENCLATURE					
<b>Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)</b>								<b>ADVANCE PROCUREMENT AV-8B REMANUFACTURE (MYP)</b>					
Program Element for Code B Items:								Other Related Program Elements					
<b>0604214N</b>													
	Prior Years	ID Code		FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total
COST (In Millions)	<b>\$74.591</b>	<b>A</b>		<b>\$17.505</b>	<b>\$55.524</b>	<b>\$30.832</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>\$178.452</b>
<p><b>MISSION AND DESCRIPTION:</b> This line item funds long-lead requirements for the AV-8B production program. The advance procurement for Airframe/CFE in FY 00 is required for Economic Order of Quantity (EOQ). The Engine requirements are calculated on a termination liability basis, reflecting contractor's funding requirements for procurement of long lead parts and materials necessary to protect the delivery schedule. Other government furnished equipment (GFE) reflects procurement of long-lead quantities needed to protect the production schedule.</p> <p><b>BASIS FOR FY 2000 BUDGET REQUEST:</b> The FY 2000 request is required to cover EOQ for multiyear procurement for the Airframe/CFE.</p>													

CLASSIFICATION:

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Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)										Date: Feb-99				
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy, BA-1, Combat Aircraft										P-1 Line Item Nomenclature AV-8B AP				
Weapon System AV-8B Remanufacture				First System (BY1) Award Date Oct-99					Interval Between Systems 1 month					
(\$ in Millions)														
	PLT	When Rqd	Prior Years		FY1998	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	To Complete	Total
End Item Qty			28		12	12	12	8	0	0	0	0	0	72
CFE - Airframe*	32	32	42.1		8.679	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	50.779
GFE - Engine	24	24	24.5		7.900	8.486	4.600	0.000	0.000	0.000	0.000	0.000	0.000	45.486
GFE EMUs	23	23	1.6		0.326	0.300	0.300	0.000	0.000	0.000	0.000	0.000	0.000	2.526
GFE Other FLIR's	19	19	5.6		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.600
GFE Other NADEP	35	35	0.6		0.600	0.600	0.543	0.000	0.000	0.000	0.000	0.000	0.000	2.343
EOQ**					0.000	46.138	25.389	0.000	0.000	0.000	0.000	0.000	0.000	71.527
<b>Total AP</b>			74.4		17.505	55.524	30.832	0.000	0.000	0.000	0.000	0.000	0.000	178.261
Application of AP														
AP for 00						31.338								31.338
AP for 01						14.800	25.389							40.189
<b>Total AP</b>						46.138	25.389							71.527
Description: Private venture non-recurring costs (\$600,000/unit) for Rolls Royce is amortized over engine procurements thru the sixth unit of the FY 99 buy. * FY 98 advanced procurement represents an award of a single year contract. ** EOQ represents dollars necessary for prime contractor (Boeing) to order/procure items in advance of year required so that multiyear savings can be achieved. PRICES BASED ON THE OSD DIRECTED FOREIGN EXCHANGE RATE (\$1.56) FOR BRITISH STERLING.														

P-1 Shopping List Item No. 2

Exhibit P-10, Advance Procurement Requirements Analysis

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)						Date: Feb-99			
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy, BA-01, Combat Aircraft				Weapon System AV-8B Remanufacture		P-1 Line Item Nomenclature AV-8B Advance Procurement			
(TOA, \$ in Millions)									
	FY2001 PLT	QPA	UNIT COST	FY 2000 For FY 2001 Qty	FY 2000 Contract Forecast Date	FY 2000 Total Cost Request	FY 2001 For FY 2002 Qty	FY 2001 Contract Forecast Date	FY 2001 Total Cost Request
End Item				8					
CFE Airframe	32	1	14.7		*	*			
GFE Engine	24	1	3.9	8	Apr-00	4.6			
GFE EMUs	23	1	0.7	5	Jan-00	0.3			
GFE Other NADEP	35	1	0.7	VARIOUS	Jan-00	0.5			
TERM LIABILITY									
EOQ				8	Mar-00	25.4			
<b>Total Advance Proc</b>						30.8			0.0
Description:  * CFE Airframe reflected in EOQ line. PRICES BASED ON THE OSD DIRECTED FOREIGN EXCHANGE RATE (\$1.56) FOR BRITISH STERLING.									

CLASSIFICATION:

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BUDGET ITEM JUSTIFICATION SHEET												DATE:	
P-40												FEBRUARY 1999	
APPROPRIATION/BUDGET ACTIVITY								P-1 ITEM NOMENCLATURE					
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)								F/A-18C/D (FIGHTER) HORNET					
Program Element for Code A Items:								Other Related Program Elements					
0204136N								APN-5: 0204136N; RDT&E,N: 0204136N					
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total Program
QUANTITY	1,021		6	8	0	0	0	0	0	0	0	0	1,035
Net P-1 Cost (\$M)	\$29,464.050	A	\$272.042	\$ 272.500									\$30,008.591
Advance Proc (\$M)	\$2,540.443	A	0.00	0.00									\$2,540.443
Wpn Sys Cost (\$M)	\$32,004.493	A	\$272.042	\$ 272.500									\$32,549.034
Initial Spares (\$M)	\$1,640.408	A	\$9.586	0.00									\$1,649.994
Proc Cost (\$M)	\$33,644.901	A	\$281.628	\$ 272.500									\$34,199.028
Unit Cost (\$M)			\$46.938	\$ 34.063									\$33.043

**DESCRIPTION:**

The F/A-18 Naval Strike Fighter is a twin-engine, mid-wing, multimission tactical aircraft. F/A-18 can be missionized through selected use of external equipment to accomplish specific fighter or attack missions. This capability allows the Operational Commander more flexibility in employing his tactical aircraft in a dynamic scenario. The primary design mission for the F/A-18 is a strike fighter which includes the traditional applications, such as fighter escort and fleet air defense, combined with the attack applications, such as interdiction and close air support. Since the same airframe systems are used on attack missions as well as fighter missions, excellent fighter and self defense capability is retained.

The FY1998 Supplemental Appropriations Act provided \$272.5M for the procurement of eight F/A-18D aircraft for the Marine Corps. This funding was provided as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985. The eight F/A-18D aircraft being procured were originally Thailand FMS aircraft. The USN bought out the aircraft from Thailand. USN funding was applied to the contract in June 1998.

CLASSIFICATION:

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CLASSIFICATION:

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WEAPONS SYSTEM COST ANALYSIS P-5					Weapon System: <b>F/A-18C/D</b>					DATE: <b>FEBRUARY 1999</b>							
APPROPRIATION/BUDGET ACTIVITY <b>Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)</b>					ID Code A	P-1 ITEM NOMENCLATURE/SUBHEAD <b>F/A-18C/D (FIGHTER) HORNET</b>											
COST CODE	ELEMENT OF COST	ID Code	TOTAL COST IN DOLLARS														
			Prior Years	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001					
			Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost				
	Quantity				6			8			0			0			0
1	Airframe/CFE	A	14,677,486,000	20,705,667	124,234,000	20,591,000	164,728,000	0	0	0	0	0	0	0	0	0	0
2	CFE Electronics	A	2,884,239,000	4,791,333	28,748,000	4,830,000	38,640,000	0	0	0	0	0	0	0	0	0	0
3	GFE Electronics	A	862,147,000	2,008,000	12,048,000	1,073,000	8,584,000	0	0	0	0	0	0	0	0	0	0
4	Engines/Eng Acc	A	3,871,666,000	3,942,000	23,652,000	4,544,375	36,355,000	0	0	0	0	0	0	0	0	0	0
5	Armament	A	20,382	0	0	12,125	97,000	0	0	0	0	0	0	0	0	0	0
6	Other GFE	A	177,886,000	732,500	4,395,000	475,000	3,800,000	0	0	0	0	0	0	0	0	0	0
7	Rec Flyaway ECO	A	4,405,000	109,000	654,000	0	0	0	0	0	0	0	0	0	0	0	0
8	Rec Flyaway Cost	A	22,498,211,000	32,288,667	193,732,000	31,525,500	252,204,000	0	0	0	0	0	0	0	0	0	0
9	Non-Recur Cost	A	1,027,020,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Ancillary Equip	A	2,958,547,000	3,437,833	20,627,000	1,649,500	13,196,000	0	0	0	0	0	0	0	0	0	0
11		A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Total Flyaway	A	26,483,778,000	35,726,500	214,359,000	33,175,000	265,400,000	0	0	0	0	0	0	0	0	0	0
13	Airframe PGSE	A	2,265,153,000		1,130,000		0			0		0		0		0	0
14	Engine PGSE	A	105,450,000		359,000		0			0		0		0		0	0
15	Avionics PGSE	A	469,910,000		1,444,000		0			0		0		0		0	0
16	Pec Trng Eq	A	730,305,000		3,656,000		0			0		0		0		0	0
17	Pub/Tech Data	A	393,221,000		9,428,000		0			0		0		0		0	0
18	Fac Mgmt/Fld Act	A	904,653,000		31,747,000		0			0		0		0		0	0
19	ILS/Rel Dem	A	652,023,000		9,919,000		0			0		0		0		0	0
20	Spares*	A	0		0		7,100,000			0		0		0		0	0
21	Support Cost	A	5,520,715,000		57,683,000		7,100,000			0		0		0		0	0
22	Gross P-1 Cost	A	32,004,493,000		272,042,000		272,500,000			0		0		0		0	0
23	Adv Proc Credit	A	-2,540,443,000		0		0			0		0		0		0	0
24	Net P-1 Cost	A	29,464,050,000		272,042,000		272,500,000			0		0		0		0	0
25	Adv Proc CY	A	2,540,443,000		0		0			0		0		0		0	0
26	Weapon System Cost	A	32,004,493,000		272,042,000		272,500,000			0		0		0		0	0
27	Initial Spares	A	1,640,408,000		9,586,000		0			0		0		0		0	0
28	<b>Procurement Cost</b>	A	33,644,901,000		281,628,000		272,500,000			0		0		0		0	0

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P-1 SHOPPING LIST ITEM NO. 3

PAGE NO. 2

\* FUNDS TO BE TRANSFERRED TO BA-6

CLASSIFICATION:

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WEAPONS SYSTEM COST ANALYSIS P-5				Weapon System <b>F/A-18C/D</b>				DATE: <b>FEBRUARY 1999</b>					
APPROPRIATION/BUDGET ACTIVITY <b>Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)</b>				ID Code <b>A</b>		P-1 ITEM NOMENCLATURE/SUBHEAD <b>F/A-18C/D (FIGHTER) HORNET</b>							
COST CODE	ELEMENT OF COST	TOTAL COST IN DOLLARS											
		FY 2002		FY 2003		FY 2004		FY 2005		To Complete Costs	Total Costs		
		Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost				
	Quantity		0		0		0		0		0		1,035
1	Airframe/CFE	0	0	0	0	0	0	0	0	0	0	0	14,966,448,000
2	CFE Electronics	0	0	0	0	0	0	0	0	0	0	0	2,951,627,000
3	GFE Electronics	0	0	0	0	0	0	0	0	0	0	0	882,779,000
4	Engines/Eng Acc	0	0	0	0	0	0	0	0	0	0	0	3,931,673,000
5	Armament	0	0	0	0	0	0	0	0	0	0	0	20,479,000
6	Other GFE	0	0	0	0	0	0	0	0	0	0	0	186,081,000
7	Rec Flyaway ECO	0	0	0	0	0	0	0	0	0	0	0	5,059,000
8	Rec Flyaway Cost	0	0	0	0	0	0	0	0	0	0	0	22,944,146,000
9	Non-Recur Cost	0	0	0	0	0	0	0	0	0	0	0	1,027,020,000
10	Ancillary Equip	0	0	0	0	0	0	0	0	0	0	0	2,992,370,000
11		0	0	0	0	0	0	0	0	0	0	0	0
12	Total Flyaway	0	0	0	0	0	0	0	0	0	0	0	26,963,536,000
13	Airframe PGSE		0		0		0		0		0		2,266,283,000
14	Engine PGSE		0		0		0		0		0		105,809,000
15	Avionics PGSE		0		0		0		0		0		471,354,000
16	Pec Trng Eq		0		0		0		0		0		733,961,000
17	Pub/Tech Data		0		0		0		0		0		402,649,000
18	Fac Mgmt/Fld Act		0		0		0		0		0		936,400,000
19	ILS/Rel Dem		0		0		0		0		0		661,942,000
20	Spares*		0		0		0		0		0		7,100,000
21	Support Cost		0		0		0		0		0		5,585,498,000
22	Gross P-1 Cost		0		0		0		0		0		32,549,034,000
23	Adv Proc Credit		0		0		0		0		0		-2,540,443,000
24	Net P-1 Cost		0		0		0		0		0		30,008,591,000
25	Adv Proc CY		0		0		0		0		0		2,540,443,000
26	Weapon System Cost		0		0		0		0		0		32,549,034,000
27	Initial Spares		0		0		0		0		0		1,649,994,000
28	<b>Procurement Cost</b>		0		0		0		0		0		34,199,028,000

DD FORM 2446, JUN 86

P-1 SHOPPING LIST ITEM NO. 3

PAGE NO. 3

\* FUNDS TO BE TRANSFERRED TO BA-6

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BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System F/A-18C/D		A. DATE FEBRUARY 1999			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)					C. P-1 ITEM NOMENCLATURE F/A-18C/D (FIGHTER) HORNET				SUBHEAD Y1CA	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	SPECS AVAILABLE NOW	IF YES WHEN AVAILABLE
<u>AIRFRAME/CFE</u>										
FY 1997	6	25,497.000	NAVAIR	N/A	SS/FFP	MDA, St Louis, MO.	Sep-97	Feb-99	Yes	
FY 1998	8	25,421.000	NAVAIR	N/A	SS/FFP	MDA, St Louis, MO.	Jun-98 (NOTE 1)	Oct-98	Yes	
D. REMARKS										
NOTE 1: THE AWARD DATE REFLECTED FOR THE FY 1998 AIRCRAFT IS BASED ON WHEN USN FUNDING WAS APPLIED TO THE CONTRACT.										

CLASSIFICATION:

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CLASSIFICATION:

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System F/A-18C/D		A. DATE FEBRUARY 1999			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)					C. P-1 ITEM NOMENCLATURE F/A-18C/D (FIGHTER) HORNET				SUBHEAD Y1CA	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	SPECS AVAILABLE NOW	IF YES WHEN AVAILABLE
<b>F-414-GE-400 ENGINE</b> (2 PER A/C)										
FY 1997	12	1,971.000	NAVAIR	N/A	SS/FFP	G.E. LYNN, MA	Sep-97	Apr-98	Yes	
FY 1998	16	2,272.188	NAVAIR	N/A	SS/FFP	G.E. LYNN, MA	Jun-98 (NOTE 1)	Jun-98	Yes	
D. REMARKS										
NOTE 1: THE AWARD DATE REFLECTED FOR THE FY 1998 AIRCRAFT IS BASED ON WHEN USN FUNDING WAS APPLIED TO THE CONTRACT.										

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Exhibit P-20, Requirements Study		APPROPRIATION/BUDGET ACTIVITY <b>Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)</b>					DATE: <b>FEBRUARY 1999</b>			
P-1 ITEM NOMENCLATURE <b>F/A-18C/D (FIGHTER) HORNET</b>		Admin Leadtime (after Oct1): <b>9 Months</b>			Prod Leadtime : <b>27 Months</b>					
	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	
Buy Summary	6	8	0	0	0	0	0	0	0	
Unit Cost	\$46.938	\$34.063	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
Total Cost	\$281.628	\$272.500	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
<b>Asset Dynamics</b>										
Beginning Asset Position	806	813	803	803	793	783	769	756	742	
Deliveries from all prior year funding	17	17	1	0	0	0	0	0	0	
Deliveries from FY 1997 funding (Note 1)	0	0	7	0	0	0	0	0	0	
Deliveries from FY 1998 funding	0	0	8	0	0	0	0	0	0	
Deliveries from FY 1999 funding	0	0	0	0	0	0	0	0	0	
Deliveries from FY 2000 funding	0	0	0	0	0	0	0	0	0	
Deliveries from FY 2001 funding	0	0	0	0	0	0	0	0	0	
Deliveries from subsequent years' funding	0	0	0	0	0	0	0	0	0	
Other Gains	0	0	0	0	0	0	0	0	0	
Combat Losses/Usage	0	0	0	0	0	0	0	0	0	
Training Losses/Usage	0	0	0	0	0	0	0	0	0	
Test Losses/Usage	0	0	0	0	0	0	0	0	0	
Other Losses/Usage	0	0	0	0	0	0	0	0	0	
Disposals/Retirements/Attritions/etc.	10	27	16	10	10	14	13	14	17	
<b>End of Year Asset Position</b>	<b>813</b>	<b>803</b>	<b>803</b>	<b>793</b>	<b>783</b>	<b>769</b>	<b>756</b>	<b>742</b>	<b>725</b>	
Inventory Objective or Current Authorized Allowance	<b>816</b>	<b>821</b>	<b>824</b>	<b>818</b>	<b>812</b>	<b>802</b>	<b>784</b>	<b>753</b>	<b>716</b>	
Aircraft:	F/A-18C/D	Remarks:  NOTE 1: ONE F/A-18C IS BEING DELIVERED BY MDA IN FY99 AS A NO COST REPLACEMENT AIRCRAFT TO THE ONE CRASHED IN 1996 WHILE BEING LEASED FROM THE NAVY.								
TOAI:	719									
PAA:	645									
TAI	698									
Attrition Res:	0									
BAI	44									
Inactive Inv:	29									
Storage:	29									

CLASSIFICATION:

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BUDGET ITEM JUSTIFICATION SHEET												DATE:	
P-40												FEBRUARY 1999	
APPROPRIATION/BUDGET ACTIVITY								P-1 ITEM NOMENCLATURE					
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)								F/A-18E/F (FIGHTER) HORNET (MYP)					
Program Element for Code B Items:								Other Related Program Elements					
0204136N													
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total Program
QUANTITY	0		12	20	30	36	42	48	48	48	48	216	548
Net P-1 Cost (\$M)	\$0.000	B	\$1,798.741	\$2,018.932	\$2,761.509	\$2,691.989	\$2,789.386	\$2,984.356	\$3,018.157	\$3,153.742	\$3,253.430	\$14,291.617	\$38,761.860
Advance Proc (\$M)	\$233.633	B	\$239.356	\$87.430	\$109.119	\$162.240	\$101.208	\$89.352	\$87.090	\$88.903	\$90.793	\$341.806	\$1,630.930
Wpn Sys Cost (\$M)	\$233.633	B	\$2,038.097	\$2,106.362	\$2,870.628	\$2,854.229	\$2,890.594	\$3,073.708	\$3,105.247	\$3,242.645	\$3,344.223	\$14,633.424	\$40,392.790
Initial Spares (\$M)	\$0.000	B	\$80.920	\$80.246	\$101.087	\$69.543	\$129.531	\$125.744	\$51.403	\$54.330	\$79.650	\$243.749	\$1,016.203
Proc Cost (\$M)	\$233.633	B	\$2,119.017	\$2,186.608	\$2,971.715	\$2,923.772	\$3,020.125	\$3,199.452	\$3,156.650	\$3,296.975	\$3,423.873	\$14,877.173	\$41,408.992
Unit Cost (\$M)			\$176.585	\$109.330	\$99.057	\$81.216	\$71.908	\$66.655	\$65.764	\$68.687	\$71.331	\$68.876	\$75.564

**DESCRIPTION:**  
 The F/A-18 Naval Strike Fighter is a twin-engine, mid-wing, multimission tactical aircraft. F/A-18 can be missionized through selected use of external equipment to accomplish specific fighter or attack missions. This capability allows the Operational Commander more flexibility in employing his tactical aircraft in a dynamic scenario. The primary design mission for the F/A-18 is a strike fighter which includes the traditional applications, such as fighter escort and fleet air defense, combined with the attack applications, such as interdiction and close air support. Since the same airframe systems are used on attack missions as well as fighter missions, excellent fighter and self defense capability is retained.

**BASIS FOR FY 2000 BUDGET REQUEST:**  
 Funding is requested to procure 36 aircraft. This is the first year of a planned five year (FY00-FY04) multiyear procurement (MYP). This MYP is fully funded with separately identified advance procurement dollars which will be utilized for economic order quantities (EOQ).

\* \$11.0 million in FY 1999 is available for reprogramming as a result of a delay in production award for the Multifunction Information Distribution System (MIDS).

CLASSIFICATION:

**UNCLASSIFIED**

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Exhibit P-5 Cost Analysis (Page 1)				Weapon System: <b>F/A-18E/F</b>								DATE: <b>FEBRUARY 1999</b>	
APPROPRIATION/BUDGET ACTIVITY				ID Code		P-1 ITEM NOMENCLATURE/SUBHEAD							
<b>Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)</b>				B		<b>F/A-18E/F (FIGHTER) HORNET (MYP)</b>							
COST CODE	ELEMENT OF COST	ID Code	TOTAL COST IN DOLLARS										
			Prior Years	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001	
			Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
	Quantity				12		20		30		36		42
1	Airframe/CFE	B	0	96,200,224	1,154,402,691	65,763,957	1,315,279,132	52,103,403	1,563,102,104	40,032,758	1,441,179,299	36,424,042	1,529,809,778
2	CFE Electronics	B	0	4,914,417	58,973,000	5,827,400	116,548,000	5,892,713	176,781,388	5,236,598	188,517,513	5,360,592	225,144,862
3	GFE Electronics	B	0	994,082	11,928,978	2,905,248	58,104,955	3,092,843	92,785,303	2,636,667	94,920,006	2,853,643	119,853,016
4	Engines/Eng Acc	B	0	12,590,295	151,083,537	10,318,818	206,376,356	8,952,298	268,568,925	8,618,413	310,262,874	8,263,260	347,056,914
5	Armament	B	0	25,626	307,516	32,350	647,000	32,886	986,593	33,419	1,203,069	33,975	1,426,959
6	Other GFE	B	0	425,667	5,108,001	415,912	8,318,241	383,196	11,495,873	389,621	14,026,349	405,515	17,031,634
7	Rec Flyaway ECO	B	0	1,897,061	22,764,730	3,536,731	70,734,628	1,794,582	53,837,450	905,387	32,593,936	835,693	35,099,093
8	Rec Flyaway Cost	B	0	117,047,371	1,404,568,453	88,800,416	1,776,008,312	72,251,921	2,167,557,636	57,852,862	2,082,703,046	54,176,720	2,275,422,256
9	Non-Recur Cost	B	0	16,669,937	200,039,240	8,170,966	163,419,326	6,062,243	181,867,284	2,976,774	107,163,847	549,440	23,076,492
10	Ancillary Equip	B	0	5,143,937	61,727,240	2,484,835	49,696,697	4,893,422	146,802,657	2,764,497	99,521,874	6,522,573	273,948,058
11		B	0	0	0	0	0	0	0	0	0	0	0
12	Total Flyaway	B	0	138,861,244	1,666,334,933	99,456,217	1,989,124,335	83,207,586	2,496,227,577	63,594,132	2,289,388,767	61,248,733	2,572,446,806
13	Airframe PGSE	B	0		33,499,000		13,608,000		32,118,000		97,576,925		47,899,760
14	Engine PGSE	B	0		12,914,000		15,776,000		18,214,000		21,223,581		23,933,919
15	Avionics PGSE	B	0		28,418,000		3,886,000		6,642,000		54,960,689		49,942,802
16	Pec Trng Eq	B	0		89,256,000		37,756,000		72,123,000		115,497,994		13,048,335
17	Pub/Tech Eq	B	0		48,181,000		11,494,000		53,485,000		38,586,240		41,997,084
18	Prod Eng Supt	B	0		50,304,833		89,643,157		87,131,423		91,035,873		52,352,692
19	Other ILS	B	0		103,466,000		97,000,508		82,998,000		92,837,931		93,293,602
20		B	0		0		0		0		0		0
21	Support Cost	B	0		366,038,833		269,163,665		352,711,423		511,719,233		322,468,194
22	Gross P-1 Cost	B	0		2,032,373,766		2,258,288,000		2,848,939,000		2,801,108,000		2,894,915,000
23	Adv Proc Credit	B	0		-233,633,000		-239,356,000		-87,430,000		-109,119,000		-105,529,000
24	Net P-1 Cost	B	0		1,798,740,766		2,018,932,000		2,761,509,000		2,691,989,000		2,789,386,000
25	Adv Proc CY	B	233,633,000		239,356,000		87,430,000		109,119,000		162,240,000		101,208,000
26	Wpn Syst Cost	B	233,633,000		2,038,096,766		2,106,362,000		2,870,628,000		2,854,229,000		2,890,594,000
27	Initial Spares	B	0		80,920,000		80,246,000		101,087,000		69,543,000		129,531,000
28	<b>Procurement Cost</b>	<b>B</b>		233,633,000	2,119,016,766		2,186,608,000		2,971,715,000		2,923,772,000		3,020,125,000

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P-1 SHOPPING LIST ITEM NO. 4

PAGE NO. 2

Note: FY 2000 to FY 2004 reflects Multi-Year Procurement pricing.

CLASSIFICATION:

**UNCLASSIFIED**

Exhibit P-5 Cost Analysis (Page 2)				Weapon System <b>F/A-18E/F</b>				DATE: <b>FEBRUARY 1999</b>			
APPROPRIATION/BUDGET ACTIVITY <b>Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)</b>				ID Code <b>B</b>		P-1 ITEM NOMENCLATURE/SUBHEAD <b>F/A-18E/F (FIGHTER) HORNET (MYP)</b>					
COST CODE	ELEMENT OF COST	TOTAL COST IN DOLLARS									
		FY 2002		FY 2003		FY 2004		FY 2005		To Complete Costs	Total Costs
		Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost		
	Quantity		48		48		48		48		548
1	Airframe/CFE	33,284,316	1,597,647,168	32,166,833	1,544,007,962	31,530,301	1,513,454,450	31,853,829	1,528,983,800	6,935,202,411	20,123,068,795
2	CFE Electronics	5,252,781	252,133,470	6,559,788	314,869,822	6,869,397	329,731,042	7,764,713	372,706,234	1,784,600,789	3,820,006,120
3	GFE Electronics	2,820,932	135,404,746	2,805,052	134,642,496	2,812,124	134,981,949	2,833,698	136,017,499	644,871,939	1,563,510,887
4	Engines/Eng Acc	8,017,938	384,861,019	7,902,265	379,308,713	7,860,370	377,297,745	7,785,528	373,705,363	1,705,912,953	4,504,434,399
5	Armament	34,595	1,660,540	35,293	1,694,040	36,034	1,729,615	36,790	1,765,937	8,422,119	19,843,388
6	Other GFE	337,685	16,208,892	352,524	16,921,138	359,533	17,257,582	432,397	20,755,035	86,383,692	213,506,437
7	Rec Flyaway ECO	770,742	36,995,612	774,532	37,177,556	767,994	36,863,709	792,371	38,033,801	174,396,064	538,496,579
8	Rec Flyaway Cost	50,518,988	2,424,911,447	50,596,286	2,428,621,727	50,235,752	2,411,316,092	51,499,326	2,471,967,669	11,339,789,967	30,782,866,605
9	Non-Recur Cost	1,086,950	52,173,609	1,104,219	53,002,510	501,110	24,053,267	362,737	17,411,384	92,697,535	914,904,494
10	Ancillary Equip	7,414,331	355,887,871	8,186,250	392,939,976	8,886,878	426,570,162	9,879,542	474,218,037	1,745,561,437	4,026,874,009
11		0	0	0	0	0	0	0	0	0	0
12	Total Flyaway	59,020,269	2,832,972,927	59,886,754	2,874,564,213	59,623,740	2,861,939,521	61,741,606	2,963,597,090	13,178,048,939	35,724,645,108
13	Airframe PGSE		16,941,589		12,186,960		12,443,523		5,312,678	160,745,032	432,331,467
14	Engine PGSE		13,380,130		6,270,651		4,818,708		1,917,253	25,537,525	143,985,767
15	Avionics PGSE		46,764,205		42,217,404		42,123,422		39,075,202	55,816,184	369,845,908
16	Pec Trng Eq		8,723,832		25,062,695		98,853,117		88,487,675	63,245,098	612,053,746
17	Pub/Tech Eq		34,508,800		33,276,252		31,174,435		29,402,512	153,908,779	476,014,102
18	Prod Eng Supt		49,579,959		39,176,466		112,842,882		115,212,986	601,460,261	1,288,740,532
19	Other ILS		95,067,558		96,922,359		98,804,392		99,327,604	485,454,058	1,345,172,012
20			0		0		0		0	0	0
21	Support Cost		264,966,073		255,112,787		401,060,479		378,735,910	1,546,166,937	4,668,143,534
22	Gross P-1 Cost		3,097,939,000		3,129,677,000		3,263,000,000		3,342,333,000	14,724,215,876	40,392,788,642
23	Adv Proc Credit		-113,583,000		-111,520,000		-109,258,000		-88,903,000	-432,598,463	-1,630,930,463
24	Net P-1 Cost		2,984,356,000		3,018,157,000		3,153,742,000		3,253,430,000	14,291,617,413	38,761,858,179
25	Adv Proc CY		89,352,000		87,090,000		88,903,000		90,793,000	341,806,463	1,630,930,463
26	Wpn Syst Cost		3,073,708,000		3,105,247,000		3,242,645,000		3,344,223,000	14,633,423,876	40,392,788,642
27	Initial Spares		125,744,000		51,403,000		54,330,000		79,650,000	243,748,686	1,016,202,686
28	<b>Procurement Cost</b>		<b>3,199,452,000</b>		<b>3,156,650,000</b>		<b>3,296,975,000</b>		<b>3,423,873,000</b>	<b>14,877,172,562</b>	<b>41,408,991,328</b>

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System F/A-18E/F		A. DATE FEBRUARY 1999			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)					C. P-1 ITEM NOMENCLATURE F/A-18E/F (FIGHTER) HORNET (MYP)				SUBHEAD Y1CF	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (\$000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW ?	DATE REVISIONS AVAILABLE
<b><u>AIRFRAME/CFE</u></b>										
FY96 for FY97 ADV PROC			NAVAIR	Jan-96	SS/CPIF	MDA, St Louis, MO	Apr-96		Yes	
FY 1997	12	101,114.641	NAVAIR	N/A	SS/CPIF	MDA, St Louis, MO	May-97	Jan-99	Yes	
FY97 for FY98 ADV PROC			NAVAIR	May-97	SS/FPIF	MDA, St Louis, MO	Jun-97		Yes	
FY 1998	20	71,591.357	NAVAIR	N/A	SS/FPIF	MDA, St Louis, MO	Apr-98	Jan-00	Yes	
FY98 for FY99 ADV PROC			NAVAIR	May-97	SS/FPIF	MDA, St Louis, MO	Apr-98		Yes	
FY 1999	30	57,996.116	NAVAIR	N/A	SS/FPIF	MDA, St Louis, MO	Feb-99	Nov-00	Yes	
FY99 for FY00 ADV PROC			NAVAIR	Jan-99	SS/FPIF	MDA, St Louis, MO	Feb-99		No	Jan-99
FY 2000	36	45,269.356	NAVAIR	N/A	SS/MYP	MDA, St Louis, MO	Apr-00	Oct-01	No	Jan-99
FY00 for FY01 ADV PROC			NAVAIR	N/A	SS/MYP	MDA, St Louis, MO	Apr-00		No	Jan-99
D. REMARKS										

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System F/A-18E/F		A. DATE FEBRUARY 1999				
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)					C. P-1 ITEM NOMENCLATURE F/A-18E/F (FIGHTER) HORNET					SUBHEAD Y1CF	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (\$000)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW ?	DATE REVISIONS AVAILABLE	
<b>F-414-GE-400 ENGINE</b> (2 PER A/C)											
FY96 for FY97 ADV PROC			NAVAIR	Feb-95	SS/CPIF	G.E. LYNN, MA	Apr-96		Yes		
FY 1997	24	6,295.148	NAVAIR	N/A	SS/CPIF	G.E. LYNN, MA	Aug-97	Jul-98	Yes		
FY97 for FY98 ADV PROC			NAVAIR	Jun-97	SS/FPIF	G.E. LYNN, MA	Jun-97		Yes		
FY 1998	40	5,159.409	NAVAIR	N/A	SS/FPIF	G.E. LYNN, MA	May-98	Aug-99	Yes		
FY98 for FY99 ADV PROC			NAVAIR	Jun-97	SS/FPIF	G.E. LYNN, MA	Apr-98		Yes		
FY 1999	60	4,476.149	NAVAIR	N/A	SS/FPIF	G.E. LYNN, MA	Feb-99	Jun-00	Yes		
FY99 for FY00 ADV PROC			NAVAIR	Mar-99	SS/FFP	G.E. LYNN, MA	May-99		Yes		
FY 2000	72	4,309.207	NAVAIR	N/A	SS/FFP	G.E. LYNN, MA	Jun-00	May-01	Yes		
FY00 for FY01 ADV PROC			NAVAIR	N/A	SS/FFP	G.E. LYNN, MA	Jun-00		Yes		
D. REMARKS SPARES NOT INCLUDED.											



FY 2000/2001 Budget Production Schedule, P-2'							Date FEBRUARY 1999																																
Appropriation/Budget Activity						Weapon System						P-1 Item Nomenclature																											
Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)						F/A-18E/F						F/A-18E/F (FIGHTER) HORNET (MYP)																											
						Production Rate			Procurement Leadtimes																														
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																									
F/A-18E/F	McDonnell Douglas Aerospace					3	16	55	0	4	33	32	36	Each																									
	McDonnell Douglas Corp. (Boeing)																																						
	St. Louis, MO. 63165																																						
ITEM / MANUFACTURER						FISCAL YEAR 2002														FISCAL YEAR 2003																			
						2001						CALENDAR YEAR 2002							CALENDAR YEAR 2003																				
						Y	S	Q	D	B		O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	B	A	L	
F/A-18E	00	N	15	0	15	1	2	1	2	1	2	1	1	1	1	1	1																	0					
F/A-18F	00	N	21	0	21	2	1	2	1	2	1	2	2	2	2	2	2																	0					
F/A-18E	01	N	14	0	14													1	1	1														0					
F/A-18F	01	N	28	0	28													2	2	2														0					
F/A-18E	02	N	33	0	33																													33					
F/A-18F	02	N	15	0	15																													15					
ITEM / MANUFACTURER						FISCAL YEAR 2004														FISCAL YEAR 2005																			
						2003						CALENDAR YEAR 2004							CALENDAR YEAR 2005																				
						Y	S	Q	D	B		O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	B	A	L	
F/A-18E	01	N	14	14	0																													0					
F/A-18F	01	N	28	28	0																													0					
F/A-18E	02	N	33	0	33	3	3	3	2	3	3	2	3	3	2	3	3																	0					
F/A-18F	02	N	15	0	15	1	1	1	2	1	1	2	1	1	2	1	1																	0					
F/A-18E	03	N	31	0	31													3	3	3														0					
F/A-18F	03	N	17	0	17													1	1	1														0					
Remarks:																																							









EXHIBIT P-43 SIMULATOR AND TRAINING DEVICE JUSTIFICATION																									DATE: FEBRUARY 1999				
Appropriation/P-1 Line Item F/A-18E/F (FIGHTER) HORNET (MYP)															Weapon System F/A-18E/F					IOC Date 1999									
Training Device by Type	Site	Delivery Date	Ready for Training Date	Average Student Throughput	Prior Years		FY 1998		FY 1999		FY 2000		FY 2001		FY 2002		FY 2003		2004		2005		To Complete		Total				
					Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	
WTT	Lemoore	Jan-99	Jun-99	200		27.458				0.734																28.192			
WTT	Lemoore	Jun-03	Sep-03	200					20.283	10.500										29.831	5.630					66.244			
OFT	Lemoore	Jun-02	Sep-02	200					10.024			0.998				5.972	0.994					30.696				48.684			
OFT	Lemoore	Mar-99	Sep-99	200	1	14.528			3.523						5.972									1	24.023				
PTT	Lemoore	Mar-99	Sep-99	200		4.523			4.411	4.000					1.992							7.947				22.873			
MTS	Lemoore	Jun-99	Sep-99	600	1	39.874			14.303	10.000										14.916	1.987			1	81.080				
TTS	Lemoore					2.873	23.504		6.316			0.863	0.364		0.408							7.947				42.275			
MTT	Lemoore						14.252		12.529	6.500	3.417	2.042	4.370	4.787												47.897			
WTT	Oceana	Mar-02	Oct-02	200						10.500												5.630				16.130			
WTT	Oceana	Jun-03	Sep-03	200																		5.630				5.630			
OFT	Oceana	Mar-02	Oct-02	200						1	10.000									22.374	23.021			1	55.395				
OFT	Oceana	Jun-02	Sep-02	200											5.972	0.994										6.966			
PTT	Oceana	Mar-02	Sep-02	200						4.000					1.992											5.992			
MTS	Oceana	Jun-02	Sep-02	600						1	55.998									14.916				1	70.914				
TTS	Oceana										2.360	0.364								3.280						6.004			
MTT	Oceana									4.000	5.410	1.970	2.369	6.761												20.510			
VAR.																						TBD	63.245			63.245			
TOTALS					2	89.256	37.756		72.123	2	115.498	13.048	8.724	25.063	98.853	88.488						63.245	4			612.054			
Description																													

CLASSIFICATION:

**UNCLASSIFIED**

Exhibit P-20, Requirements Study		APPROPRIATION/BUDGET ACTIVITY <b>Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)</b>						DATE: <b>FEBRUARY 1999</b>	
P-1 ITEM NOMENCLATURE <b>F/A-18E/F (FIGHTER) HORNET (MYP)</b>		Admin Leadtime (after Oct1): <b>4 Month</b>			Prod Leadtime : <b>32 Months</b>				
	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Buy Summary	<b>12</b>	<b>20</b>	<b>30</b>	<b>36</b>	<b>42</b>	<b>48</b>	<b>48</b>	<b>48</b>	<b>48</b>
Unit Cost	<b>\$176.585</b>	<b>\$109.330</b>	<b>\$99.057</b>	<b>\$81.216</b>	<b>\$71.908</b>	<b>\$66.655</b>	<b>\$65.764</b>	<b>\$68.687</b>	<b>\$71.331</b>
Total Cost	<b>\$2,119.017</b>	<b>\$2,186.608</b>	<b>\$2,971.715</b>	<b>\$2,923.772</b>	<b>\$3,020.125</b>	<b>\$3,199.452</b>	<b>\$3,156.650</b>	<b>\$3,296.975</b>	<b>\$3,423.873</b>
<b>Asset Dynamics</b>									
Beginning Asset Position	0	0	0	9	30	61	96	136	182
Deliveries from all prior year funding	0	0	0	0	0	0	0	0	0
Deliveries from FY 1997 funding	0	0	9	3	0	0	0	0	0
Deliveries from FY 1998 funding	0	0	0	18	2	0	0	0	0
Deliveries from FY 1999 funding	0	0	0	0	30	0	0	0	0
Deliveries from FY 2000 funding	0	0	0	0	0	36	0	0	0
Deliveries from subsequent years' funding	0	0	0	0	0	0	42	48	48
Other Gains	0	0	0	0	0	0	0	0	0
Combat Losses/Usage	0	0	0	0	0	0	0	0	0
Training Losses/Usage	0	0	0	0	0	0	0	0	0
Test Losses/Usage	0	0	0	0	0	0	0	0	0
Other Losses/Usage	0	0	0	0	0	0	0	0	0
Disposals/Retirements/Attritions/etc.	0	0	0	0	1	1	2	2	4
<b>End of Year Asset Position</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>30</b>	<b>61</b>	<b>96</b>	<b>136</b>	<b>182</b>	<b>226</b>
Inventory Objective or Current Authorized Allowance	<b>0</b>	<b>0</b>	<b>18</b>	<b>40</b>	<b>72</b>	<b>98</b>	<b>147</b>	<b>200</b>	<b>243</b>

Aircraft:	F/A-18E/F	Remarks:
TOAI:	226	
PAA:	211	
TAI	226	
Attrition Res:	0	
BAI	15	
Inactive Inv:	0	
Storage:	0	

CLASSIFICATION:

**UNCLASSIFIED**

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET

1. Multiyear Procurement Description:

This proposed multiyear procurement (MYP) covers the purchase of 222 F/A-18E/F aircraft in FY 2000 through FY 2004 under a single, five year fixed price incentive fee type contract. These aircraft constitute the first five years of full rate production (FRP) of the F/A-18E/F, following three years of low rate initial production (LRIP) (FY 1997-1999) during which 62 F/A-18E/F aircraft will be produced. This MYP strategy has been structured to achieve significant savings (\$706M) while providing unprecedented quantity flexibility for emergent requirements.

The MYP up front investment costs for (1) non-recurring start-up expenses and producibility savings initiatives (NR) and (2) economic order quantities (EOQ) will be funded under termination liability. This MYP, however, does carry an unfunded cancellation ceiling. Should the MYP be cancelled in any of the first four years of the contract, additional funding in the range of \$7M to \$28M must be added to the program's budget to cover termination costs.

A unique feature of this MYP is its allowance for quantity flexibility. The government will have the right to vary the quantity by +/- 6 aircraft in any year (after the first year) at the time of initial funding for that year. Although aircraft deletions will erode some of the savings resulting from economies of scale and contractor cost reductions realized from vendors, planning, and supplier management, this provision provides unprecedented ability for the government to address emergency funding demands without totally forgoing the MYP savings. The ability to increase quantities also benefits the government by providing an ability to procure emergent requirements for more aircraft, including foreign military sales customers, again without breaking the MYP or disturbing the savings already established in the baseline.

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET

2. Benefit to the Government:

a. Substantial Savings:

Implementation of this proposed multiyear procurement will yield significant opportunity for cost avoidance through the term of the contract. Specifically, total savings/cost avoidance for fiscal years 2000 through 2004 attributable to this multiyear strategy are estimated at \$706M (TY\$).

Cost savings will be generated as a result of investment in program specific and capital equipment and processes that would not meet the contractor's Internal Rate of Return objectives under a single year procurement of 36 to 48 aircraft and also Economic Order Quantity (EOQ). Some examples of capital investments and process improvement initiatives under consideration by the prime contractor and subcontractors that can only be accomplished in a multiyear procurement environment include:

- Acquisition of robotic painting equipment for the airframe and airframe assemblies. The use of robotic painting equipment provides a more precise and consistent application of paint to the product when compared to the conventional method of paint application. This will virtually eliminate rework caused by human error during paint application and will reduce the total work-hours needed to arrive at a usable end product. In addition, savings can also be achieved due to a corresponding reduction in the number of quality control/inspection check points that are required with a robotic process. This is one example of robotics initiatives being considered by Boeing and its subcontractors. The contractors are not capable of making this investment under a single year procurement strategy because the estimated per unit savings would not recoup the investment expenses within a single year procurement quantity of between 36 and 48 aircraft.

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET

- An investment to convert the two-dimensional product definition database to a three-dimensional solid computer model. This new electronic database on the assembly line allows the worker to see a three dimensional picture of the part being installed and eliminates the use of blueprints on the assembly line. This process will find tolerance build-up problems prior to assembly, thereby reducing assembly costs. It will also allow for more accurate and timely updates to technical blueprints when/if necessitated by safety-related changes to the airframe, future producibility process enhancements, etc. These technical drawing updates will be done in a more cost effective manner than current updates and will facilitate assembly line workers implementing them correctly the first time. Currently, design changes on the assembly line are difficult to institute because of the time needed to print and replace existing blueprints. This revised process will enable engineering changes to be implemented more quickly and at less cost to the government. The contractor is not able to make this type of investment under a single year procurement contract because the payback from the initial \$30M investment in this process improvement will not be achieved until 120 units are produced by the contractor.

With these types of investment in the most current state-of-the-art manufacturing technologies at the beginning of full rate production, the government will not only receive the benefits for the aircraft built under this contract, but will also continue to realize lower costs/prices throughout the F/A-18E/F production program.

In addition to the cost savings generated through these investments and initiatives, procuring at economic order quantities will also yield savings. Procuring select components at economic order quantities will reduce costs by reducing the number of production set-ups, reducing administrative costs, receiving price breaks for raw materials and components, and through stability related savings. In addition to the cost savings generated through these investments and initiatives, procuring at economic order quantities will also yield savings by passing on multiyear provisions to suppliers.

- Reducing the number of setups can provide significant savings when producing components or materials with high setup to run ratios and the dollar value of the component is low. Sheet metal procurement and 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.

P-1 Shopping List - Item No. 4

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET

- 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 savings will not get lost in overhead rates. Another administrative reduction is realized in production planning. Savings will be gained as production line administrative processes will only be performed once, rather than five times under single year procurement.
- Many electronics components have minimum buy quantities which may not be met under single year procurements, driving up unit costs as the 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 savings 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 greater 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.

P-1 Shopping List - Item No. 4

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET

b. Stability of Requirement:

The requirement for the F/A-18E/F was closely scrutinized during recent preparation for review by the Defense Acquisition Board (DAB). The Joint Requirements Oversight Council (JROC) revalidated the F/A-18E/F requirement on 7 March 1997. Additionally, the criticality of F/A-18E/F to the overall DoD aviation plan was emphasized by the Quadrennial Defense Review (QDR), which recommended a quantity of between 548 and 785 F/A-18E/F aircraft at a maximum sustained production rate of 48 per year starting in FY 2002. The recently released Defense Planning Guidance (DPG) reiterates the conclusions of the QDR and sets the total F/A-18E/F quantity at 548 aircraft at a maximum production rate of 48 per year. These documents emphasize the criticality of the F/A-18E/F to overall DoD aviation planning and demonstrate the Department's commitment to properly fund this weapons system to the quantities proposed in the multiyear plan.

The F/A-18F has been identified by the Navy as the platform to take on the mission requirements previously conducted by the F-14 aircraft and will substantially reduce operating and support costs as compared to the F-14. Therefore, inventory objective and planned production rates are expected to remain stable throughout the term of the proposed multiyear procurement and likely through the end of the production phase.

c. Stability of Funding:

The Navy has demonstrated its commitment to a stable funding stream for the F/A-18E/F multiyear through every step of this year's PPBS process. The Navy has shown its commitment to support the F/A-18E/F multiyear plan by fully funding the requirements during the POM-00 process. This commitment was reaffirmed by top level Navy leadership through its support in the final SPP. In addition, the Secretary has reviewed the multiyear proposal and is in agreement with the funding profile provided in this exhibit.

P-1 Shopping List - Item No. 4

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET

Additionally, the Quadrennial Defense Review and Defense Planning Guidance have fixed the total program and FYDP production quantities as well as the maximum yearly production rate. These documents emphasize the criticality of the F/A-18E/F to overall DoD aviation planning and demonstrate the Department's commitment to properly fund this weapons system to the quantities proposed in the multiyear plan.

d. Stable Configuration:

Currently, the F/A-18E/F aircraft has completed more than 4,000 hours of flight testing, successfully completed initial sea trials, and gained approval for the production of 62 LRIP aircraft from FY 1997 through FY 1999. The Engineering and Manufacturing Development (E&MD) contracts are 97.9% and 99.0% complete for the airframe and engine, respectively. At the time of the advanced acquisition contract award for full rate production, scheduled for the second quarter of FY 1999, the F/A-18E/F flight test program will have: completed all Developmental Testing (DT) through DT-IIC and close to one half of TECHEVAL; cleared 100% of the clean aircraft flight test envelope and greater than 80% of weapons testing; completed OT-IIB and initial preparations for OPEVAL.

Although the contractor efforts utilizing this advanced acquisition funding will begin prior to completion of OPEVAL, they will be based on the substantial testing completed to date and the related knowledge of the final aircraft configuration. Also, the vast majority of long lead items are related to structural components, such as bulkheads and brackets. These types of items are typically identified as problem areas early in the flight test process rather than during OPEVAL. Most of the changes derived from OPEVAL will be related to operator interfaces and software performance as opposed to structural changes to the aircraft. These types of items are included later in the production process and are not at issue when discussing advance procurement funding. Also, the prime contractor has stated that since any changes generated during OPEVAL are expected to be minor, they could be made with minimal impact to the production process.

P-1 Shopping List - Item No. 4

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET

The full rate production decision milestone is scheduled for the second quarter of FY 2000, with the resultant contract to be awarded within weeks of that decision. At that time, OPEVAL will have been completed for close to five months, allowing ample time for the Navy/contractor team to incorporate OPEVAL discrepancies into the final aircraft configuration prior to contract award. Additionally, the contractor and program office have a pre-planned roadmap to incorporate emerging systems into the aircraft during the years covered by the multiyear contract.

In conclusion, the F/A-18E/F will have a stable configuration and a planned roadmap of pre-planned avionics changes prior to the commencement of efforts related to the full rate production contract. The contractors' unrivaled technical success, production and field experience garnered from the F/A-18A/B/C/D program, and substantial knowledge gained over the first two and a half years of F/A-18E/F flight testing provide a technically mature configuration with which to enter a multiyear procurement.

e. Realistic Cost Estimate:

The NAVAIR Cost Analysis group participated in the validation of the contractor multiyear proposal. This group also prepared the service cost estimate that was independently verified by the Cost Analysis Improvement Group (CAIG) in preparation for the March, 1997 DAB. The CAIG not only validated the F/A-18E/F cost estimate, but also the methodology and assumptions used to derive the estimate.

The cost savings proposed by the contractor were evaluated for reasonableness using other Boeing multiyear proposals as a basis for comparison. Specifically, the projected cost savings of 7.4% were compared favorably to the savings generated by other aviation programs, including the C-17 multiyear procurement.

Based on the fidelity of the original F/A-18E/F estimate at 1000 aircraft using a single year procurement strategy, the significant production history provided by the F/A-18A/B/C/D program, and the savings achieved by another Boeing multiyear

P-1 Shopping List - Item No. 4

Exhibit MYP-1, Multiyear Procurement Criteria

Program: F/A-18E/F (FIGHTER) HORNET

plan, it is reasonable to assume a high degree of confidence in the F/A-18E/F cost estimate and the associated savings from the proposed multiyear procurement.

f. National Security:

The Quadrennial Defense Review and Defense Planning Guidance have set the total program and FYDP production quantities as well as the maximum yearly production rate. These documents emphasize the criticality of the F/A-18E/F to overall National Security Strategy and demonstrate the Department's commitment to properly fund this weapons system to the quantities proposed in the multiyear plan.

The National Security implications are two-fold, first is maintaining the industrial base for carrier launched aircraft, the second is providing a creditable fleet asset until the procurement of the Joint Strike Fighter. The F/A-18E/F line is the only active line capable of building carrier based fighter aircraft. The second National Security implication is that until the Joint Strike Fighter is built and completes EMD in approximately 8-10 years, the F/A-18E/F will be the premier Naval fighter aircraft. The F/A-18F replaces the F-14, with the F/A-18E replacing the F/A-18C.

P-1 Shopping List - Item No. 4

Exhibit MYP-1, Multiyear Procurement CriteriaProgram: F/A-18E/F (FIGHTER) HORNET3. Source of Savings

	<u>\$ in Millions</u>
Inflation	22.566
Vendor Procurement	483.263
Manufacturing	153.113
Design/Engineering	47.163
Tool Design	0.00
Support Equipment	0.00
Other	<u>0.00</u>
Total	706.105

4. Advantages of the MYP

This MYP strategy has been structured to achieve significant savings (\$706M), while avoiding the normal early years' drain on obligation authority for up front investment and providing unprecedented quantity flexibility for emergent requirements. The other unique feature of our MYP is the allowance for quantity flexibility. The government will have the right to vary the quantity by +/- 6 aircraft in any year (after the first year) at the time of initial funding for that year. Although aircraft deletions will erode some of the savings resulting from economies of scale and contractor cost reductions realized from vendors, planning, and supplier management, this provision provides unprecedented ability for the government to address emergency funding demands without totally forgoing the MYP savings. The ability to increase quantities also benefits the government by providing an ability to procure emergent requirements for more aircraft, including foreign military sales customers, again without breaking the MYP or disturbing the savings already established in the baseline

P-1 Shopping List - Item No. 4

Exhibit MYP-1, Multiyear Procurement CriteriaProgram: F/A-18E/F (FIGHTER) HORNET

## 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 such as those previously cited, which will 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 subcontractors 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 F/A-18E/F.

6. Multiyear Procurement Summary:

	<u>Annual Contracts</u>	<u>MYP Alternate</u>
Quantity	222	222
Total Contract Price	\$9,546.900	\$8,840.795
Cancellation Ceiling (highest point)		
<i>Funded</i>		
<i>Unfunded</i>		\$28.000
\$ Cost Avoidance Over Annual		\$706.105
% Cost Avoidance Over Annual		7.4%

P-1 Shopping List - Item No. 4

Exhibit MYP-2, Total Program Funding Plan							Date <b>FEBRUARY 1999</b>					
Appropriation/Budget Activity <b>Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)</b>							P-1 Line Item Nomenclature <b>F/A-18E/F (FIGHTER) HORNET (MYP)</b>					
	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	Total
<b>Procurement Quantity</b>		36	42	48	48	48						222
<b>Annual Procurement</b>												
Gross Cost		3,021.885	3,051.364	3,241.392	3,231.378	3,346.726						15,892.745
Less PY Adv Procurement		-109.119	-88.990	-91.416	-89.352	-87.090						-465.967
Net Procurement (=P-1)		2,912.766	2,962.374	3,149.976	3,142.026	3,259.636						15,426.778
Plus CY Adv Procurement	109.119	88.990	91.416	89.352	87.090							465.967
Weapon System Cost	109.119	3,001.756	3,053.790	3,239.328	3,229.116	3,259.636						15,892.745
<b>Multiyear Procurement</b>												
Gross Cost (P-1)		2,801.110	2,894.914	3,097.939	3,129.677	3,263.000						15,186.640
Less PY Adv Procurement		-109.119	-105.529	-113.583	-111.520	-109.258						-549.009
Net Procurement (=P-1)		2,691.991	2,789.385	2,984.356	3,018.157	3,153.742						14,637.631
Advance Procurement												
For FY 2000	109.119											109.119
For FY 2001		105.529										105.529
For FY 2002		18.904	94.679									113.583
For FY 2003		18.903	3.265	89.352								111.520
For FY 2004		18.904	3.264		87.090							109.258
Total Adv Procurement	109.119	162.240	101.208	89.352	87.090							549.009
Weapon System Cost	109.119	2,854.231	2,890.593	3,073.708	3,105.247	3,153.742						15,186.640
<b>Multiyear Savings (\$)</b>		147.525	163.197	165.620	123.869	105.894						706.105
Cancellation Ceiling - Funded												
Cancellation Ceiling - Unfunded		28.000	21.000	14.000	7.000							
<b>OUTLAYS</b>												
Annual	17.459	522.292	1,678.982	2,655.544	2,931.055	3,105.294	2,710.189	1,473.019	444.710	236.855	117.346	15,892.745
Multiyear	17.459	498.688	1,596.074	2,519.301	2,786.134	2,972.091	2,608.081	1,419.414	427.387	228.477	113.534	15,186.640
Savings		23.604	82.908	136.243	144.921	133.203	102.108	53.605	17.323	8.378	3.812	706.105
Remarks												

Exhibit MYP-3, Contract Funding Plan							Date <b>FEBRUARY 1999</b>					
Appropriation/Budget Activity <b>Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)</b>							P-1 Line Item Nomenclature <b>F/A-18E/F (FIGHTER) HORNET - Air Vehicle</b>					
	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	Total
<b>Procurement Quantity</b>		36	42	48	48	48						222
<b>Annual Procurement</b>												
Gross Cost		1,857.472	1,918.404	2,000.233	1,907.879	1,862.912						9,546.900
Less PY Adv Procurement		-85.687	-69.967	-74.669	-69.106	-67.836						-367.265
Net Procurement (=P-1)		1,771.785	1,848.437	1,925.564	1,838.773	1,795.076						9,179.635
Plus CY Adv Procurement	85.687	69.967	74.669	69.106	67.836							367.265
Contract Price	85.687	1,841.752	1,923.106	1,994.670	1,906.609	1,795.076						9,546.900
<b>Multiyear Procurement</b>												
Gross Cost (P-1)		1,636.697	1761.955	1,856.781	1,806.178	1,779.184						8,840.795
Less PY Adv Procurement		-85.687	-86.506	-96.836	-91.274	-90.004						-450.307
Net Procurement (=P-1)		1,551.010	1,675.449	1,759.945	1,714.904	1,689.180						8,390.488
Advance Procurement												
For FY 2000	85.687											85.687
For FY 2001		86.506										86.506
For FY 2002		18.904	77.932									96.836
For FY 2003		18.903	3.265	69.106								91.274
For FY 2004		18.904	3.264		67.836							90.004
Total Adv Procurement	85.687	143.217	84.461	69.106	67.836							450.307
Contract Price	85.687	1,694.227	1,759.910	1,829.051	1,782.740	1,689.180						8,840.795
<b>Multiyear Savings (\$)</b>		147.525	163.196	165.619	123.869	105.896						706.105
<b>Multiyear Savings (%)</b>												7.4%
Cancellation Ceiling - Funded												
Cancellation Ceiling - Unfunded		28.000	21.000	14.000	7.000							
<b>OUTLAYS</b>												
Annual	13.710	327.670	1,044.020	1,650.704	1,805.596	1,849.870	1,562.523	835.892	257.238	135.056	64.621	9,546.900
Multiyear	13.710	304.066	961.111	1,514.461	1,660.675	1,716.667	1,460.414	782.287	239.915	126.678	60.811	8,840.795
Savings		23.604	82.909	136.243	144.921	133.203	102.109	53.605	17.323	8.378	3.810	706.105
Remarks												



CLASSIFICATION:

**UNCLASSIFIED**

BUDGET ITEM JUSTIFICATION SHEET										DATE:			
<b>P-40</b>										<b>FEBRUARY 1999</b>			
APPROPRIATION/BUDGET ACTIVITY							P-1 ITEM NOMENCLATURE						
<b>Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)</b>							<b>F/A-18E/F ADVANCE PROCUREMENT (MYP)</b>						
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total
COST (In Millions)	<b>\$233.633</b>	<b>B</b>	<b>\$239.356</b>	<b>\$87.430</b>	<b>\$109.119</b>	<b>\$162.240</b>	<b>\$101.208</b>	<b>\$89.352</b>	<b>\$87.090</b>	<b>\$88.903</b>	<b>\$90.793</b>	<b>\$341.806</b>	<b>\$1,630.929</b>
<p><b><u>MISSION AND DESCRIPTION:</u></b>            The F/A-18 Naval Strike Fighter is a twin-engine, mid-wing, multimission tactical aircraft. F/A-18 can be missionized through selected use of external equipment to accomplish specific fighter or attack missions. This capability allows the Operational Commander more flexibility in employing his tactical aircraft in a dynamic scenario. The primary design mission for the F/A-18 is a strike fighter which includes the traditional applications, such as fighter escort and fleet air defense, combined with the attack applications, such as interdiction and close air support. Since the same airframe systems are used on attack missions as well as fighter missions, excellent fighter and self defense capability is retained.</p> <p><b><u>BASIS FOR FY 2000 BUDGET REQUEST:</u></b>            The FY 2000 request covers Airframe Contractor Furnished Equipment (CFE) MYP EOQ requirements, engine termination liability, and long lead items for Government Furnished Equipment (GFE).</p>													

CLASSIFICATION:

**UNCLASSIFIED**

Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)								Date: <b>FEBRUARY 1999</b>					
Appropriation (Treas) Code/CC/BA/BSA/Item Control Number: <b>Aircraft Procurement, Navy/APN-1, Fighter/Attack Aircraft</b>								P-1 Line Item Nomenclature: <b>F/A-18E/F ADVANCE PROCUREMENT (MYP)</b>					
Weapon System <b>F/A-18E/F</b>				First System (BY1) Award Date: <b>Feb-99</b>				Interval between Systems <b>Monthly</b>					
(\$ in Millions)													
	PLT	When Rqd	Prior Years	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total
End Item Qty			12	20	30	36	42	48	48	48	48	216	548
CFE- Airframe T.L.	32		383.0	68.5	85.7					69.5	70.9	236.2	913.8
EOQ/Long lead													
FOR FY 2000													0.0
FOR FY 2001						86.5							86.5
FOR FY 2002						18.9	77.9						96.8
FOR FY 2003						18.9	3.3	69.1					91.3
FOR FY 2004						18.9	3.3		67.8				90.0
<b>TOTAL EOQ/Long Lead</b>	Var.	Var.	0.0	0.0	0.0	143.2	84.5	69.1	67.8	0.0	0.0	0.0	364.6
GFE - F414 Eng.- T.L.	24	24	85.0	16.0	21.9	17.8	15.7	18.9	18.0	18.3	18.7	102.1	332.4
GFE - Other	Var.	Var.	5.0	2.9	1.5	1.2	1.0	1.4	1.3	1.1	1.2	3.5	20.1
<b>Total AP</b>			473.0	87.4	109.1	162.2	101.2	89.4	87.1	88.9	90.8	341.8	1630.9
Description:													
NARRATIVE DESCRIPTION: This line item funds EOQ requirements for the MYP and long-lead requirements for the F/A-18 E/F production program. Airframe /CFE and engine requirements are calculated on a termination liability basis through 31 October of the following fiscal year, reflecting the contractor's funding requirements the procurement of long-lead parts and material necessary to protect the delivery schedule. Other Government Furnished Equipment (GFE) requirements are determined on a fully loaded basis, procuring the long-lead quantity needed to protect the production schedule.													

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)	Date: <b>FEBRUARY 1999</b>
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number <b>Aircraft Procurement, Navy/APN-1, Fighter/Attack Aircraft</b>	Weapon System <b>F/A-18E/F</b>	P-1 Line Item Nomenclature <b>F/A-18E/F ADVANCE PROCUREMENT (MYP)</b>
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(TOA, \$ in Millions)

	PLT	QPA	Unit Cost	FY 2000/ FY 2001 Qty	FY 2000 Contract Forecast Date	FY 2000 Total Cost Request	FY 2001 Qty	FY 2001 Contract Forecast Date	FY 2001 Total Cost Request
End Item		N/A				N/A			
EOQ/Long Lead	32		N.A.	MYP	Apr-00	143.2	MYP	Nov-00	84.5
GFE - Engine - T.L.	24		N.A.	T.L.	Jun-00	17.8	T.L.	Nov-00	15.7
GFE - Other	Var.	Var.	N.A.	Var.	Var.	1.2	Var.	Var.	1.0
<b>TOTAL AP</b>						<b>162.2</b>			<b>101.2</b>

Description:  
Contract dates and advance procurement funding support the MYP.

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET  
P-40

DATE:  
February 1999

APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy								P-1 ITEM NOMENCLATURE LI 6/V-22					
Program Element for Code B Items: 0604262N								Other Related Program Elements 1110011F/Proj 643752, 1160404BB/Proj 643752					
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total Program
QUANTITY		B	5	7	7	10	16	20	30	30	30	253	408
Net P-1 Cost (\$M)	231.400		596.577	616.615	607.861	796.392	1,096.891	1,198.277	1,549.705	1,560.390	1,537.154	12,297.856	22,089.118
Advance Proc (\$M)	46.369		55.879	59.971	53.862	71.044	80.531	168.977	228.657	180.537	153.367	792.054	1,891.248
Wpn Sys Cost (\$M)	277.769		652.456	676.586	661.723	867.436	1,177.422	1,367.254	1,778.362	1,740.927	1,690.521	13,089.910	23,980.366
Initial Spares (\$M)			57.443	21.397	30.365	68.910	132.846	183.764	55.326	54.739	52.108	339.398	996.296
Proc Cost (\$M)	277.769		709.899	697.983	692.088	936.346	1,310.268	1,551.018	1,833.688	1,795.666	1,742.629	13,429.308	24,976.662
Unit Cost (\$M)			141.980	99.712	98.870	93.635	81.892	77.551	61.123	59.856	58.088	53.080	61.217

Description:

The V-22 is a tilt-rotor, vertical takeoff and landing aircraft currently being developed for joint service application. The program is being designed to provide an aircraft to meet the amphibious/vertical assault needs of the Marine Corps, the strike rescue needs of the Navy, and supplement USSOCOM special mission aircraft. The aircraft will be capable of flying 2,100 miles with one refueling, giving the Services the advantage of a Vertical/Short Takeoff and Landing (V/STOL) aircraft that could rapidly self-deploy to any location in the w

The current procurement objective is 458: 360 MV-22 Marine Corps aircraft, 48 HV-22 Navy aircraft, and 50 CV-22 aircraft for USSOCOM (funded by USSOCOM and the Air Force). The program is planning for four Low Rate Initial Production lots prior to a Milestone III decision in FY2001. IOC, defined as 12 aircraft in the training squadron at New River, NC, is anticipated in FY2001.

Basis for Request: FY2000 procures 10 V-22's with support.

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: February 1999

Aircraft model: V-22

\$ in thousands

	Prior Years <u>Total Cost</u>	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001	
		Qty: 5 <u>Unit Cost</u>	5 <u>Total Cost</u>	Qty: 7 <u>Unit Cost</u>	7 <u>Total Cost</u>	Qty: 7 <u>Unit Cost</u>	7 <u>Total Cost</u>	Qty: 10 <u>Unit Cost</u>	10 <u>Total Cost</u>	Qty: 16 <u>Unit Cost</u>	16 <u>Total Cost</u>
1 Airframe CFE		99,582.272	497,911.360	80,347.836	562,434.851	75,115.270	525,806.893	60,787.289	607,872.889	52,537.200	840,595.205
2 CFE Electronics											
3 GFE Electronics		192.140	960.700	241.891	1,693.239	232.804	1,629.629	237.272	2,372.725	605.482	9,687.704
4 Engines/Eng Acc		4,637.380	23,186.900	4,040.000	28,280.000	3,786.000	26,502.000	3,702.000	37,020.000	3,660.000	58,560.000
5 Armament											
6 Other GFE											
Rec Flyaway ECO		541.088	2,570.440	2,119.044	14,833.310	2,493.243	17,452.700	3,098.183	30,981.835	1,587.175	25,394.800
8 Rec Flyaway Cost		104,952.880	524,629.400	86,748.771	607,241.400	81,627.317	571,391.222	67,824.744	678,247.449	58,389.857	934,237.709
9 Non-Recur Cost	231,400.000	12,790.880	63,954.400	2,920.714	20,445.000	2,571.429	18,000.000	1,939.200	19,392.000	5,062.350	80,997.595
10 Ancillary Equip											
11											
12 Total Flyaway	231,400.000	117,743.760	588,583.800	89,669.485	627,686.400	84,198.746	589,391.222	69,763.944	697,639.449	63,452.207	1,015,235.304
13 Airframe PGSE			6,114.600		8,206.800		21,257.300		37,392.000		36,182.200
14 Engine PGSE			227.400		151.000		116.200		150.500		360.800
15 Avionics PGSE			850.200		3,100.000		4,433.500		6,287.100		24,783.100
16 Pec Trng Eq			36,189.800		12,789.900		10,492.900		34,951.500		19,891.000
17 Pub/Tech Eq							21,500.000		22,887.500		11,483.700
18 Other ILS			8,850.500		10,769.100		11,838.700		20,563.200		28,521.400
19 Prod Eng Supt			2,129.700		9,790.800		8,802.200		30,382.800		31,477.500
20											
21 Support Cost			54,362.200		44,807.600		78,440.800		152,614.600		152,699.700
22 Gross P-1 Cost	231,400.000		642,946.000		672,494.000		667,832.022		850,254.049		1,167,935.004
23 Adv Proc Credit			-46,369.000		-55,879.000		-59,971.000		-53,862.000		-71,044.000
24 Net P-1 Cost	231,400.000		596,577.000		616,615.000		607,861.022		796,392.049		1,096,891.004
25 Adv Proc CY	46,369.000		55,879.000		59,971.000		53,862.000		71,044.000		80,531.000
26 Weapon System Cos	277,769.000		652,456.000		676,586.000		661,723.022		867,436.049		1,177,422.004
27 Initial Spares			57,443.000		21,397.000		30,365.000		68,910.000		132,846.000
28 Procurement Cost	277,769.000	141,979.800	709,899.000	99,711.857	697,983.000	98,869.717	692,088.022	93,634.605	936,346.049	81,891.750	1,310,268.004

P-1 SHOPPING LIST

ITEM NO

PAGE NO

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## AIRCRAFT COST ANALYSIS

## P-5 Cost Sheet

Aircraft model: V-22

\$ in thousands

	Prior Years Total Cost	FY 2002		FY 2003		FY 2004		FY 2005		To Complete Cost	TOTAL COST
		Qty: Unit Cost	20 Total Cost	Qty: Unit Cost	30 Total Cost	Qty: Unit Cost	30 Total Cost	Qty: Unit Cost	30 Total Cost		
1	Airframe CFE	47,787.324	955,746.473	41,680.274	1,250,408.220	40,725.306	1,221,759.177	39,471.729	1,184,151.878	10,356,208.349	18,002,895.295
2	CFE Electronics										
3	GFE Electronics	616.519	12,330.389	628.957	18,868.713	642.165	19,264.956	655.651	19,669.520	183,033.271	269,510.846
4	Engines/Eng Acc	3,664.000	73,280.000	3,666.000	109,980.000	3,746.655	112,399.659	3,829.082	114,872.451	1,073,968.635	1,658,049.645
5	Armament										
6	Other GFE										
7	Rec Flyaway ECO	958.124	19,162.474	798.630	23,958.913	814.506	24,435.183	789.435	23,683.037	207,124.168	389,596.860
8	Rec Flyaway Cost	53,025.967	1,060,519.336	46,773.861	1,403,215.846	45,928.632	1,377,858.975	44,745.897	1,342,376.886	11,820,334.423	20,320,052.646
9	Non-Recur Cost	3,032.366	60,647.311	1,100.197	33,005.900						527,842.206
10	Ancillary Equip	434.484	8,689.675	347.952	10,438.566	369.405	11,082.140	359.798	10,793.940	94,562.676	135,566.997
11											
12	Total Flyaway	56,492.817	1,129,856.322	48,222.010	1,446,660.312	46,298.037	1,388,941.115	45,105.695	1,353,170.826	11,914,897.099	20,983,461.849
13	Airframe PGSE		36,409.800		75,966.100		166,615.800		157,294.100	254,349.552	799,788.252
14	Engine PGSE		245.300		501.000		512.000		261.600	3,940.910	6,466.710
15	Avionics PGSE		5,570.200		82,591.000		116,565.500		100,261.900	253,648.789	598,091.289
16	Pec Trng Eq		28,316.700		30,889.200		28,331.300		25,160.200	150,424.068	377,436.568
17	Pub/Tech Eq		18,420.000		18,557.900		21,819.400		18,415.000	87,648.781	220,732.281
18	Other ILS		29,014.400		30,831.400		34,893.100		32,922.000	332,154.549	540,358.349
19	Prod Eng Supt		30,975.200		32,685.100		31,368.700		30,205.400	246,213.979	454,031.379
20											
21	Support Cost		148,951.600		272,021.700		400,105.800		364,520.200	1,328,380.628	2,996,904.828
22	Gross P-1 Cost		1,278,807.922		1,718,682.012		1,789,046.915		1,717,691.026	13,243,277.727	23,980,366.677
23	Adv Proc Credit		-80,531.000		-168,977.000		-228,657.000		-180,537.000	-945,421.552	-1,891,248.552
24	Net P-1 Cost		1,198,276.922		1,549,705.012		1,560,389.915		1,537,154.026	12,297,856.175	22,089,118.125
25	Adv Proc CY		168,977.000		228,657.000		180,537.000		153,367.000	792,054.552	1,891,248.552
26	Weapon System Cost		1,367,253.922		1,778,362.012		1,740,926.915		1,690,521.026	13,089,910.727	23,980,366.677
27	Initial Spares		183,764.000		55,326.000		54,739.000		52,108.000	339,398.052	996,296.052
28	Procurement Cost	77,550.896	1,551,017.922	61,122.934	1,833,688.012	59,855.531	1,795,665.915	58,087.634	1,742,629.026	13,429,308.779	24,976,662.729

## P-1 SHOPPING LIST

ITEM NO

PAGE NO

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CLASSIFICATION:

# UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System V-22			A. DATE February 1999			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy				C. P-1 ITEM NOMENCLATURE LI 6/V-22				SUBHEAD AP: U1CV Reg: U1CW			
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (\$M)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE	
<u>Airframe:</u> FY1997 Adv Procurement			NAVAIR	Option	SS/AAC	Bell-Boeing, Patuxent River MD	Apr97		Yes		
FY1998 Airframe	7	\$80.3	NAVAIR		SS/AAC CPIF	Bell-Boeing, Patuxent River MD	Mar98	Apr00	Yes		
FY1998 Adv Procurement			NAVAIR	Option	SS/AAC	Bell-Boeing, Patuxent River MD	Mar98		Yes		
FY1999 Airframe	7	\$75.1	NAVAIR		SS/AAC CPIF	Bell-Boeing, Patuxent River MD	Mar99	Mar01	Yes		
FY1999 Adv Procurement			NAVAIR	New Contract	SS/AAC	Bell-Boeing, Patuxent River MD	Mar99		Yes		
FY2000 Airframe	10	\$60.8	NAVAIR		SS/AAC FPI	Bell-Boeing, Patuxent River MD	Feb00	Dec01	Yes		
FY2000 Adv Procurement			NAVAIR	Option	SS/AAC	Bell-Boeing, Patuxent River MD	Feb00		Yes		
D. REMARKS											

# UNCLASSIFIED

CLASSIFICATION:

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System V-22			A. DATE February 1999			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy					C. P-1 ITEM NOMENCLATURE LI 6/V-22				SUBHEAD AP: U1CV Reg: U1CW		
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST (\$M)	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	Date Revisions Available	
<u>Engine:</u> FY1997 Adv Procurement			NAVAIR		SS AAC	Allison Engine Co Indianapolis, IN	May98		Yes		
FY1998 Engine	14	\$2.0	NAVAIR	Option	SS FFP	Allison Engine Co Indianapolis, IN	May98	Sep99	Yes		
FY1999 Engine	14	\$1.9	NAVAIR	Option	SS FFP	Allison Engine Co Indianapolis, IN	Nov98*	Jul00	Yes		
FY2000 Engine	20	\$1.9	NAVAIR	Option	SS FFP	Allison Engine Co Indianapolis, IN	Nov99*	Apr01	Yes		
D. REMARKS * Contract Options to be executed in November requires minimal Termination Liability be provided prior to Acquisition Decision Memorandum Production Approval											









EXHIBIT P-43 SIMULATOR AND TRAINING DEVICE JUSTIFICATION														DATE: February 1999															
Appropriation/P-1 Line Item Aircraft Procurement, Navy/P-1 LI 6														Weapon System V-22						IOC Date FY2001									
Training Device by Type	BY1 Site	Delivery Date	Ready for Training Date	Average Student Throughput	Prior Years		FY 1997		FY 1998		FY 1999		FY 2000		FY 2001		FY 2002		FY 2003		FY 2004		FY 2005		To Complete		Total		
					Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty
FFS	MCAS New River, NC	FY03	FY03	59			1	35,930					1	17,500	1	13,500								1	13,500	2	27,000	6	107,430
FTD	MCAS New River, NC			28					1	11,864							2	19,200	3	28,800	2	19,200	1	9,600	7	67,200	16	155,864	
Other Curriculum Interactive Courseware Gov't Field Support Advisory & Assistance Services								259		926		10,493		17,452		6,391		9,117		2,089		9,131		2,060		56,225		114,143	
<b>Total</b>							1	36,189	1	12,790		10,493	1	34,952	1	19,891	2	28,317	3	30,889	2	28,331	2	25,160	9	150,425	22	377,437	
Description																													
FFS: Full Flight Simulator FTD: Flight Training Device																													

CLASSIFICATION:

**UNCLASSIFIED**

Exhibit P-20, Requirements Study				APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1			DATE: February 1999			
P-1 ITEM NOMENCLATURE LI 6/V-22			Admin Leadtime (after Oct1): 6 Months			Prod Leadtime : 33 Months				
	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	
Buy Summary	5	7	7	10	16	20	30	30	30	
Unit Cost	\$141.980	\$99.712	\$98.870	\$93.635	\$81.892	\$77.551	\$61.123	\$59.856	\$58.088	
Total Cost	\$709.899	\$697.983	\$692.088	\$936.346	\$1,310.268	\$1,551.018	\$1,833.688	\$1,795.666	\$1,742.629	
Asset Dynamics										
Beginning Asset Position				2	9	18	29	45	65	
Deliveries from all prior year funding (FY1997)			2	3						
Deliveries from FY 1998 funding				4	3					
Deliveries from FY 1999 funding					6	1				
Deliveries from FY 2000 funding						10				
Deliveries from subsequent years' funding)							16	20	30	
Other Gains										
Combat Losses/Usage										
Training Losses/Usage										
Test Losses/Usage										
Other Losses/Usage										
Disposals/Retirements/Attritions/etc.										
End of Year Asset Position	0	0	2	9	18	29	45	65	95	
Inventory Objective or Current Authorized Allowance			2	9	18	29	45	65	95	
Aircraft:	V-22	Remarks: FY1999 is the first V-22 aircraft delivery; therefore, Losses/Usage data is not applicable.								
TOAI:	408									
PAA:	364									
TAI:	381									
Attrition Res:										
BAI:										
Inactive Inv:										
Storage:										

CLASSIFICATION:

**UNCLASSIFIED**

BUDGET ITEM JUSTIFICATION SHEET P-40										DATE: <b>February 1999</b>			
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)							P-1 ITEM NOMENCLATURE LI 7/V-22 Advance Procurement						
Program Element for Code B Items: 0604262N							Other Related Program Elements 1110011F/Proj 643752, 1160404BB/Proj 643752						
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total
COST (In Millions)	\$46.369	B	\$55.879	\$59.971	\$53.862	\$71.044	\$80.531	\$168.977	\$228.657	\$180.537	\$153.367	\$792.054	\$1,891.248
<p><u>MISSION AND DESCRIPTION:</u> The V-22 is a tilt-rotor, vertical takeoff and landing aircraft currently being developed for joint service application. The program is being designed to provide an aircraft to meet the amphibious/vertical assault needs of the Marine Corps, the strike rescue needs of the Navy, and supplement USSOCOM special mission aircraft. The aircraft will be capable of flying 2,100 miles with one refueling, giving the Services the advantage of a Vertical/Short Takeoff and Landing (V/STOL) aircraft that could rapidly self-deploy to any location in the world.</p> <p><u>BASIS FOR FY 2000 BUDGET REQUEST:</u> This line item funds long-lead requirements for the V-22 production program. Airframe/CFE requirements are calculated on a termination liability basis, reflecting contractor's funding requirements for procurement of long lead parts and materials necessary to protect the delivery schedule. Other government furnished equipment (GFE) requirements are determined on a fully funded basis.</p>													

Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)	Date: February 1999
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Appropriation (Treas) Code/CC/BA/BSA/Item Control Numbe Aircraft Procurement, Navy/APN-1, Tilt-Rotor Aircraft (BA-1)	P-1 Line Item Nomenclature LI 7/V-22 Advance Procurement
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Weapon System  V-22	First System (BY1) Award Date FY1999 Advance Procurement for FY00 Production: Mar 99 FY2000 Regular Production: Feb 00	Interval Between Systems (BY1)  1 Month
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(\$ in Millions)

	BY1 PLT	When Rqd	Prior Years		FY1998	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	To Complete	Total
End Item Qty			12		7	10	16	20	30	30	30	30	223	408
CFE - Airframe	33	Dec 01	93.846		59.819	53.862	70.392	79.702	167.713	227.365	179.219	152.021	783.731	1867.670
GFE - Engine			8.281											8.281
ALE-47			0.121											0.121
AAR-47					0.152									0.152
ARD ADF Antenna	30	6Mos					0.123	0.156	0.239	0.243	0.248	0.253	1.352	2.614
Notch Filter	18	18Mos					0.006	0.008	0.009	0.012	0.012	0.012	0.078	0.137
ARN-147	15	12Mos					0.244	0.310	0.473	0.483	0.493	0.503	3.210	5.716
AN/ASQ-215	18	18Mos					0.279	0.355	0.543	0.554	0.565	0.578	3.683	6.557
<b>Total AP</b>			102.248		59.971	53.862	71.044	80.531	168.977	228.657	180.537	153.367	792.054	1891.248

Description:

This line item funds long-lead requirements for the V-22 production program. Airframe/CFE requirements are calculated on a termination liability basis, reflecting contractor's funding requirements for procurement of long lead parts and materials necessary to protect the delivery schedule. Other government furnished equipment (GFE) requirements are determined on a fully funded basis.

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)						Date: February 1999			
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/APN-1, Tilt-Rotor Aircraft (BA-1)				Weapon System V-22		P-1 Line Item Nomenclature LI 7/V-22 Advance Procurement			
(TOA, \$ in Millions)									
	FY 2001 PLT	QPA	UNIT COST	FY 2000 For FY 2001 Qty	FY 2000 Contract Forecast Date	FY 2000 Total Cost Request	FY 2001 For FY 2002 Qty	FY 2001 Contract Forecast Date	FY 2001 Total Cost Request
End Item									
CFE - Airframe	33		54.1	TL for 16	Feb 2000	70.4	TL for 20	Feb 2001	79.7
GFE:									
ARD ADF Antenna	30		0.007			0.1			0.1
Notch Filter	18		0.002						
ARN-147	15		0.015			0.2			0.3
AN/ASQ-215	18		0.018			0.3			0.4
<b>Total Advance Proc</b>						71.0			80.5
Description: Advance Procurement requirements are calculated on a termination liability basis considering dollars required to procure long lead parts and material necessary to build component systems for the V-22 aircraft. GFE is fully funded.									

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET  
P-40

DATE:  
February 1999

APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy								P-1 ITEM NOMENCLATURE AH-1W SEA COBRA					
Program Element for Code B Items:								Other Related Program Elements					
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total Program
QUANTITY	258	A											258
Net P-1 Cost (\$M)	1,492.3					2.0	2.4	1.0					1,496.6
Advance Proc (\$M)	49.0												49.0
Wpn Sys Cost (\$M)	1,541.3					2.0	2.4	1.0					1,545.6
Initial Spares (\$M)	100.5												100.5
Proc Cost (\$M)	1,641.7					2.0	2.4	1.0					1,646.0
Unit Cost (\$M)	6												6

Description:

MISSION: THE AH-1W IS A HELICOPTER GUNSHIP WHOSE MISSION IS THE ENROUTE ESCORT AND PROTECTION OF TROOP ASSAULT HELICOPTERS, LANDING ZONE PREPARATION IMMEDIATELY PRIOR TO THE ARRIVAL OF ASSAULT HELICOPTERS, LANDING ZONE FIRE SUPPRESSION DURING THE ASSAULT PHASE, AND FIRE SUPPORT DURING GROUND ESCORT OPERATIONS. THE AH-1W HAS ADDITIONALLY BEEN TASKED WITH THE MISSION OF ENEMY ARMOR DESTRUCTION, WHICH REQUIRES OPERATIONS BOTH AT SEA LEVEL AND IN HIGH/HOT ENVIRONMENTS. THIS MISSION HAS REQUIRED THE INCORPORATION OF THE HELLFIRE MISSILE SYSTEM PLUS THE INCORPORATION OF THE IMPROVED T700-GE-401 ENGINES.

DESCRIPTION: THE AH-1W IS A TANDEM SEAT, TWO PLACE (PILOT AND GUNNER/CO-PILOT) ATTACK HELICOPTER DESIGNED AND BUILT TO PROVIDE HIGH SPEED AND MANEUVERABILITY REQUIRED BY THE ATTACK MISSION. THE ARMAMENT OF THE AH-1W INCLUDES THE SIDEWINDER, TOW AND THE HELLFIRE MISSILE SYSTEMS, A CHIN-MOUNTED 20 MM TURRET GUN, AND WIDE VARIETY OF FORWARD FIRING AND DROPABLE EXTERNAL STORES. NIGHT TARGETING SYSTEM (NTS) PROVIDES A NIGHT/ADVERSE WEATHER TOW AND AUTONOMOUS HELLFIRE CAPABILITY. NTS ALSO PROVIDES ENHANCED CONVENTIONAL WEAPONS DELIVERY BY UTILIZING THE SYSTEMS LASER RANGING SYSTEM.

BASIS FOR REQUEST: FUNDING IS REQUESTED IN FY 2000 THROUGH FY 2002 TO FINANCE NON-RECURRING EFFORTS ASSOCIATED WITH PRODUCTION SHUTDOWN.

P-1 SHOPPING LIST

CLASSIFICATION:

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: February 1999

Aircraft model: AH-W SEA COBRA

\$ in thousands

	Prior Years <u>Total Cost</u>	FY 1997 Qty:		FY 1998 Qty:		FY 1999 Qty:		FY 2000 Qty:		FY 2001 Qty:	
		<u>Unit Cost</u>	<u>Total Cost</u>								
1 Airframe CFE	822,293,792										
2 CFE Electronics											
3 GFE Electronics	39,388,071										
4 Engines/Eng Acc	152,604,763										
5 Armament	130,653,772										
6 Other GFE	13,683,912										
7 Rec Flyaway ECO	5,650,597										
8 Rec Flyaway Cost	1,164,274,907										
9 Non-Recur Cost	56,863,470							1,961,000			2,350,000
10 Ancillary Equip											
11											
12 Total Flyaway	1,221,138,377							1,961,000			2,350,000
13 Airframe PGSE	55,993,114										
14 Engine PGSE	4,933,105										
15 Avionics PGSE	17,938,313										
16 Pec Trng Eq	85,699,255										
17 Pub/Tech Eq	34,578,303										
18 Fac Mgmt/Fld Act	60,260,271										
19 ILS/Rel Dem	15,895,596										
20 Other	44,835,045										
21 Support Cost	320,133,002										
22 Gross P-1 Cost	1,541,271,379							1,961,000			2,350,000
23 Adv Proc Credit	(48,973,769)							0			0
24 Net P-1 Cost	1,492,297,610							1,961,000			2,350,000
25 Adv Proc CY	48,973,769							0			0
26 Weapon System Cost	1,541,271,379							1,961,000			2,350,000
27 Initial Spares	100,462,030							0			0
28 Procurement Cost	1,641,733,409							1,961,000			2,350,000

P-1 SHOPPING LIST

AIRCRAFT COST ANALYSIS  
P-5 Cost Sheet

Date: February 1999

Aircraft model: AH-1W SEA COBRA

\$ in thousands

	FY 2002		FY 2003		FY 2004		FY 2005		To Complete Cost	TOTAL COST
	Qty:	Unit Cost								
1 Airframe CFE										822,293,792
2 CFE Electronics										0
3 GFE Electronics										39,388,071
4 Engines/Eng Acc										152,604,763
5 Armament										130,653,772
6 Other GFE										13,683,912
7 Rec Flyaway ECO										5,650,597
8 Rec Flyaway Cost										1,164,274,907
9 Non-Recur Cost		978,000								61,174,470
10 Ancillary Equip										0
11										
12 Total Flyaway		978,000								1,225,449,377
13 Airframe PGSE										55,993,114
14 Engine PGSE										4,933,105
15 Avionics PGSE										17,938,313
16 Pec Trng Eq										85,699,255
17 Pub/Tech Eq										34,578,303
18 Fac Mgmt/Fld Act										60,260,271
19 ILS/Rel Dem										15,895,596
20 Other										44,835,045
21 Support Cost										320,133,002
22 Gross P-1 Cost		978,000								1,545,582,379
23 Adv Proc Credit		0								(48,973,769)
24 Net P-1 Cost		978,000								1,496,608,610
25 Adv Proc CY		0								48,973,769
26 Weapon System Cost		978,000								1,545,582,379
27 Initial Spares		0								100,462,030
28 Procurement Cost		978,000								1,646,044,409

P-1 SHOPPING LIST

ITEM NO                      PAGE NO  
8                                      3

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET  
P-40

DATE:  
February 1999

APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA 1								P-1 ITEM NOMENCLATURE SH-60R Remanufacture					
Program Element for Code B Items: PE 0204243N								Other Related Program Elements					
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total Program
QUANTITY		B				7	9	18	22	26	27	76	185
Net P-1 Cost (\$M)		B				216.692	266.223	395.261	464.156	555.778	552.769	1,487.112	3,937.991
Advance Proc (\$M)		B											
Wpn Sys Cost (\$M)		B				216.692	266.223	395.261	464.156	555.778	552.769	1,487.112	3,937.991
Initial Spares (\$M)		B				13.372	23.062	37.297	42.246				115.977
Proc Cost (\$M)		B				230.064	289.285	432.558	506.402	555.778	552.769	1,487.112	4,053.968
Unit Cost (\$M)		B				32.866	32.143	24.031	23.018	21.376	20.473	19.567	21.913

Description:

Mission Description: The Block II Upgrade improves the capability of the LAMPS MK III Weapons System to provide battle group protection and to add significant capability in coastal littorals and regional conflicts. The Block II Upgrade represents a significant avionics modification to the H-60 series helicopters by enhancing primary mission areas of Anti-Submarine Warfare (ASW) and Anti-Surface Warfare (ASUW). Airborne Low Frequency Sonar (ALFS) will be added to enhance the existing acoustic suite. An added multi-mode radar includes an inverse synthetic aperture radar mode (permits stand-off classification of hostile threats). An improved electronics surveillance measures system (ESM) will enable passive detection and targeting of radar sources not currently detectable. H-60 airframes will be remanufactured to the SH-60R configuration. The remanufacturing scope includes the avionics upgrade, service life extension, standard Depot Level Maintenance, and incorporation of Engineering Change Proposals.

Basis for Request: This request provides FY00 funding for the remanufacture of H-60 series helicopters.

CLASSIFICATION:

UNCLASSIFIED

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: FEBRUARY 1999

Aircraft model: SH-60R Remanufacture

\$ in thousands

	Prior Years	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001	
		Qty: 0	Qty: 0	Qty: 0	Qty: 0	Qty: 7	Qty: 9				
	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>								
1 Airframe CFE						16,989	118,920	17,145	154,308		
2 CFE Electronics						0	0	0	0		
3 GFE Electronics						3,413	23,889	3,470	31,226		
4 Engines/Eng Acc						0	0	0	0		
5 Armament						0	0	0	0		
6 Other GFE						0	0	0	0		
7 Rec Flyaway ECO						1,019	7,135	686	6,172		
8 Rec Flyaway Cost						21,421	149,944	21,301	191,706		
9 Non-Recur Cost						607	4,250	444	3,999		
10 Ancillary Equip						0	0	0	0		
11											
12 Total Flyaway						22,028	154,194	21,745	195,705		
13 Airframe PGSE							0		0		
14 Engine PGSE							0		0		
15 Avionics PGSE							16,562		16,358		
16 Pec Trng Eq							25,158		36,724		
17 Pub/Tech Eq							6,826		3,369		
18 Weapon System							792		802		
19 Field Activities							7,284		7,064		
20 ILS/LSA/MES							5,876		6,201		
21 Support Cost							62,498		70,518		
22 Gross P-1 Cost							216,692		266,223		
23 Adv Proc Credit							0		0		
24 Net P-1 Cost							216,692		266,223		
25 Adv Proc CY							0		0		
26 Weapon System Cost							216,692		266,223		
27 Initial Spares							13,372		23,062		
28 Procurement Cost							230,064		289,285		

Dollars may not add due to rounding

AIRCRAFT COST ANALYSIS  
P-5 Cost Sheet

Date: FEBRUARY 1999

Aircraft model: SH-60R Remanufacture

\$ in thousands

	Prior Years <u>Total Cost</u>	FY 2002		FY 2003		FY 2004		FY 2005		To Complete Cost	TOTAL COST
		Qty: <u>Unit Cost</u>	18 <u>Total Cost</u>	Qty: <u>Unit Cost</u>	22 <u>Total Cost</u>	Qty: <u>Unit Cost</u>	26 <u>Total Cost</u>	Qty: <u>Unit Cost</u>	27 <u>Total Cost</u>		
1	Airframe CFE	14,127	254,281	13,583	298,824	12,941	336,455	12,847	346,863	999,843	2,509,494
2	CFE Electronics		0		0		0		0	0	0
3	GFE Electronics	3,459	62,259	3,445	75,796	3,494	90,848	3,567	96,311	281,280	661,609
4	Engines/Eng Acc		0		0		0		0	0	0
5	Armament		0		0		0		0	0	0
6	Other GFE		0		0		0		0	0	0
7	Rec Flyaway ECO	283	5,086	272	5,976	259	6,729	257	6,937	19,998	58,033
8	Rec Flyaway Cost	17,868	321,626	17,300	380,596	16,694	434,032	16,671	450,111	1,301,121	3,229,136
9	Non-Recur Cost		0		0	1,710	44,470	916	24,724	0	77,443
10	Ancillary Equip		0		0		0		0	0	0
11											
12	Total Flyaway	17,868	321,626	17,300	380,596	18,404	478,502	17,586	474,835	1,301,121	3,306,579
13	Airframe PGSE		0		0		0		0	0	0
14	Engine PGSE		0		0		0		0	0	0
15	Avionics PGSE		31,875		54,492		27,674		23,894	13,023	183,878
16	Pec Trng Eq		24,950		13,959		32,959		31,277	74,634	239,661
17	Pub/Tech Eq		3,676		1,975		2,795		3,304	8,881	30,826
18	Weapon System		823		846		869		5,883	28,375	38,390
19	Fld Activities		6,169		5,003		5,558		5,971	27,274	64,323
20	ILS/LSA/MES		6,142		7,285		7,421		7,605	33,804	74,334
21	Support Cost		73,635		83,560		77,276		77,934	185,991	631,412
22	Gross P-1 Cost		395,261		464,156		555,778		552,769	1,487,112	3,937,991
23	Adv Proc Credit		0		0		0		0	0	0
24	Net P-1 Cost		395,261		464,156		555,778		552,769	1,487,112	3,937,991
25	Adv Proc CY		0		0		0		0	0	0
26	Weapon System Cost		395,261		464,156		555,778		552,769	1,487,112	3,937,991
27	Initial Spares		37,297		42,246		0		0	0	115,977
28	Procurement Cost		432,558		506,402		555,778		552,769	1,487,112	4,053,968

Dollars may not add due to rounding

# UNCLASSIFIED

CLASSIFICATION:

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System SH-60R Remanufacture			A. DATE February 1999		
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA 1					C. P-1 ITEM NOMENCLATURE SH-60R Remanufacture				SUBHEAD TBD	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
Airframe/FY00	7	16,989	NAVAIR	JUN 99	SS/FFP	Lockheed Martin Fed Sys Owego, NY	DEC 99	JAN 02	NO	TBD
D. REMARKS										

FY 2000 BUDGET PRODUCTION SCHEDULE, P-21							DATE February 1999																							
APPROPRIATION/BUDGET ACTIVITY							Weapon System							P-1 ITEM NOMENCLATURE																
Aircraft Procurement, Navy BA1														SH-60R Remanufacture																
							Production Rate			Procurement Leadtimes																				
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																
Airframe	Lockheed Martin Fed Sys					6	30	30	12	2	26	23	28																	
	Owego, NY																													
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2002												FISCAL YEAR 2003												B A L
						2001						CALENDAR YEAR 2002						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	
Airframe	00	N	7	0	7				1			1		1		2													0	
Airframe	01	N	9	0	9																								0	
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2004												FISCAL YEAR 2005												B A L
						2003						CALENDAR YEAR 2004						2004						CALENDAR YEAR 2005						
						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	
Airframe	02	N	18	0	18		2	1	1	2	1	1	2	1	2		2												0	
Airframe	03	N	22	0	22																								1	

FY 2000 BUDGET PRODUCTION SCHEDULE, P-21							DATE		February 1999																					
APPROPRIATION/BUDGET ACTIVITY					Weapon System		P-1 ITEM NOMENCLATURE																							
Aircraft Procurement, Navy BA1							SH-60R Remanufacture																							
		Production Rate			Procurement Leadtimes																									
Item	Manufacturer's Name and Location					MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure																
Airframe	Lockheed Martin Fed Sys					6	30	30	12	2	26	23	28	EACH																
	Owego, NY																													
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2006												FISCAL YEAR 2007												B A L
						2005						CALENDAR YEAR 2006						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	
Airframe	03	N	22	21	1	1																					0			
Airframe	04	N	26	0	26		3	2	2	3	2	2	3	2	2	1	2	2									0			
Airframe	05	N	27	0	27										2	2	1	2	2	3	2	3	2	3	2	3	0			
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2008												FISCAL YEAR 2009												B A L
						2007						CALENDAR YEAR 2008						2008						CALENDAR YEAR 2009						
						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	

EXHIBIT P-43 SIMULATOR AND TRAINING DEVICE JUSTIFICATION										DATE: February 1999																			
Appropriation/P-1 Line Item Aircraft Procurement, Navy										Weapon System SH-60R Remanufacture						IOC Date: FY02													
Training Device by Type	Site	Delivery Date	Ready for Training Date	Average Student Throughput	Prior Years		FY 1997		FY 1998		FY 1999		FY 2000		FY 2001		FY 2002		FY 2003		FY 2004		FY 2005		To Complete		Total		
					Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty
WST #3	North Island	MAR 02	JUN 02	88								1	9,658		19,777													1	29,435
VET #1	North Island	APR 02	AUG 02	43								1	14,000														1	14,000	
PTT #1	North Island	APR 02	AUG 02	62								1	1,500														1	1,500	
AMT #1	North Island	JAN 03	JUN 03	93										1	16,947												1	16,947	
AMT #2	Mayport	DEC 03	FEB 04	91												1	11,170										1	11,170	
VET #2	Mayport	FEB 03	JUN 03	62												1	1,000										1	1,000	
PTT #2	ATSUGI	FEB 03	JUN 03	88												1	300										1	300	
WST #2	Mayport	SEP 03	OCT 03	85												1	7,920			11,559							1	19,479	
PTT #3	Mayport	MAR 04	JUL 04	85															1	300							1	300	
WST #1	North Island	MAY 04	JUN 04	173												1	4,560			2,100			6,999				1	13,659	
PTT #4	North Island	MAR 05	JUL 05	156																	1	300					1	300	
TU TOFT	North Island	OCT 05	NOV 05	183																			1	13,659			1	13,659	
SH-60R Post FRS -TOFT	ATSUGI	OCT 05	NOV 05	178																			1	3,659			1	3,659	
SH-60F to SH-60R Conversion	North Island	MAY 05	AUG 05	163																	1	12,000		13,659			1	25,659	
PTT #5	Jacksonville	SEP 05	JAN 06	163																			1	300			1	300	
Embedded Training	North Island	FEB 04	FEB 04	85																	1	13,660					1	13,660	
Various Trainers Beyond FY05																										5	74,634	5	74,634
<b>Total</b>												3	25,158	1	36,724	5	24,950	1	13,959	3	32,959	3	31,277	5	74,634	21	239,661		
Description																													

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-20, Requirements Study			APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA 1				DATE: February 1999			
P-1 ITEM NOMENCLATURE SH-60R Remanufacture			Admin Leadtime (after Oct1): 2 Months				Prod Leadtime : 26 Months			
	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	
Buy Summary				7	9	18	22	26	27	
Unit Cost				30,956	29,580	21,959	21,098	21,376	20,473	
Total Cost				216,692	266,223	395,261	464,156	555,778	552,769	
Asset Dynamics				0	0	0	0	0	0	
Beginning Asset Position				0	0	0	6	16	32	
Deliveries from all prior year funding				0	0	0	0	0	0	
Deliveries from FY 1998 funding				0	0	0	0	0	0	
Deliveries from FY 1999 funding				0	0	0	0	0	0	
Deliveries from FY 2000 funding				0	0	6	1	0	0	
Deliveries from subsequent years' funding				0	0	0	9	16	23	
Other Gains										
Combat Losses/Usage										
Training Losses/Usage										
Test Losses/Usage										
Other Losses/Usage										
Disposals/Retirements/Attritions/etc.										
End of Year Asset Position				0	0	6	16	32	55	
Inventory Objective or Current Authorized Allowance				0	0	6	16	32	55	
Aircraft:		Remarks: Amounts may be off due to rounding								
TOAI: 185										
PAA:										
TAI 185										
Attrition Res:										
BAI										
Inactive Inv:										
Storage:										

CLASSIFICATION:

UNCLASSIFIED

# UNCLASSIFIED

## BUDGET ITEM JUSTIFICATION SHEET P-40

DATE:  
February 1999

APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1, Combat Aircraft	P-1 ITEM NOMENCLATURE E-2C (MYP)
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Program Element for Code B Items:	Other Related Program Elements
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	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total Program
QUANTITY	7	A	4	4	3	3	5	5	5				36
Net P-1 Cost (\$M)	406.295		273.225	292.740	214.865	210.462	247.769	224.602	211.730	0.000	0.000	0.000	2,081.688
Advance Proc (\$M)	129.388		22.176	18.829	182.413	172.554	68.148	36.389					629.897
Wpn Sys Cost (\$M)	535.683		295.401	311.569	397.278	383.016	315.917	260.991	211.730	0.000	0.000	0.000	2,711.585
Initial Spares (\$M)	3.217		2.007	6.017	16.978	12.497	4.968	7.617	10.114				63.415
Proc Cost (\$M)	538.900		297.408	317.586	414.256	395.513	320.885	268.608	221.844	0.000	0.000	0.000	2,775.000
Unit Cost (\$M)	76.986		74.352	79.397	138.085	131.838	64.177	53.722	44.369				77.083

Description:

The E-2C Hawkeye is an all weather, carrier-based, airborne early warning and command and control aircraft. It extends task force defense perimeters by providing early warning of approaching enemy units and by vectoring interceptors into attack position. Additionally, the Hawkeye provides strike control, radar surveillance, search and rescue assistance, communications relay and automatic tactical data exchange.

Previously the Navy had planned to upgrade the older Group 0 E-2Cs to the Group II configuration in lieu of continued production. Economic analyses, however, shows that it is more cost effective to procure new aircraft than to upgrade old aircraft.

Non-recurring for a new propeller qualification is included in this budget.

Basis for Request

The FY2000 budget is part of a multiyear procurement (MYP) of 21 airframes starting in FY99 and ending in FY03 which is fully funded in each year under a single five year firm fixed price contract. These 21 airframes buy out the remaining E-2C inventory requirement.

AIRCRAFT MODEL: E-2C

POPULAR NAME: HAWKEYE

MANUFACTURER: NORTHROP GRUMMAN

ITEM	PRIOR YEARS		FY97		4		FY98		4		MULTIYEAR	MULTIYEAR	MULTIYEAR	MULTIYEAR	MULTIYEAR	MULTIYEAR
	Total Cost	Unit Cost	FY99	3	FY00	3	FY01	5								
1. Airframe/CFE	249,544,938	37,274,400	149,097,600	38,656,800	154,627,199	39,330,928	117,992,785	39,507,521	118,522,562	36,676,464	183,382,318					
2. CFE Mission Electronics	149,232,485	22,845,600	91,382,400	23,692,877	94,771,509	19,084,075	57,252,226	19,169,761	57,509,284	17,796,081	88,980,406					
3. GFE Electronics	14,467,832	2,092,938	8,371,753	2,188,772	8,755,088	2,282,353	6,847,058	7,399,022	22,197,065	7,153,742	35,768,708					
4. Engines/ Acces	38,486,151	7,095,050	28,380,200	5,939,284	23,757,134	6,638,988	19,916,965	6,651,627	19,954,881	6,241,346	31,206,728					
5. Armanent	0	0	0	0	0	0	0	0	0	0	0					
6. Other GFE	1,533,097	185,747	742,986	266,370	1,065,481	345,115	1,035,346	349,383	1,048,149	350,781	1,753,904					
Subtotal GFE	54,487,080	9,373,735	37,494,939	8,394,426	33,577,703	9,266,456	27,799,368	14,400,032	43,200,095	13,745,868	68,729,341					
7. Rec Flyaway ECO	0	0	0	0	0	0	0	0	0	0	0					
8. Recurr Flyaway Cost	453,264,503	69,493,735	277,974,939	70,744,103	282,976,411	67,681,460	203,044,379	73,077,314	219,231,941	68,218,413	341,092,065					
9. Nonrecurring Cost	0		1,500,000		11,904,061		9,327,018		6,963,458		1,371,157					
10. Ancillary Equipment	0		0		0		0		0		0					
11.	0		0		0		0		0		0					
12. Total Flyaway Cost	453,264,503	69,868,735	279,474,939	73,720,118	294,880,472	70,790,466	212,371,397	75,398,466	226,195,399	68,492,644	342,463,222					
13. Airframe PGSE	3,630,722		4,800,000		1,750,954		2,539,244		2,597,128		2,340,295					
14. Engine PGSE	91,000		0		0		0		0		0					
15. Avionics PGSE	1,122,600		409,050		401,052		216,391		221,324		199,437					
16. Pec Training Equipmen	4,449,238		3,714,000		1,290,016		1,435,731		1,468,460		1,323,242					
17. Pubs/Tech Data	3,172,185		2,500,000		2,003,897		1,851,532		1,893,739		1,706,465					
18. Production Support	24,796,752		27,483,011		14,589,609		15,279,705		15,398,950		11,938,339					
19.	0		0		0		0		0		0					
20.	0		0		0		0		0		0					
21. Support ECO	0		0		0		0		0		0					
22. Support COST	37,262,497		38,906,061		20,035,528		21,322,603		21,579,601		17,507,778					
23. GROSS P-1 COST	490,527,000		318,381,000		314,916,000		233,694,000		247,775,000		359,971,000					
24. ADV PROC CREDIT	-84,232,000		-45,156,000		-22,176,000		-18,829,000		-37,313,000		-112,202,000					
25. NET P-1 COST	406,295,000		273,225,000		292,740,000		214,865,000		210,462,000		247,769,000					
26. ADV Procurement	129,388,000		22,176,000		18,829,000		182,413,000		172,554,000		68,148,000					
27. Weapon System Cost	535,683,000		295,401,000		311,569,000		397,278,000		383,016,000		315,917,000					
28. Initial Spares	3,217,000		2,007,000		6,017,000		16,978,000		12,497,000		4,968,000					
29. Procurement Cost	538,900,000		297,408,000		317,586,000		414,256,000		395,513,000		320,885,000					

FMS QTYS

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P-5 COST SHEET

AIRCRAFT MODEL: E-2C

POPULAR NAME: HAWKEYE

MANUFACTURER: NORTHROP GRUMMAN

ITEM	MULTIYEAR	MULTIYEAR	MULTIYEAR	MULTIYEAR	FY04		FY05		TO COMPLETE	TOTAL COST
	FY02	5	FY03	5	Unit Cost	Total Cost	Unit Cost	Total Cost	Total Cost	
1. Airframe/CFE	37,370,228	186,851,139	37,720,541	188,602,704	0	0	0	0	0	1,348,621,245
2. CFE Mission Electronics	18,132,708	90,663,541	18,302,686	91,513,431	0	0	0	0	0	721,305,282
3. GFE Electronics	7,164,247	35,821,233	7,265,410	36,327,049	0	0	0	0	0	168,555,787
4. Engines/Access	6,351,700	31,758,500	6,472,938	32,364,691	0	0	0	0	0	225,825,250
5. Armanent	0	0	0	0	0	0	0	0	0	0
6. Other GFE	356,983	1,784,915	363,797	1,818,985	0	0	0	0	0	10,782,863
Subtotal GFE	13,872,930	69,364,648	14,102,145	70,510,725	0	0	0	0	0	405,163,900
7. Rec Flyaway ECO	0	0	0	0	0	0	0	0	0	0
8. Recurr Flyaway Cost	69,375,866	346,879,328	70,125,372	350,626,860	0	0	0	0	0	2,475,090,427
9. Nonrecurring Cost		0		0		0		0	0	31,065,694
10. Ancillary Equipment		0		0		0		0	0	0
11.		0		0		0		0	0	0
12. Total Flyaway Cost	69,375,866	346,879,328	70,125,372	350,626,860	0	0	0	0	0	2,506,156,121
13. Airframe PGSE		2,330,232		3,196,371		0		0	0	23,184,946
14. Engine PGSE		0		0		0		0	0	91,000
15. Avionics PGSE		198,579		272,391		0		0	0	3,040,824
16. Pec Training Equipment		1,317,552		1,807,281		0		0	0	16,805,520
17. Pubs/Tech Data		1,699,127		2,330,687		0		0	0	17,157,632
18. Production Support		15,140,182		20,522,410		0		0	0	145,148,958
19.		0		0		0		0	0	0
20.		0		0		0		0	0	0
21. Support ECO		0		0		0		0	0	0
22. Support COST		20,685,672		28,129,140		0		0	0	205,428,880
23. GROSS P-1 COST		367,565,000		378,756,000		0		0	0	2,711,585,001
24. ADV PROC CREDIT		-142,963,000		-167,026,000		0		0	0	-629,897,000
25. NET P-1 COST		224,602,000		211,730,000		0		0	0	2,081,688,001
26. ADV Procurement		36,389,000				0		0	0	629,897,000
27. Weapon System Cost		260,991,000		211,730,000		0		0	0	2,711,585,001
28. Initial Spares		7,617,000		10,114,000		0		0	0	63,415,000
29. Procurement Cost		268,608,000		221,844,000		0		0	0	2,775,000,001

CLASSIFICATION:

**UNCLASSIFIED**

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System E-2C HAWKEYE		A. DATE February 1999			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1, Combat Aircraft					C. P-1 ITEM NOMENCLATURE E-2C HAWKEYE				SUBHEAD Y1A1	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>Airframe</u>										
1997 Regular	4	60,120.00	NAVAIR		SS FFP	Northrop Grumman St. Augustine, FI	Aug 97	May 99	Yes	N/A
Advance (FY 97 for FY 98)		T/L		12/1/96	AAC		Dec 96			
1998 Regular	3	61,949.00	NAVAIR		SS FFP	Northrop Grumman	Nov 97	May 00	Yes	N/A
Cong. Plus-up	1	62,800.00	NAVAIR		SS FFP	St. Augustine, FI	May 98	Feb 01	Yes	N/A
Advance (FY 98 for FY 99)		T/L		2/27/98	AAC		May 98			
1999 Regular (Multi Year)*	3	58,415.00	NAVAIR		SS FFP/MYP	Northrop Grumman St. Augustine, FI	June 99	Sep 01	Yes	N/A
Advance (EOQ for MYP) (FY 99 for FY 00, 01, 02, 03)		T/L		12/1/98	AAC/MYP		Feb 99			
2000 Regular (Multi Year)*	3	56,677.28	NAVAIR		SS FFP/MYP	Northrop Grumman St. Augustine, FI	Feb 99	Jun 02	Yes	N/A
Advance (EOQ for MYP) (FY 00 for FY 01, 02, 03)		T/L		12/1/98	AAC/MYP		Feb 99			
2001 Regular (Multi Year)*	5	54,472.55	NAVAIR		SS FFP/MYP	Northrop Grumman St. Augustine, FI	Feb 99	Mar 03	Yes	N/A
Advance (EOQ for MYP) (FY 01 for FY 02, 03)		T/L		12/1/98	AAC/MYP		Feb 99			
D. REMARKS										
*FY99 budget submitted as a multiyear profile. If multiyear is approved, FY99 AAC will be converted to a multiyear AAC Contract for FY99-03 in Feb 99.										

CLASSIFICATION:

# UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System E-2C HAWKEYE		A. DATE February 1999			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1, Combat Aircraft					C. P-1 ITEM NOMENCLATURE E-2C HAWKEYE				SUBHEAD Y1A1	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>Engines</u>										
1997 Regular	8*	2,085.60	NAVAIR		SS FFP	Allison Indianapolis, IN	May 97	Oct 98	Yes	N/A
Advance (FY 97 for FY 98)		T/L		1/1/97	AAC		Jan 97			
1998 Regular	6*	2,144.60	NAVAIR		SS FFP	Allison Indianapolis, IN	Nov 97	Oct 99	Yes	N/A
Cong. Plus-up	2*	2,100.00	NAVAIR		SS FFP		Jul 98	Sep 00	Yes	N/A
Advance (FY 98 for FY 99)		T/L		2/27/98	AAC		Jul 98			
1999 Regular	6*	2,189.60	NAVAIR		SS FFP	Allison Indianapolis, IN	May 99**	Feb 01	Yes	N/A
Advance (FY 99 for FY 00)		T/L		2/28/99	AAC		Mar 99			
2000 Regular	6*	2,217.00	NAVAIR		SS FFP	Allison Indianapolis, IN	Jan 00**	Nov 01	Yes	N/A
Advance (FY 00 for FY 01)		T/L		11/1/99	AAC		Jan 00			
2001 Regular	10*	2,288.00	NAVAIR		SS FFP	Allison Indianapolis, IN	Jan 01**	Aug 02	Yes	N/A
Advance (FY 01 for FY 02)		T/L		11/1/00	AAC		Jan 01			
D. REMARKS *Quantity is 2 per aircraft. **Date reflects definitization of contract.										



FY 2000/2001 BUDGET PRODUCTION SCHEDULE, P-21						DATE February 1999																								
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1, Combat Aircraft						Weapon System E-2C HAWKEYE					P-1 ITEM NOMENCLATURE E-2C HAWKEYE																			
Item	Manufacturer's Name and Location		Production Rate			Procurement Leadtimes					Total	Unit of Measure																		
			MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT																					
Airframe	Northrop Grumman		4	6	18	6	5				40	45																		
	St. Augustine, FL																													
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2002												FISCAL YEAR 2003												B A L
						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	
Airframe (Cont.)	99	N	3	1	2				1			1															0			
	00	N	3	0	3							1															0			
	01	N	5	0	5													1		1							2			
	02	N	5	0	5																						5			
	03	N	5	0	5																						5			
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2004												FISCAL YEAR 2005												B A L
						2003			CALENDAR YEAR 2004									CALENDAR YEAR 2005												
						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	
Airframe (Cont.)	01	N	5	3	2	1			1																		0			
	02	N	5	0	5					1		1		1													0			
	03	N	5	0	5													1			1				1		2			

FY 2000/2001 BUDGET PRODUCTION SCHEDULE, P-21						DATE February 1999																								
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1, Combat Aircraft						Weapon System E-2C HAWKEYE					P-1 ITEM NOMENCLATURE E-2C HAWKEYE																			
Item	Manufacturer's Name and Location					Production Rate			Procurement Leadtimes							Total	Unit of Measure													
						MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT																		
Engines	Allison Engine Company Indianapolis, IN					6	12	42	9	5	32	32	37																	
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 1998												FISCAL YEAR 1999												B A L
						1997						CALENDAR YEAR 1998						CALENDAR YEAR 1999												
						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	
Engines	96	N	6	0	6					2			2															0		
	97	N	8	0	8																							0		
	98	N	8	0	8																							8		
	99	N	6	0	6																							6		
	00	N	6	0	6																							6		
	01	N	10	0	10																							10		
	02	N	10	0	10																							10		
	03	N	10	0	10																							10		
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2000												FISCAL YEAR 2001												B A L
						1999						CALENDAR YEAR 2000						CALENDAR YEAR 2001												
						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	
Engines (Cont.)	98	N	8	0	8	2				2																		0		
	99	N	6	0	6																							0		
	00	N	6	0	6																							6		
	01	N	10	0	10																							10		
	02	N	10	0	10																							10		
	03	N	10	0	10																							10		



# UNCLASSIFIED

Exhibit P-20, Requirements Study			APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA-1, Combat Aircraft				DATE: February 1999			
P-1 ITEM NOMENCLATURE E-2C HAWKEYE			Admin Leadtime (after Oct1): 2 MONTHS			Prod Leadtime : 34 MONTHS				
	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	
Buy Summary	4	4	3	3	5	5	5	0	0	
Unit Cost	74.35	79.40	138.09	131.84	64.18	53.72	44.37	0.00	0.00	
Total Cost	297.41	317.59	414.26	395.51	320.89	268.61	221.84	0.02	0.09	
Asset Dynamics										
Beginning Asset Position	85	75	75	75	75	75	75	75	75	
Deliveries from all prior year funding	1	3	5	2						
Deliveries from FY 1998 funding				2	2					
Deliveries from FY 1999 funding					1	2				
Deliveries from FY 2000 funding						2	1			
Deliveries from subsequent years' funding							3	5	5	
Other Gains										
Combat Losses/Usage										
Training Losses/Usage										
Test Losses/Usage										
Other Losses/Usage										
Disposals/Retirements/Attritions/etc.	11	3	5	4	3	4	4	5	5	
End of Year Asset Position	75	75	75	75	75	75	75	75	75	
Inventory Objective or Current Authorized Allowance	75	75	75	75	75	75	75	75	75	
Aircraft:		Remarks:								
TOAI:	78									
PAA:	63									
TAI	75									
Attrition Res:										
BAI	12									
Inactive Inv:										
Storage:	3									

# UNCLASSIFIED

CLASSIFICATION:

**UNCLASSIFIED**

**BUDGET ITEM JUSTIFICATION SHEET  
P-40**

DATE:

**February 1999**

APPROPRIATION/BUDGET ACTIVITY

**Aircraft Procurement, Navy/ Combat Aircraft, (BA-1)**

P-1 ITEM NOMENCLATURE

**E-2C Advance Procurement**

Program Element for Code B Items:

Other Related Program Elements

	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total
COST (In Millions)	<b>129.388</b>	<b>A</b>	<b>22.176</b>	<b>18.829</b>	<b>182.413</b>	<b>172.554</b>	<b>68.148</b>	<b>36.389</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>629.897</b>

**MISSION AND DESCRIPTION:**

The E-2C Hawkeye is an all weather, carrier-based, airborne early warning and command and control aircraft. It extends task force defense perimeters by providing early warning of approaching enemy units and by vectoring interceptors into attack position. Additionally, the Hawkeye provides strike control, radar surveillance, search and rescue assistance, communications relay and automatic tactical data exchange.

**BASIS FOR FY 2000 BUDGET REQUEST:**

This line item funds long-lead requirements for the FY2001 E-2C production program. The MYP EOQ Airframe/CFE and Engine requirements are calculated on a termination liability basis, reflecting contractor's funding requirements for procurement of long-lead parts and materials necessary to protect the delivery schedule. Other government furnished equipment (GFE) requirements are determined on a fully funded basis, procuring the long-lead quantity needed to protect the production schedule.

**UNCLASSIFIED**

Exhibit P-10, Advance Procurement Requirements Analysis (Page 1 - Funding)							Date: February 1999							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number 1506/-/BA1/-/NA							P-1 Line Item Nomenclature E-2C ADVANCE PROCUREMENT							
Weapon System E-2C HAWKEYE				First System (BY1) Award Date Jan 1999				Interval Between Systems 3 MONTHS						
(\$ in Millions)														
	PLT	When Rqd	Prior Years	FY1997	FY1998	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	To Complete	Total
E-2C Quantity	34		11	4	3	3	5	5	5	0	0	0	0	36
<b>CFE/AIRFRAME</b>						Multiyear	Multiyear	Multiyear	Multiyear					
RADAR	24	10	14.6	2.8	2.8					0.0	0.0	0.0	0.0	20.2
PDS	24	10	5.9	1.8	1.8					0.0	0.0	0.0	0.0	9.5
ROTODOME	24	10	9.2	1.9	1.9					0.0	0.0	0.0	0.0	13.0
EMDU	24	10	1.3	0.0	0.0					0.0	0.0	0.0	0.0	1.3
IFF	24	10	5.1	1.7	1.7					0.0	0.0	0.0	0.0	8.5
LANDING GEAR	24	10	4.5	1.3	1.3					0.0	0.0	0.0	0.0	7.1
OTHER CFE	24	10	67.1	5.0	9.1					0.0	0.0	0.0	0.0	81.2
EOQ														
FOR FY99					0.0									
FOR FY00						30.0								30.0
FOR FY01						48.2	54.3							102.5
FOR FY02						48.7	54.3	28.2						131.1
FOR FY03						48.2	54.3	28.2	23.7					154.3
TOTAL EOQ						175.1	162.8	56.3	23.7	0.0				417.9
<b>GFE</b>														
ENGINE	24	10	6.6	3.0	0.1	2.2	3.8	3.8	3.9	0.0	0.0	0.0	0.0	23.4
JTIDS	24	10	6.8	1.7	0.1	1.2	1.9	1.9	1.9	0.0	0.0	0.0	0.0	15.5
OTHER GFE	24	10	8.3	3.0	0.1	3.9	4.1	6.1	6.9	0.0	0.0	0.0	0.0	32.4
<b>TOTAL</b>			<b>129.4</b>	<b>22.2</b>	<b>18.8</b>	<b>182.4</b>	<b>172.6</b>	<b>68.1</b>	<b>36.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>629.9</b>
Description:														
*Totals do not add due to rounding.														

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)						Date: February 1999			
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number 1506/-/BA1/-/NA				Weapon System E-2C HAWKEYE		P-1 Line Item Nomenclature E-2C ADVANCE PROCUREMENT			
(TOA, \$ in Millions)									
	FY 2001 PLT	QPA	UNIT COST	FY 2000 For FY 2001 Qty	FY 2000 ** Contract Forecast Date	FY 2000 Total Cost Request	FY 2001 For FY 2002 Qty	FY 2001 Contract** Forecast Date	FY 2001 Total Cost Request
E-2C	34	N/A		FY00-5	Feb-99	N/A	FY01-5	Feb-99	
<b>CFE/AIRFRAME</b>						MULTIYEAR			MULTIYEAR
RADAR	24	1	5.2	5	Feb-99		5	Feb-99	
PDS	24	1	3.1	5	Feb-99		5	Feb-99	
RODODOME	24	1	1.9	5	Feb-99		5	Feb-99	
EMDU	24	1	0.0	0	N/A*		0	N/A	
IFF	24	1	0.9	5	Feb-99		5	Feb-99	
LANDING GEAR	24	1	0.4	5	Feb-99		5	Feb-99	
OTHER CFE	24	1	-	5	Feb-99		5	Feb-99	
EOQ	24	VAR	-	-	Feb-99	162.8	-	Feb-99	56.3
<b>GFE</b>									
ENGINE	24	2	5.7	10	Mar-99	3.8	10	Jan-00	3.8
JTIDS	24	1	0.6	5	Feb-99	1.9	5	Jan-00	1.9
OTHER GFE	24	VAR	-	VAR	Feb-99	4.0	LOT	Jan-00	6.1
<b>TOTAL</b>						9.7			11.8
<b>Total Advance Proc</b>						172.6			68.1
Description: *Starting in FY97, EMDUs will be provided as Government Owned Material. **The FY2000 and FY2001 contract forecast date of Feb 99 reflects the MYP contract date. The EOQ buys will be executed by the definitization of the Feb 99 contract during FY2000 and FY2001, respectively.									

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET  
P-40

DATE:  
February 1999

APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/Airlift Aircraft (BA-2)								P-1 ITEM NOMENCLATURE CH-60S Vertical Replenishment (MYP)					
Program Element for Code B Items: 0204453N								Other Related Program Elements N/A					
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total Program
QUANTITY	0	B	0	1	5	13	18	24	20	20	20	44	165
Net P-1 Cost (\$M)	\$0.0	B	0	29.684	111.142	208.493	205.258	318.953	263.281	262.665	261.401	770.776	2,431.653
Advance Proc (\$M)	\$0.0	B	0		26.084	73.792	73.789	74.918	76.694	77.287	78.521	102.816	583.901
Wpn Sys Cost (\$M)	\$0.0	B	0	29.684	137.226	282.285	279.047	393.871	339.975	339.952	339.922	873.592	3,015.554
Initial Spares (\$M)	\$0.0	B	0		4.999	8.381	19.397	17.122	16.186	3.744	8.867	21.323	100.019
Proc Cost (\$M)	\$0.0	B	0	29.684	142.225	290.666	298.444	410.993	356.161	343.696	348.789	894.915	3,115.573
Unit Cost (\$M)	\$0.0	B	0	29.684	28.445	22.359	16.580	17.125	17.808	17.185	17.439	20.339	18.882

Mission & Description:  
The Helicopter Combat Support (HC) mission is to maintain forward deployed fleet sustainability through rapid airborne delivery of materials and personnel and to support amphibious operations through search and rescue coverage. The primary roles of the aircraft are to conduct vertical replenishment (VERTREP), day/night ship-to-ship, ship-to-shore, and shore-to-ship external transfer of cargo; internal transport of passengers, mail and cargo, vertical onboard delivery (VOD); airhead operations, and day/night search and rescue (SAR). The aircraft secondary roles include torpedo and drone recovery, noncombatant evacuation operations (NEO), SEAL and UDT support.

Basis for Request:  
Funds are requested in FY00 for the procurement of 13 CH-60S aircraft.

Note: Totals may be off due to rounding.

P-1 SHOPPING LIST

CLASSIFICATION:

Aircraft Cost Analysis P-5

Popular Name: CH-60S

FISCAL YEAR QUANTITY ITEM	FY98		FY99		FY00		FY01	
	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST
1. AIRFRAME/CFE	11,266,296	11,266,296	11,266,296	56,331,479	10,134,619	131,750,053	8,876,920	159,784,565
2. ENGINES/ACCESSORIES	1,247,304	1,247,304	1,325,607	6,628,033	1,347,057	17,511,739	1,369,493	24,650,881
3. CFE MISSION ELECTRONICS	0	0	0	0	0	0	0	0
4. GFE ELECTRONICS	2,596,191	2,596,191	2,596,191	12,980,957	2,560,761	33,289,891	2,524,682	45,444,284
5. ARMAMENT	0	0	0	0	0	0	0	0
6. OTHER GFE	332,506	332,506	332,506	1,662,532	337,887	4,392,530	343,515	6,183,265
GFE SUBTOTAL	4,176,002	4,176,002	4,254,304	21,271,522	4,245,705	55,194,160	4,237,691	76,278,430
7. REC FLYAWAY ECO	675,978	675,978	675,978	3,379,889	405,385	5,270,002	177,538	3,195,691
8. REC FLYAWAY COST	16,118,275	16,118,275	16,196,578	80,982,890	14,785,709	192,214,215	13,292,149	239,258,686
9. NON-RECURRING	10,387,165	10,387,165	0	0	0	0	0	0
10. ANCILLARY EQUIPMENT	0	0	0	0	0	0	0	0
11. RESERVED								
12. TOTAL FLYAWAY COST	26,505,440	26,505,440	16,196,578	80,982,890	14,785,709	192,214,215	13,292,149	239,258,686
13. AIRFRAME PGSE		0		1,956,426		4,864,351		10,698,075
14. ENGINE PGSE		0		132,586		346,243		725,458
15. AVIONICS PGSE		0		1,015,988		3,205,406		6,708,596
16. PEC TRNG EQUIPMENT		0		13,723,440		14,162,195		1,591,316
17. PUBS/TECH DATA		0		4,234,000		4,149,000		5,212,000
18. WEAPON SYSTEM		0		0		966,418		820,600
19. FIELD ACTIVITIES		0		4,796,670		8,392,272		9,044,269
20. ILS/LSA/MES		0		4,300,000		6,276,900		4,991,000
21. PRODUCTION SUPPORT		3,178,560		0		0		0
22. SUPPORT COST		3,178,560		30,159,110		42,362,785		39,791,314
23. GROSS P-1 COST		29,684,000		111,142,000		234,577,000		279,050,000
24. ADV PROC CRED		0				(26,084,000)		(73,792,000)
25. NET P-1 COST		29,684,000		111,142,000		208,493,000		205,258,000
26. ADV PROCUREMENT		0		26,084,000		73,792,000		73,789,000
27. WEAPON SYSTEM COST		29,684,000		137,226,000		282,285,000		279,047,000
28. INITIAL SPARES		0		4,999,000		8,381,000		19,397,000
29. PROCUREMENT COST		29,684,000		142,225,000		290,666,000		298,444,000

## Aircraft Cost Analysis P-5

Date: February 1999

Aircraft Model: CH-60S

FISCAL YEAR QUANTITY ITEM	FY02		FY03		FY04		FY05		COMPLETE		PROGRAM	
	UNIT COST	TOTAL COST	UNIT COST	TOTAL COST								
1. AIRFRAME/CFE	9,192,925	220,630,202	9,096,502	181,930,036	9,032,284	180,645,684	9,195,119	183,902,388	9,841,609	433,030,814	9,450,130	1,559,271,518
2. ENGINES/ACCESSORIES	1,394,459	33,467,016	1,422,591	28,451,825	1,452,466	29,049,329	1,482,968	29,659,363	1,534,405	67,513,799	1,443,511	238,179,288
3. CFE MISSION ELECTRONICS	0	0	0	0	0	0	0	0	0	0	0	0
4. GFE ELECTRONICS	2,490,541	59,772,995	2,540,785	50,815,699	2,594,143	51,882,857	2,648,620	52,972,393	2,740,486	120,581,401	2,608,101	430,336,669
5. ARMAMENT	0	0	0	0	0	0	0	0	0	0	0	0
6. OTHER GFE	349,777	8,394,647	356,833	7,136,669	364,327	7,286,543	371,978	7,439,560	384,880	16,934,718	362,200	59,762,970
GFE SUBTOTAL	4,234,777	101,634,657	4,320,210	86,404,192	4,410,936	88,218,730	4,503,566	90,071,315	4,659,771	205,029,919	4,413,812	728,278,927
7. REC FLYAWAY ECO	183,859	4,412,604	181,930	3,638,602	180,646	3,612,914	183,902	3,678,048	196,832	8,660,616	221,360	36,524,343
8. REC FLYAWAY COST	13,611,561	326,677,463	13,598,641	271,972,830	13,623,866	272,477,328	13,882,588	277,651,752	14,698,212	646,721,349	14,085,302	2,324,074,789
9. NON-RECURRING	150,000	3,600,000	1,012,717	20,254,345	0	0	0	0	0	0	207,524	34,241,510
10. ANCILLARY EQUIPMENT	0	0	413,142	8,262,846	1,231,050	24,621,005	1,438,392	28,767,843	3,557,696	156,538,623	1,322,366	218,190,316
11												
12. TOTAL FLYAWAY COST	13,761,561	330,277,463	15,024,501	300,490,020	14,854,917	297,098,332	15,320,980	306,419,595	18,255,908	803,259,972	15,615,192	2,576,506,616
13. AIRFRAME PGSE		12,798,165		7,772,936		12,864,593		7,027,032		12,390,205		70,371,783
14. ENGINE PGSE		876,478		668,222		741,989		437,352		837,498		4,765,826
15. AVIONICS PGSE		8,090,864		6,271,959		6,864,260		4,047,861		7,748,481		43,953,415
16. PEC TRNG EQUIPMENT		20,817,000		3,865,644		1,054,890		1,078,097		7,886,711		64,179,293
17. PUBS/TECH DATA		4,649,000		3,604,001		5,863,779		4,381,143		25,500,024		57,592,947
18. WEAPON SYSTEM		821,276		716,623		844,372		859,421		4,564,806		9,593,516
19. FIELD ACTIVITIES		9,514,754		10,587,193		8,473,947		8,788,363		59,926,673		119,524,141
20. ILS/LSA/MES		4,897,000		4,222,401		5,552,838		5,649,136		29,999,404		65,888,679
21. PRODUCTION SUPPORT		0		0		0		0		0		3,178,560
22. SUPPORT COST		62,464,537		37,708,980		42,260,668		32,268,405		148,853,802		439,048,161
23. GROSS P-1 COST		392,742,000		338,199,000		339,359,000		338,688,000		952,113,774		3,015,554,777
24. ADV PROC CRED		-73,789,000		-74,918,000		-76,694,000		-77,287,000		-181,337,661		-583,901,661
25. NET P-1 COST		318,953,000		263,281,000		262,665,000		261,401,000		770,776,113		2,431,653,116
26. ADV PROCUREMENT		74,918,000		76,694,000		77,287,000		78,521,000		102,816,661		583,901,661
27. WEAPON SYSTEM COST		393,871,000		339,975,000		339,952,000		339,922,000		873,592,774		3,015,554,777
28. INITIAL SPARES		17,122,000		16,186,000		3,744,000		8,867,000		21,323,000		100,019,000
29. PROCUREMENT COST		410,993,000		356,161,000		343,696,000		348,789,000		894,915,774		3,115,573,777

# UNCLASSIFIED

CLASSIFICATION:

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

Weapon System  
CH-60S VERTREP

A. DATE  
February 1999

B. APPROPRIATION/BUDGET ACTIVITY  
Aircraft Procurement, Navy/Airlift Aircraft (BA-2)

C. P-1 ITEM NOMENCLATURE  
CH-60S Vertical Replenishment (MYP)

SUBHEAD  
U2A2

Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>Airframe</u>										
FY 98 Reg.	1	11,266	ARMY	9/98	SS/MYP	Sikorsky, Stratford, CT	4/99	3/00	Yes	
FY 99 Reg.	5	11,266	ARMY	9/98	SS/MYP	Sikorsky, Stratford, CT	4/99	4/00	Yes	
FY 00 Reg	13	10,135	ARMY	9/98	SS/MYP	Sikorsky, Stratford, CT	12/99	7/00	Yes	
FY00 AP (TL)	18		ARMY	9/98	SS/MYP	Sikorsky, Stratford, CT	12/99		Yes	

D. Remarks

The airframe is under an Army multiyear contract through FY 01.

Note: The amounts may be off due to rounding.

CLASSIFICATION:

# UNCLASSIFIED

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System CH-60 VERTREP		A. DATE February 1999			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/Airlift Aircraft (BA-2)					C. P-1 ITEM NOMENCLATURE CH-60S Vertical Replenishment (MYP)				SUBHEAD U2A2	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
<u>Engine</u>										
FY 98 Reg	2	624	ARMY	6/97	SS/FFP	GE, Lynn, Mass.	8/98	11/99	Yes	N/A
FY 99 Reg	10	663	ARMY	6/97	SS/FFP	GE, Lynn, Mass.	1/99	12/99	Yes	N/A
FY 99 AP	12	674	ARMY	6/97	SS/FFP	GE, Lynn, Mass.	1/99	3/00	Yes	N/A
FY 00 Reg	14	674	ARMY	6/97	SS/FFP	GE, Lynn, Mass.	1/00	11/00	Yes	N/A
FY 00 AP	36	685	ARMY	6/97	SS/FFP	GE, Lynn, Mass.	1/00	3/01	Yes	N/A
D. REMARKS										













CLASSIFICATION: UNCLASSIFIED

EXHIBIT P-43  
 SIMULATOR AND TRAINING DEVICE JUSTIFICATION

DATE:  
 February 1999

Appropriation/P-1 Line Item  
 Aircraft Procurement, Navy/Airlift Aircraft (BA-2)

Weapon System  
 CH-60S Vertical Replenishment (MYP)

IOC Date  
 FY02

Training Device by Type	Site	Delivery Date	Ready for Training Date	Average Student Throughput	Prior Years		FY 1997		FY 1998		FY 1999		FY 2000		FY 2001		FY 2002		FY 2003		FY 2004		FY 2005		To Complete		Total		
					Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty
TOFT #1	NORIS	Jun-00	Sep-00	120							1	8,293,957		6,343,642														1	14,637,599
AMT #1	NORIS	Jun-00	Sep-00	85							1	2,222,042		3,872,019		1,353,478		3,150,000										1	10,597,539
TOFT #2 (w/ CSAR Mod)	JAX	Jun-03	Sep-03	120												1	13,439,803		452,911								1	13,892,714	
CSAR Mod (TOFT #1)	NORIS	Jun-03	Sep-03													187,838		3,000,000		153,050									3,340,888
Initial Cadre Factory Training (Sikorsky)	VARIOUS											1,070,000		1,025,000														2,095,000	
Pilot Courseware	VARIOUS											927,914		8,730														936,644	
Aircrew Courseware	VARIOUS											536,783		7,528														544,311	
CSAR Courseware	VARIOUS																400,000											400,000	
Maintenance Courseware	VARIOUS											672,744		2,105,276														2,778,020	
CBT Hardware	VARIOUS													750,000														750,000	
Trainer Engineering Change Proposals (TECP)	VARIOUS												50,000		50,000		827,197		3,835,682		1,054,890			1,078,097		7,886,711		14,782,577	
TOTAL												13,723,440		14,162,195		1,591,316		20,817,000		4,441,643		1,054,890		1,078,097		7,886,711	3	64,755,292	

Description:

Note: The amounts may be off due to rounding.

CLASSIFICATION: **UNCLASSIFIED**

Exhibit P-20, Requirements Study      APPROPRIATION/BUDGET ACTIVITY  
 Aircraft Procurement, Navy/Airlift Aircraft (BA-2)      DATE:  
 February 1999

P-1 ITEM NOMENCLATURE      Admin Leadtime (after Oct1):      Prod Leadtime :  
 CH-60S Vertical Replenishment (MYP)      4 Months      28 Months

	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Buy Summary		1	5	13	18	24	20	20	20
Unit Cost		\$29,684	\$27,445	\$21,714	\$15,503	\$16,411	\$16,999	\$16,998	\$16,996
Total Cost		\$29,684	\$137,226	\$282,285	\$279,047	\$393,871	\$339,975	\$339,952	\$339,922
Asset Dynamics		0	0	0	0	0	0	0	0
Beginning Asset Position		0	0	0	7	24	42	66	86
Deliveries from all prior year funding		0	0	0	0	0	0	0	0
Deliveries from FY 1998 funding		0	0	1	0	0	0	0	0
Deliveries from FY 1999 funding		0	0	4	1	0	0	0	0
Deliveries from FY 2000 funding		0	0	2	11	0	0	0	0
Deliveries from subsequent years' funding		0	0	0	5	18	24	20	20
Other Gains									
Combat Losses/Usage									
Training Losses/Usage									
Test Losses/Usage									
Other Losses/Usage									
Disposals/Retirements/Attritions/etc.									
End of Year Asset Position		0	0	7	24	42	66	86	106
Inventory Objective or Current Authorized Allowance		0	0	7	24	42	66	78	98

Aircraft:  
 TOAI: 165  
 PAA:  
 TAI: 165  
 Attrition Res:  
 BAI  
 Inactive Inv:  
 Storage:

Remarks:  
 The amounts may be off due to rounding.

**UNCLASSIFIED**

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET										DATE:			
P-40										February 1999			
APPROPRIATION/BUDGET ACTIVITY								P-1 ITEM NOMENCLATURE					
Aircraft Procurement, Navy/Airlift Aircraft (BA-2)								CH-60S Advance Procurement (MYP)					
Program Element for Code B Items: 0204453N								Other Related Program Elements N/A					
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total
COST (In Millions)	\$0.000	B	\$0.000	\$0.000	\$26.084	\$73.792	\$73.789	\$74.918	\$76.694	\$77.287	\$78.521	\$102.817	\$583.902
<p><u>MISSION AND DESCRIPTION:</u> The Helicopter Combat Support (HC) mission is to maintain forward deployed fleet sustainability through rapid airborne delivery of materials and personnel and to support amphibious operations through search and rescue coverage. The primary roles of the aircraft are to conduct vertical replenishment (VERTREP), day/night ship-to-ship, ship-to-shore, and shore-to-ship external transfer of cargo; internal transport of passengers, mail and cargo, vertical onboard delivery (VOD); airhead operations, and day/night search and rescue (SAR). The aircraft secondary roles include torpedo and drone recovery, noncombatant evacuation operations (NEO), SEAL and UDT support.</p> <p><u>BASIS FOR FY 2000 BUDGET REQUEST:</u> Advance procurement funds are requested for procurement of FY01 long lead airframe, engines, and avionics (includes common cockpit and misc. GFE avionics).</p> <p>Note: Amounts may be off due to rounding.</p>													

Exhibit P-10 Advance Procurement Requirements Analysis (Page 1 - Funding)										Date: February 1999				
Appropriation (Treas) Code/CC/BA/BSA/Item Control Numbe Aircraft Procurement, Navy/Airlift Aircraft (BA 2)										P-1 Line Item Nomenclature CH-60S Advance Procurement				
Weapon System					First System (BY1) Award Date					Interval Between Systems				
CH-60S VERTREP					Oct-99					1 Month				
(\$ in Millions)														
	PLT	When Rqd	Prior Years		FY1998	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	To Complete	Total
End Item Qty					1	5	13	18	24	20	20	20	52	173
CFE - Airframe (TL)	18	24	0			0.000	6.340	20.780	21.188	21.634	22.110	22.597	27.814	142.463
GFE - Engine/APU	14	20	0			8.119	24.798	23.962	24.467	25.006	25.556	26.118	33.111	191.137
GFE - A/C Avionics	17	Var	0			17.965	42.654	29.047	29.263	30.054	29.621	29.806	41.892	250.302
Other *						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total AP</b>						26.084	73.792	73.789	74.918	76.694	77.287	78.521	102.817	583.902
Description: FY99-05 Airframes, Engines, and Avionics (includes common cockpit and misc. GFE avionics) requirements reflect funding requirements for procurement of long lead parts and materials necessary to maintain the delivery schedule. FY98 thru FY00 reflect strategy change in common cockpit CFE to GFE and current cost estimates.														
Note: Amounts may be off due to rounding.														

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)	Date: February 1999
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number Aircraft Procurement, Navy/Airlift Aircraft (BA-2)	Weapon System CH-60S VERTREP	P-1 Line Item Nomenclature CH-60S Advance Procurement
---	---------------------------------	--

(TOA, \$ in Millions)

			UNIT	FY 2000	FY 2000	FY 2000	FY 2001	FY 2001 Contract	FY 2001
End Item	PLT	QPA	COST	For FY 2001 Qty	Contract Forecast Date	Total Cost Request	For FY 2002 Qty	Forecast Date	Total Cost Request
				18	Oct-00		20	Oct-01	
<b>TERM LIABILITY</b>	18	1			Dec-99	6.3		Dec-00	20.8
GFE - Engine/APU	14	2	1.3	36	Jan-99	24.8	34	Jan-01	23.9
GFE - A/C Avionics	17	1	2.4	18	Jan-00	42.7	9	Jan-01	29.1
<b>Total Advance Proc</b>						73.8			73.8

Description:

EOQ is not applicable to the VERTREP Program. GFE A/C Avionics includes common cockpit and misc. GFE avionics.

Note: Amounts may be off due to rounding.

CLASSIFICATION:

UNCLASSIFIED

BUDGET ITEM JUSTIFICATION SHEET  
P-40

DATE:  
Feb-99

APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy BA-2								P-1 ITEM NOMENCLATURE C-40A					
Program Element for Code B Items: N/A								Other Related Program Elements N/A					
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total Program
QUANTITY						1		2					3
Net P-1 Cost (\$M)						49.029		95.069					144.098
Advance Proc (\$M)													
Wpn Sys Cost (\$M)						49.029		95.069					144.098
Initial Spares (\$M)													
Proc Cost (\$M)						49.029		95.069					144.098
Unit Cost (\$M)						49		48					

Description:

The C-40A is a replacement for the C-9B/DC-9 aircraft. The C-40A will provide the Navy Reserve with a long range aircraft that will carry high priority passengers and cargo. The C-40A will carry 121 passengers in the all passenger configuration, eight standard DOD cargo pallets in the all cargo configuration, or 3 pallets and 70 passengers in the "combination" configuration. The C-40A is a commercial derivative of the Boeing 737-700C and all three configurations will be FAA Certified. The C-40A will be Extended Twin-engined Operations (ETOPS) certified for over water operations.

P-1 SHOPPING LIST

CLASSIFICATION:

UNCLASSIFIED

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: February-99

Aircraft model: C-40A

\$ in thousands

	Prior Years	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001	
		Qty:	Qty:	Qty:	Qty:	Qty:	Qty:	1	Qty:		
	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>								
1 Airframe CFE								46,500	46,500		
2 CFE Electronics											
3 GFE Electronics											
4 Engines/Eng Acc											
5 Armament											
6 Other GFE											
7 Rec Flyaway ECO											
8 Rec Flyaway Cost								46,500	46,500		
9 Non-Recur Cost											
10 Ancillary Equip											
11											
12 Total Flyaway								46,500	46,500		
13 Airframe PGSE									2,000		
14 Engine PGSE											
15 Avionics PGSE											
16 Pec Trng Eq											
17 Pub/Tech Eq											
18 Other ILS									529		
19 Prod Eng Supt											
20											
21 Support Cost									2,529		
22 Gross P-1 Cost									49,029		
23 Adv Proc Credit											
24 Net P-1 Cost									49,029		
25 Adv Proc CY											
26 Weapon System Cost									49,029		
27 Initial Spares											
28 Procurement Cost									49,029		

AIRCRAFT COST ANALYSIS  
P-5 Cost Sheet

Date: February-99

Aircraft model: C-40A

\$ in thousands

	Prior Years Total Cost	FY 2002		FY 2003		FY 2004		FY 2005		To Complete Cost	TOTAL COST
		Unit Cost	Total Cost								
1 Airframe CFE		47,000	94,000								140,500
2 CFE Electronics											
3 GFE Electronics											
4 Engines/Eng Acc											
5 Armament											
6 Other GFE											
7 Rec Flyaway ECO											
8 Rec Flyaway Cos		47,000	94,000								140,500
9 Non-Recur Cost											
10 Ancillary Equip											
11											
12 Total Flyaway		47,000	94,000								140,500
13 Airframe PGSE			1,000								3,000
14 Engine PGSE											
15 Avionics PGSE											
16 Pec Trng Eq											
17 Pub/Tech Eq											
18 Other ILS			69								598
19 Prod Eng Supt											
20											
21 Support Cost			1,069								3,598
22 Gross P-1 Cost			95,069								144,098
23 Adv Proc Credit											
24 Net P-1 Cost			95,069								144,098
25 Adv Proc CY											
26 Weapon System (			95,069								144,098
27 Initial Spares											
28 Procurement Cos			95,069								144,098

P-1 SHOPPING LIST

# UNCLASSIFIED

CLASSIFICATION:

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System C-40A		A. DATE February-99			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy BA-2					C. P-1 ITEM NOMENCLATURE C-40A				SUBHEAD TBD	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
AIRFRAME REGULAR/ FY00	1	46,500	NAVAIR	N/A	FFP	BOEING SEATTLE WA	3/00	4/02	N/A	N/A
D. REMARKS										





CLASSIFICATION:

**UNCLASSIFIED**

Exhibit P-20, Requirements Study				APPROPRIATION/BUDGET ACTIVITY APN BA-2			DATE: Feb-99		
P-1 ITEM NOMENCLATURE C-40A			Admin Leadtime (after Oct1): 6 Months			Prod Leadtime : 24 Months			
	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Buy Summary				1		2			
Unit Cost				46,500		47,000			
Total Cost				49,029		95,069			
Asset Dynamics									
Beginning Asset Position					0	3	4	4	6
Deliveries from all prior year funding					0	3	0		0
Deliveries from FY 2000 funding						1			
Deliveries from FY 2001 funding									
Deliveries from subsequent years' funding								2	
Other Gains									
Combat Losses/Usage									
Training Losses/Usage									
Test Losses/Usage									
Other Losses/Usage									
Disposals/Retirements/Attritions/etc.									
End of Year Asset Position				0	3	4	4	6	6
Inventory Objective or Current Authorized Allowance									
Aircraft:		Remarks: Congressional Plus-ups in FY97 and FY98 provided NG&RE funds to procure 3 aircraft.							
TOAI:	6								
PAA:									
TAI:	6								
Attrition Res:	0								
BAI:	0								
Inactive Inv:	0								
Storage:	0								

CLASSIFICATION:

**UNCLASSIFIED**

BUDGET ITEM JUSTIFICATION SHEET P-40	DATE: February 1999
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APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy / B.A. 3	P-1 ITEM NOMENCLATURE T45TS Goshawk
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Program Element for Code B Items:	Other Related Program Elements
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	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total Program
QUANTITY	96	A	12	15	15	15	15	15	15	15	15	6	234
Net P-1 Cost (\$M)	2,228.785	A	256.997	276.551	292.181	325.476	306.527	305.638	334.834	341.367	342.062	288.031	5,298.449
Advance Proc (\$M)	289.078	A	25.438	6.019	7.977	9.552	9.721	9.896	10.074	10.255	4.313	0	382.323
Wpn Sys Cost (\$M)	2,517.863	A	282.435	282.570	300.158	335.028	316.248	315.534	344.908	351.622	346.375	288.031	5,680.772
Initial Spares (\$M)	159.434	A	21.089	13.156	15.853	22.921	16.072	18.251	6.191	0	0	6.000	278.967
Proc Cost (\$M)	2,677.297	A	303.524	295.726	316.011	357.949	332.320	333.785	351.099	351.622	346.375	294.031	5,959.739
Unit Cost (\$M)	27.889	A	25.294	19.715	21.067	23.863	22.155	22.252	23.407	23.441	23.092	49.005	25.469

Description:

**MISSION:** Develop, Procure & Support a Naval Jet Flight Training System capable of producing 335 Strike & 36 E2/C2 pilots through FY 2035.

**DESCRIPTION:** The T45TS is an optimized replacement for the existing pilot training system that meets carrier pilot production requirements (TA-4J retires FY99 & T-2C retires FY03). The fully integrated system includes: 234 T-45 A/C; 17 simulators; academic materials, training aids, & equipment; two computer based training integration systems; and contractor logistics support of all system elements.

**BASIS FOR REQUEST:** FY2000 procures 15 aircraft with support.

**UNCLASSIFIED**

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: Feb 1999

Aircraft model: T45TS Goshawk

in Then Year \$\$

	Prior Years	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001		
		Qty: 12		Qty: 15		Qty: 15		Qty: 15		Qty: 15		
		Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost	Unit Cost	Total Cost
1	Airframe CFE	1,627,399,555	15,248,893	182,986,716	14,367,601	215,514,009	14,400,000	216,000,000	14,813,460	222,201,902	14,830,056	222,450,840
2	Engines/Eng Acc	65,963,565	1,824,208	21,890,492	1,744,966	26,174,495	1,845,519	27,682,780	2,010,888	30,163,320	2,043,820	30,657,301
3	GFE Electronics	7,897,007	161,961	1,943,536	141,127	2,116,905	146,104	2,191,566	152,729	2,290,929	170,498	2,557,465
6	Other GFE	45,079,898	571,838	6,862,053	519,684	7,795,262	542,564	8,138,458	562,529	8,437,935	597,306	8,959,597
	Subtotal GFE	118,940,470	2,558,007	30,696,081	2,405,777	36,086,662	2,534,187	38,012,804	2,726,146	40,892,184	2,811,624	42,174,363
7	Rec Flyaway ECO	0	135,000	1,620,000	0	0	66,115	991,732	296,281	4,444,218	259,683	3,895,239
8	Rec Flyaway Cost	1,746,340,025	17,941,900	215,302,797	16,773,378	251,600,671	17,000,302	255,004,536	17,835,887	267,538,304	17,901,363	268,520,442
9	Non-Recur Cost	158,284,968	0	0	166,066	2,490,994	0	0	0	0	0	0
10	Ancillary Equip	0	303,531	3,642,373	207,223	3,108,343	180,502	2,707,524	193,409	2,901,135	202,147	3,032,210
11												
12	Total Flyaway	1,904,624,993	18,245,431	218,945,170	17,146,667	257,200,008	17,180,804	257,712,060	18,029,296	270,439,439	18,103,510	271,552,652
13	Airframe PGSE	85,434,880		13,384,429		2,799,371		2,333,443		9,706,814		8,405,816
16	Pec Trng Eq	169,660,799		10,429,228		7,191,697		17,097,610		17,715,195		240,883
17	Pub/Tech Eq	39,707,708		2,177,744		2,175,000		2,505,507		2,517,715		2,520,914
18	Other ILS	158,953,995		27,418,036		18,488,819		4,587,409		19,059,326		20,059,127
19	Fac Mgmt/Fld Act	119,842,685		8,767,945		10,442,936		10,431,569		10,611,720		10,779,677
20	ISD/TIS/ACAD	10,636,223		4,876,583		3,691,169		3,532,402		3,402,791		2,519,931
21	Support Cost	584,236,290		67,053,965		44,788,992		40,487,940		63,013,561		44,526,348
22	Gross P-1 Cost	2,488,861,283		285,999,135		301,989,000		298,200,000		333,453,000		316,079,000
23	Adv Proc Credit	-260,076,593		-29,002,000		-25,438,000		-6,019,000		-7,977,000		-9,552,000
24	Net P-1 Cost	2,228,784,690		256,997,135		276,551,000		292,181,000		325,476,000		306,527,000
25	Adv Proc CY	289,078,593		25,438,000		6,019,000		7,977,000		9,552,000		9,721,000
26	Weapon System Cost	2,517,863,283		282,435,135		282,570,000		300,158,000		335,028,000		316,248,000
27	Initial Spares	159,433,877		21,089,000		13,156,000		15,853,000		22,921,000		16,072,000
28	Procurement Cost	2,677,297,160		303,524,135		295,726,000		316,011,000		357,949,000		332,320,000

P-1 SHOPPING LIST

AIRCRAFT COST ANALYSIS  
P-5 Cost Sheet

Date: Feb 1999

Aircraft model: T45TS Goshawk

in Then Year \$\$

	FY 2002		FY 2003		FY 2004		FY 2005		To Complete Cost	TOTAL COST
	Prior Years Total Cost	Qty: 15 Unit Cost								
1 Airframe CFE	14,849,882	222,748,231	14,869,592	223,043,878	15,032,385	225,485,780	15,147,189	227,207,831	104,185,255	3,689,223,997
4 Engines/Eng Acc	2,494,361	37,415,422	2,520,449	37,806,728	2,550,780	38,261,706	2,583,131	38,746,968	15,831,756	370,594,533
3 GFE Electronics	171,215	2,568,228	177,559	2,663,388	181,468	2,722,018	185,460	2,781,902	1,137,241	30,870,185
6 Other GFE	599,820	8,997,307	622,054	9,330,811	635,739	9,536,078	649,725	9,745,875	3,984,113	126,867,387
Subtotal GFE	3,265,397	48,980,957	3,320,062	49,800,927	3,367,987	50,519,802	3,418,316	51,274,745	20,953,110	528,332,105
7 Rec Flyaway ECO	220,344	3,305,161	297,392	4,460,878	300,648	4,509,716	302,944	4,544,157	2,083,705	29,854,806
8 Rec Flyaway Cost	18,335,623	275,034,349	18,487,046	277,305,683	18,701,020	280,515,298	18,868,449	283,026,733	127,222,070	4,247,410,908
9 Non-Recur Cost	0	0	695,041	10,425,614	670,077	10,051,151	372,851	5,592,765	45,262,677	232,108,169
10 Ancillary Equip	202,997	3,044,956	272,330	4,084,947	330,054	4,950,807	348,922	5,233,823	5,337,660	38,043,778
11										
12 Total Flyaway	18,538,620	278,079,305	19,454,416	291,816,244	19,701,150	295,517,256	19,590,221	293,853,321	177,822,407	4,517,562,855
13 Airframe PGSE		81,462		13,976,270		14,571,076		14,058,441	2,978,891	167,730,893
16 Pec Trng Eq		0		0		0		0	0	222,335,412
17 Pub/Tech Eq		2,548,853		2,570,888		2,727,446		2,985,250	7,167,384	69,604,409
18 Other ILS		21,543,875		22,343,759		23,835,307		24,937,691	62,193,243	403,420,587
19 Fac Mgmt/Fld Act		10,995,631		11,623,055		12,265,555		13,513,401	42,182,000	261,456,174
20 ISD/TIS/ACAD		2,109,874		2,399,784		2,524,360		2,968,896	0	38,662,013
21 Support Cost		37,279,695		52,913,756		55,923,744		58,463,679	114,521,518	1,163,209,488
22 Gross P-1 Cost		315,359,000		344,730,000		351,441,000		352,317,000	292,343,925	5,680,772,343
23 Adv Proc Credit		-9,721,000		-9,896,000		-10,074,000		-10,255,000	-4,313,000	(382,323,593)
24 Net P-1 Cost		305,638,000		334,834,000		341,367,000		342,062,000	288,030,925	5,298,448,750
25 Adv Proc CY		9,896,000		10,074,000		10,255,000		4,313,000	0	382,323,593
26 Weapon System Cost		315,534,000		344,908,000		351,622,000		346,375,000	288,030,925	5,680,772,343
27 Initial Spares		18,251,000		6,191,000		0		0	6,000,000	278,966,877
28 Procurement Cost		333,785,000		351,099,000		351,622,000		346,375,000	294,030,925	5,959,739,220

P-1 SHOPPING LIST

ITEM NO. 18

PAGE NO

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# UNCLASSIFIED

CLASSIFICATION:

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System T45TS GOSHAWK			A. DATE  Feb-99		
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy / BA 3					C. P-1 ITEM NOMENCLATURE T45 Airframe				SUBHEAD U3GH	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE**	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
FY 1997 Regular	12	15.2	NAVAIR, Pax River	6/96	SS/ FP	Boeing (MDA) St. Louis, MO	3/97	10/98	Yes	N/A
ADV PROCUREMENT (97 for 98)			NAVAIR, Pax River	6/96	SS/ FP	Boeing (MDA) St. Louis, MO	9/97		Yes	N/A
FY 1998 Regular	15	14.4	NAVAIR, Pax River	6/96	SS/ FP	Boeing (MDA) St. Louis, MO	12/97	10/99	Yes	N/A
ADV PROCUREMENT (98 for 99)			NAVAIR, Pax River	7/97	SS/ FP	Boeing (MDA) St. Louis, MO	6/98		Yes	N/A
FY 1999 Regular	15	14.4	NAVAIR, Pax River	7/97	SS /FP	Boeing (MDA) St. Louis, MO	3/99	10/00	Yes	N/A
ADV PROCUREMENT (99 for 00)			NAVAIR, Pax River	7/97	SS /FP	Boeing (MDA) St. Louis, MO	3/99		Yes	N/A
FY 2000 Regular	15	14.8	NAVAIR, Pax River	7/97	SS /FP/OPT	Boeing (MDA) St. Louis, MO	12/99	10/01	Yes	N/A
ADV PROCUREMENT (00 for 01)			NAVAIR, Pax River	7/97	SS /FP/OPT	Boeing (MDA) St. Louis, MO	12/99		Yes	N/A

REMARKS: \* Airframe/CFE and CFE Mission Electronics only. Engine is GFE.

\*\* Sole Source because Boeing (MDA) is the designer, developer and sole manufacturer/integrator of the T-45 airplane.

Contract for FY99 expected to have option quantities/prices through FY03, which is the reason for repeated RFP dates and accelerated Award dates.

Only Boeing (MDA) possesses the unique experience and capabilities to fulfill this requirement. Because Boeing is the sole source contractor, there are normally no formal RFP's utilized, and the process begins with Boeing submitting a proposal. Therefore, the RFP dates above are not true RFP dates and reflect NAVAIR contracting estimates on when proposals began.

# UNCLASSIFIED

CLASSIFICATION:

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)	Weapon System T45TS GOSHAWK	A. DATE <div style="text-align: right;">Feb-99</div>
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B. APPROPRIATION/BUDGET ACTIVITY <b>Aircraft Procurement, Navy / BA 3</b>	C. P-1 ITEM NOMENCLATURE <b>T-45 Engine</b>	SUBHEAD <b>U3GH</b>
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Cost Element/ FISCAL YEAR*	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE**	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
FY 1997 Regular	12	1.8	NAVAIR, Pax River	6/96	SS/ FP/ OPT	Rolls Royce plc Bristol, England	3/97	3/98	YES	N/A
ADV Procurement (97 for 98)			NAVAIR, Pax River	6/96	SS/ FP/ OPT	Rolls Royce plc Bristol, England	8/97		YES	N/A
FY 1998 (Regular)	15	1.7	NAVAIR, Pax River	6/96	SS/ FP/ OPT	Rolls Royce plc Bristol, England	2/98	3/99	YES	N/A
ADV Procurement (98 for 99)			NAVAIR, Pax River	7/97	SS/ FP/ OPT	Rolls Royce plc Bristol, England	6/98		YES	N/A
FY 1999 (Regular)	15	1.8	NAVAIR, Pax River	7/97	SS/ FP/ OPT	Rolls Royce plc Bristol, England	3/99	3/00	YES	N/A
ADV Procurement (99 for 00)			NAVAIR, Pax River	7/98	SS/ FP/ OPT	Rolls Royce plc Bristol, England	6/99		YES	N/A
FY 2000 (Regular)	15	2.0	NAVAIR, Pax River	7/98	SS/ FP/ OPT	Rolls Royce plc Bristol, England	3/00	3/01	YES	N/A
ADV Procurement (00 for 01)			NAVAIR, Pax River	6/99	SS/ FP/ OPT	Rolls Royce plc Bristol, England	6/00		YES	N/A

REMARKS

\* Engine / Access only.

\*\* Sole source because Rolls Royce is the designer, developer and sole source manufacturer of the T-45 engine.

Only Rolls Royce possesses the unique experience and capabilities to fulfill this requirement. Therefore, no formal RFP's are utilized, and initial discussions begin on the RFP issue dates listed. The FFP basic contract was awarded to Rolls Royce (Nov 93) and contains eight (8) options for the FY-94 through FY-01 procurements.







FY 2000/2001 BUDGET PRODUCTION SCHEDULE, P-21						DATE February 1999																									
APPROPRIATION/BUDGET ACTIVITY						0					Weapon System					P-1 ITEM NOMENCLATURE															
Aircraft Procurement, Navy						B.A. 3					Trainer Aircraft					T45TS Engine															
						Production Rate			Procurement Leadtimes																						
Item		Manufacturer's Name and Location				MSR	ECON	MAX	ALT Prior to Oct 1			ALT After Oct 1			Initial Mfg PLT			Reorder Mfg PLT			Total	Unit of Measure									
T45TS Engine		Rolls Royce Bristol England				12	15	48	0			9			30			21			30	each									
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 1998												FISCAL YEAR 1999												B A L
							97						CALENDAR YEAR 1998						CALENDAR YEAR 1999												
							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	
T45TS Engines / Rolls Royce		97	N	12	0	12						1	1	0	1	1	1	2	1	1	1	1	1								
T45TS Engines / Rolls Royce		98	N	15	0	15																	1	1	1	2	1	1	1	7	
ITEM / MANUFACTURER		F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 2000												FISCAL YEAR 2001												B A L
							99						CALENDAR YEAR 2000						CALENDAR YEAR 2001												
							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	
T45TS Engines / Rolls Royce		98	N	15	8	7	2	1	1	1	2																				
T45TS Engines / Rolls Royce		99	N	15	0	15						1	1	1	2	1	1	1	2	1	1	1	2								
T45TS Engines / Rolls Royce		00	N	15	0	15																	1	1	1	2	1	1	1	7	





EXHIBIT P-43  
**SIMULATOR AND TRAINING DEVICE JUSTIFICATION**

DATE: Feb-99

Appropriation/P-1 Line Item: Aircraft Procurement, Navy  
 Weapon System: T45TS  
 IOC Date: Apr-93

Training Device by Type	Site	Delivery Date	Ready for Training Date	Average Student Throughput	Prior Years		FY 1997		FY 1998		FY 1999		FY 2000		FY 2001		FY 2002		FY 2003		FY 2004		FY 2005		To Complete		Total			
					Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
2F137	NAS Kingsville	Feb-91	Feb-91	21.94	1	10,323																						1	10,323	
2F137	NAS Kingsville	Aug-91	Aug-91	21.94	1	5,045																						1	5,045	
2F137	NAS Meridian	Nov-98	Nov-98	21.94	1	5,225																						1	5,225	
2F137	NAS Meridian	Mar-00	Mar-00	21.94					1	5,975																		1	5,975	
2F137	NAS Meridian	May-01	May-01	21.94							1	6,120																1	6,120	
2F137	NAS Kingsville	May-02	May-02	21.94								1	6,400															1	6,400	
2F138	NAS Kingsville	Feb-91	Feb-91	21.94	5	70,375																					5	70,375		
2F138	NAS Kingsville	Jul-91	Jul-91	21.94	1	20,460																					1	20,460		
2F138	NAS Meridian	Jun-98	Jun-98	21.94	2	16,015																					2	16,015		
2F138	NAS Meridian	Mar-99	Mar-99	21.94			1	9,500																			1	9,500		
2F138	NAS Meridian	Mar-01	Mar-01	21.94						1	9,712																1	9,712		
2F138	NAS Meridian	Mar-02	Mar-02	21.94							1	9,990															1	9,990		
Other						42,218		929		1,217		1,266		1,325		241													47,068	
Field Support																														
Engineering Change Orders																														
Ops/Maint. Courses																														
PTE Logistics Support																														
Total					11	169,661	1	10,429	1	7,192	2	17,098	2	17,715		241											17	222,336		

Description

Number of Simulators at each location is determined by projected student throughput. There are more OFT's at NAS Kingsville because the T45TS is used for both intermediate and advanced training. At NAS Meridian, the T45TS will only be used for the advanced training while the T-2C and eventually the JPATS simulators will be used for intermediate training with those aircraft.

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-20, Requirements Study		APPROPRIATION/BUDGET ACTIVITY AIRCRAFT PROCUREMENT, NAVY					DATE: FEB-99			
P-1 ITEM NOMENCLATURE T45TS Goshawk		Admin Leadtime (after Oct1): 9 months			Prod Leadtime : 27 months					
	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	
Buy Summary	12	15	15	15	15	15	15	15	15	
Unit Cost	\$ 25.3	\$ 19.7	\$ 21.1	\$ 23.9	\$ 22.2	\$ 22.3	\$ 23.4	\$23.4	\$23.1	
Total Cost	\$303.5	\$295.7	\$316.0	\$357.9	\$332.3	\$333.8	\$351.1	\$351.6	\$346.4	
Asset Dynamics										
Beginning Asset Position	67	74	87	98	110	123	135	147	158	
Deliveries from all prior year funding	9	16								
Deliveries from FY 1998 funding			12							
Deliveries from FY 1999 funding				15						
Deliveries from FY 2000 funding					15					
Deliveries from subsequent years' funding						15	15	15	15	
Other Gains										
Combat Losses/Usage										
Training Losses/Usage										
Test Losses/Usage										
Other Losses/Usage										
Disposals/Retirements/Attritions/etc.	-2	-3	-1	-3	-2	-3	-3	-4	-3	
End of Year Asset Position	74	87	98	110	123	135	147	158	170	
Inventory Objective or Current Authorized Allowance	84	96	108	123	136	151	159	166	166	
Aircraft: TOAI: 234 PAA: TAI 166 Attrition Res: 68 BAI 0 Inactive Inv: 0 Storage: 0		Remarks: TOAI change based on approval of T-45 Service Life Extension to FY 2035								

P-1 SHOPPING LIST

CLASSIFICATION:

UNCLASSIFIED

CLASSIFICATION:

**UNCLASSIFIED**

BUDGET ITEM JUSTIFICATION SHEET P-40					DATE: February 1999			
APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy / B.A. 3					P-1 ITEM NOMENCLATURE T-45 Advance Procurement			
	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
QUANTITY	15	15	15	15	15	15	15	15
COST (In Millions)	6.019	7.977	9.552	9.721	9.896	10.074	10.255	4.313
<p>Description: This line item funds long lead requirements for the T-45C aircraft production program. Airframe/CFE (EOQ) and engine requirements are calculated on a funded termination liability basis, reflecting contractor's funding requirements for procurement of long-lead parts and materials necessary to protect the delivery schedule. Other government furnished equipment (GFE) requirements are determined on a fully funded basis, procuring the long-lead quantity needed to protect the production schedule.</p> <p>Basis for request: The FY00 request is for advance procurement required for FY 01 airframe/CFE, Engine and GFE long lead requirements.</p>								





CLASSIFICATION:

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BUDGET ITEM JUSTIFICATION SHEET  
P-40

DATE:  
February 1999

APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA3								P-1 ITEM NOMENCLATURE Joint Primary Aircraft Training System (JPATS)					
Program Element for Code B Items: 0603208N Training System Aircraft								Other Related Program Elements N/A					
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total Program
QUANTITY		B				8	24	24	24	24	24	211	339
Net P-1 Cost (\$M)						44.826	82.299	107.090	104.470	111.495	101.737	1177.550	1729.467
Advance Proc (\$M)						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Wpn Sys Cost (\$M)						44.826	82.299	107.090	104.470	111.495	101.737	1177.550	1729.467
Initial Spares (\$M)						0.000	0.000	0.000	11.398	2.995	3.422	43.060	60.875
Proc Cost (\$M)						44.826	82.299	107.090	115.868	114.490	105.159	1220.610	1790.342
Unit Cost (\$M)						5.603	3.429	4.462	4.828	4.770	4.382	5.785	5.281

Description:

**MISSION:** Supports Department of the Navy acquisition of the Joint Primary Aircraft Training System (JPATS) and transition to Department of Defense mandated Joint Primary Pilot Training (JPPT). The principal mission of the JPATS is to train entry-level Navy/Air Force student pilots in primary flying skills. JPATS also provides primary and intermediate training to entry-level USN Student Naval Flight Officers (SNFOs). JPATS will also support the training of USAF and USN Instructor Pilots (IPs). JPATS is a joint USAF/USN venture to replace the Services' aging fleets of primary training aircraft (T-37B/T-34C respectively). The USAF is the executive service.

**DESCRIPTION:** JPATS is a joint USAF/USN Acquisition Category 1C program. JPATS includes the T-6A Texan II (a single turboprop engine, stepped tandem seat, commercially derived aircraft), ground based training system (aircrew training devices, development courses, conversion courses, and operational support), and contractor logistics support. The USAF has programmed procurement of 372 T-6A Texan II aircraft, with the first procurement in FY95. The USN has programmed procurement of 339 aircraft beginning in FY00.

**BASIS FOR REQUEST:** FY00 funding procures 8 aircraft, training equipment, and associated support.

P-1 SHOPPING LIST

CLASSIFICATION:

UNCLASSIFIED

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: February 1999

Aircraft model: JPATS

\$ in thousands

	Prior Years <u>Total Cost</u>	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001	
		Qty:	<u>Unit Cost</u>	<u>Total Cost</u>	Qty:	<u>Unit Cost</u>	<u>Total Cost</u>	Qty:	<u>Unit Cost</u>	<u>Total Cost</u>	Qty:
1 Airframe CFE								2,573	20,585	2,565	61,550
7 Rec Flyaway ECO								126	1,004	125	2,999
8 Rec Flyaway Cost								2,699	21,589	2,690	64,549
9 Non-Recur Cost											
12 Total Flyaway								2,699	21,589	2,690	64,549
13 Airframe PGSE									0		0
16 Pec Trng Eq									21,236		14,801
17 Pub/Tech Eq									223		465
18 Other ILS									0		0
19 Prod Eng Supt									1,778		2,484
21 Support Cost									23,237		17,750
22 Gross P-1 Cost									44,826		82,299
23 Adv Proc Credit		0.0		0.0		0.0			0		0
24 Net P-1 Cost									44,826		82,299
25 Adv Proc CY		0.0		0.0		0.0			0		0
26 Weapon System Cost		0.0		0.0		0.0			44,826		82,299
27 Initial Spares		0.0		0.0		0.0			0		0
28 Procurement Cost		0.0		0.0		0.0			44,826		82,299

P-1 SHOPPING LIST

AIRCRAFT COST ANALYSIS  
P-5 Cost Sheet

Date: February 1999

Aircraft model: JPATS

\$ in thousands

	Prior Years <u>Total Cost</u>	FY 2002		FY 2003		FY 2004		FY 2005		To Complete Cost	TOTAL COST
		Qty: <u>Unit Cost</u>	24 <u>Total Cost</u>								
1 Airframe CFE		3,662	87,879	3,716	89,175	3,769	90,463	3,873	92,963	1,010,975	1,453,590
7 Rec Flyaway ECO		183	4,394	186	4,459	188	4,523	194	4,648	50,549	72,576
8 Rec Flyaway Cost		3,845	92,273	3,901	93,634	3,958	94,986	4,067	97,611	1,061,524	1,526,166
9 Non-Recur Cost											
12 Total Flyaway		3,845	92,273	3,901	93,634	3,958	94,986	4,067	97,611	1,061,524	1,526,166
13 Airframe PGSE			0		3,660		1,434		1,465	14,353	20,912
16 Pec Trng Eq			12,136		6,012		13,934		1,857	75,076	145,052
17 Pub/Tech Eq			279		262		265		275	10,177	11,946
18 Other ILS			856		0		0		0	1,556	2,412
19 Prod Eng Supt			1,546		902		876		529	14,864	22,979
21 Support Cost			14,817		10,836		16,509		4,126	116,026	203,300
22 Gross P-1 Cost			107,090		104,470		111,495		101,737	1,177,550	1,729,466
23 Adv Proc Credit			0		0		0		0	0	0
24 Net P-1 Cost			107,090		104,470		111,495		101,737	1,177,550	1,729,466
25 Adv Proc CY			0		0		0		0	0	0
26 Weapon System Cost			107,090		104,470		111,495		101,737	1,177,550	1,729,466
27 Initial Spares			0		11,398		2,995		3,422	43,060	60,875
28 Procurement Cost			107,090		115,868		114,490		105,159	1,220,610	1,790,341

P-1 SHOPPING LIST

ITEM NO 20

PAGE NO 3

# UNCLASSIFIED

CLASSIFICATION:

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System JPATS			A. DATE February-99			
B. APPROPRIATION/BUDGET ACTIVITY <b>Aircraft Procurement, Navy/BA3</b>					C. P-1 ITEM NOMENCLATURE <b>Joint Primary Aircraft Training System (JPATS)</b>				SUBHEAD <b>Not assigned</b>		
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE	
<b><u>AIR VEHICLE</u></b> FY00	8	2.7	ASC/YT WPAFB OH	May-94	FP opt w/EPA competitive	Raytheon Aircraft Wichita, Kansas	Feb 00*	Nov 02	yes	n/a	
D. REMARKS  *Option award date **Projected contract (beyond current contract)											





EXHIBIT P-43  
**SIMULATOR AND TRAINING DEVICE JUSTIFICATION**

DATE: Feb-99

Appropriation/P-1 Line Item  
**Aircraft Procurement, Navy/BA3**

Weapon System  
**JPATS**

IOC Date  
**Jun-03**

Training Device by Type	Site	Delivery Date	Ready for Training Date	Average Student Throughput	Prior Years		FY 1997		FY 1998		FY 1999		FY 2000		FY 2001		FY 2002		FY 2003		FY 2004		FY 2005		To Complete		Total		
					Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty
OFT	NAS Whiting	Feb-03	Feb-03	20									1	2.9															2.9
OFT	NAS Whiting	Feb-04	Feb-04	20												2	4.4												4.4
OFT	NAS Whiting	Feb-05	Feb-05	20														1	2.3									2.3	
OFT	NAS Whiting	Feb-06	Feb-06	20																2	4.7							4.7	
OFT	various			20																					7	17.8		17.8	
IFT	NAS Whiting	Feb-03	Feb-03	20									1	1.3															1.3
IFT	NAS Whiting	Feb-04	Feb-04	20											2	2.5													2.5
IFT	NAS Whiting	Feb-05	Feb-05	20														1	1.3										1.3
IFT	NAS Whiting	Feb-06	Feb-06	20																4	5.2								5.2
IFT	NAS Whiting	Feb-07	Feb-07	20																			1	1.3					1.3
IFT	various			20																					18	25.8		25.8	
UTD	NAS Whiting	Feb-03	Feb-03	20									1	0.9															0.9
UTD	NAS Whiting	Feb-04	Feb-04	20											2	1.6													1.6
UTD	NAS Whiting	Feb-05	Feb-05	20														1	0.8										0.8
UTD	various			20																					7	6.4		6.4	
TIMS	NAS Whiting	Jun-01	Jun-01										1	4.1															4.1
TIMS	NAS Corpus Christi	Jun-01	Jun-01										1	3.7															3.7
TIMS	NAS Kingsville	Jun-02	Jun-02												1	2.2													2.2
TIMS	NAS Pensacola	Jun-01	Jun-01										1	3.3															3.3
TIMS	NAS Meridian	Jun-02	Jun-02												1	2.2													2.2
CBTS	NAS Whiting	Jun-01	Jun-01										1	0.7															0.7
CBTS	NAS Corpus Christi	Jun-01	Jun-01										1	0.4															0.4
CBTS	NAS Kingsville	Jun-02	Jun-02												1	0.3													0.3
CBTS	NAS Pensacola	Jun-01	Jun-01										1	0.4															0.4
CBTS	NAS Meridian	Jun-02	Jun-02												1	0.3													0.3
Other														8.6	4.7		3.6		1.6		4.0		0.6			25.1		48.2	
EPT, EST, PPT		various																											
Initial Training																													
MUSS																													
TIMS SS/ATD SS																													
Engineering Change Orders																													
<b>Total</b>													6	21.2	7	14.8	6	12.1	3	6.0	6	13.9	1	1.9	32	75.1	61	145.0	

Description

The operational flight trainer (OFT), instrument flight trainer (IFT), and unit training device (UTD) must be installed and ready for the required assets availability (RAA) date of May 03 at NAS Whiting. Because the TIMS and CBTS terminals serve a need broader than just JPATS and primary pilot training, TIMS and the CBTS terminals will be deployed concurrently in 2001 to the Navy's training locations after the TIMS development and test deployment at Randolph AFB, TX. These locations are NAS Whiting, FL; NAS Corpus Christi, TX (training wing and CNATRA); and NAS Pensacola, FL (training wing and CNET). NAS Meridian, MS and NAS Kingsville, TX will be procured and deployed in FY01.

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-20, Requirements Study			APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy/BA3				DATE: February 1999		
P-1 ITEM NOMENCLATURE Joint Primary Aircraft Training System (JPATS)			Admin Leadtime (after Oct1): 0*			Prod Leadtime : 24 months			
	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Buy Summary	0	0	0	8	24	24	24	24	24
Unit Cost				5.6	3.4	4.5	4.8	4.8	4.4
Total Cost				44.8	82.3	107.1	115.9	114.5	105.2
Asset Dynamics									
Beginning Asset Position				0	0	0	0	24	48
Deliveries from all prior year funding							0	0	0
Deliveries from FY 1998 funding							0	0	0
Deliveries from FY 1999 funding							0	0	0
Deliveries from FY2000 funding							8	0	0
Deliveries from subsequent years' funding							16	24	24
Other Gains							0	0	0
Combat Losses/Usage							0	0	0
Training Losses/Usage							0	0	1
Test Losses/Usage							0	0	0
Other Losses/Usage							0	0	0
Disposals/Retirements/Attritions/etc.							0	0	0
End of Year Asset Position				0	0	0	24	48	71
Inventory Objective or Current Authorized Allowance				0	0	0	24	48	72
Aircraft:	Remarks:								
TOAI: 339	*Exercise of current options on contract requires no administrative leadtime.								
PAA:									
TAI: 253									
Attrition Res: 72									
BAI: 14									
Inactive Inv: 0									
Storage: 0									

BUDGET ITEM JUSTIFICATION SHEET												DATE:	
P-40												February-99	
APPROPRIATION/BUDGET ACTIVITY								P-1 ITEM NOMENCLATURE					
Aircraft Procurement, Navy BA-4								KC-130J					
Program Element for Code B Items:								Other Related Program Elements					
N/A								N/A					
	Prior Years	ID Code	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	To Complete	Total Program
QUANTITY			3	2	2				1		1		9
Net P-1 Cost (\$M)			205.113	117.143	112.072	12.257	4.799		73.302		73.165		597.851
Advance Proc (\$M)													
Wpn Sys Cost (\$M)			205.113	117.143	112.072	12.257	4.799		73.302		73.165		597.851
Initial Spares (\$M)													
Proc Cost (\$M)			205.113	117.143	112.072	12.257	4.799		73.302		73.165		597.851
Unit Cost (\$M)			68	59	56				73		73		

Description:

- The KC-130J aircraft is an all metal, high-wing, long-range, land-based monoplane. It is designed for cargo, tanker and troop carrier operations. For tanker operations, the aircrew will consist of a pilot, co-pilot, augmented crew member and two air refueling observers. Features include wing mounted refueling pods, an internal cargo ramp and door, crew and cargo compartment pressurization, ground and inflight refueling, thermal deicing systems and a Heads-Up Display (HUD). It is designed to take off and land on unimproved runways.
- The mission of the KC-130J is to provide tactical inflight refueling and assault support transport. As a tactical transport, it is capable of conventional or aerial delivery of personnel or cargo. The aircraft is capable of carrying 92 combat troops or 64 paratroopers with equipment or 74 litters when configured as an ambulance. The aircraft is equipped for inflight refueling to service two aircraft simultaneously and has a removable 3,600 gallon (13,627 liter) fuel tank in the cargo compartment.
- The KC-130 has the capability to refuel low-speed helicopters and high-speed jet aircraft. Aerial refueling of helicopters are normally conducted at 6,000 feet or below, at an airspeed of 115 KTS TAS and requires a ground change of the refueling basket. The KC-130 aircraft will be powered by four Allison AE 2100D3 Turbo-Prop Engines with four six-bladed composite propellers. The cockpit will include state-of-the-art electronics with Liquid Crystal Display (LCD) instrumentation. The improved power performance of the KC-130J will provide 40 percent greater range, 25 percent higher cruise ceiling, 46 percent decrease in time-to-climb, 21 percent increase in maximum speed and 41 percent decrease in maximum effort take-off run over the existing KC-130F/R/T models.

AIRCRAFT COST ANALYSIS

P-5 Cost Sheet

Date: FEBRARY 1999

Aircraft model: KC-130J

\$ in thousands

	Prior Years	FY 1997		FY 1998		FY 1999		FY 2000		FY 2001	
		Qty:	3	Qty:	2	Qty:	2	Qty:		Qty:	
	<u>Total Cost</u>	<u>Unit Cost</u>	<u>Total Cost</u>								
1 Airframe CFE		56,100	168,300	55,300	110,600	54,300	108,600				
2 CFE Electronics											
3 GFE Electronics											
4 Engines/Eng Acc											
5 Armament											
6 Other GFE		*1,667	*5,000			1,000	2,000				
7 Rec Flyaway ECO											
8 Rec Flyaway Cost		57,767	173,300	55,300	110,600	55,300	110,600				
9 Non-Recur Cost											
10 Ancillary Equip											
11											
12 Total Flyaway		57,767	173,300	55,300	110,600	55,300	110,600				
13 Airframe PGSE			1,655								
14 Engine PGSE											
15 Avionics PGSE											
16 Pec Trng Eq			10,900					3,657			
17 Pub/Tech Eq			3,000								
18 Other ILS			12,405		1,765		352	3,500			
19 Prod Eng Supt			3,853		4,778		1,120	5,100			4,799
20											
21 Support Cost			31,813		6,543		1,472	12,257			4,799
22 Gross P-1 Cost			205,113		117,143		112,072	12,257			4,799
23 Adv Proc Credit											
24 Net P-1 Cost			205,113		117,143		112,072	12,257			4,799
25 Adv Proc CY											
26 Weapon System Cost			205,113		117,143		112,072	12,257			4,799
27 Initial Spares											
28 Procurement Cost			205,113		117,143		112,072	12,257			4,799

\*FY 1997 funding procured "Other GFE" requirement for all 5 KC-130J aircraft. Unit cost per aircraft is actually \$1,000 thousand.

AIRCRAFT COST ANALYSIS  
P-5 Cost Sheet

Date: FEBRARY 1999

Aircraft model: KC-130J

\$ in thousands

	Prior Years Total Cost	FY 2002		FY 2003		FY 2004		FY 2005		To Complete Cost	TOTAL COST
		Qty:	Total Cost								
1	Airframe CFE			62,275	62,275			66,067	66,067		515,842
2	CFE Electronics										
3	GFE Electronics										
4	Engines/Eng Acc										
5	Armament										
6	Other GFE			1,126	1,126			1,194	1,194		4,320
7	Rec Flyaway ECO										
8	Rec Flyaway Cos			63,401	63,401			67,261	67,261		525,162
9	Non-Recur Cost										
10	Ancillary Equip										
11											
12	Total Flyaway			63,401	63,401			67,261	67,261		525,162
13	Airframe PGSE				2,535						4,190
14	Engine PGSE				1,126						1,126
15	Avionics PGSE				2,251						2,251
16	Pec Trng Eq								1,671		16,228
17	Pub/Tech Eq										3,000
18	Other ILS				2,250				2,388		22,660
19	Prod Eng Supt				1,739				1,845		23,234
20											
21	Support Cost				9,901				5,904		72,689
22	Gross P-1 Cost				73,302				73,165		597,851
23	Adv Proc Credit										
24	Net P-1 Cost				73,302				73,165		597,851
25	Adv Proc CY										
26	Weapon System (				73,302				73,165		597,851
27	Initial Spares										
28	Procurement Cos				73,302				73,165		597,851

P-1 SHOPPING LIST

# UNCLASSIFIED

CLASSIFICATION:

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT (P-5A)					Weapon System KC-130		A. DATE FEBRUARY 1999			
B. APPROPRIATION/BUDGET ACTIVITY Aircraft Procurement, Navy BA-4					C. P-1 ITEM NOMENCLATURE KC-130J				SUBHEAD 44A9	
Cost Element/ FISCAL YEAR	QUANTITY	UNIT COST	LOCATION OF PCO	RFP ISSUE DATE	CONTRACT METHOD & TYPE	CONTRACTOR AND LOCATION	AWARD DATE	DATE OF FIRST DELIVERY	TECH DATA AVAILABLE NOW?	DATE REVISIONS AVAILABLE
AIRFRAME REGULAR/ FY97	3	\$56,100	USAF WRIGHT PATT OHIO	3Q FY97	FFP	LMAS MARIETTA,GA	JUN 97	AUG 00	N/A	N/A
AIRFRAME REGULAR/ FY98	2	\$55,300	USAF WRIGHT PATT OHIO	1Q FY98	FFP	LMAS MARIETTA, GA	NOV 97	NOV 00	N/A	N/A
AIRFRAME REGULAR/ FY99	2	\$54,300	USAF WRIGHT PATT OHIO	2Q FY99	FFP	LMAS MARIETTA, GA	FEB 99	DEC 00	N/A	N/A
D. REMARKS										

FY 2000 BUDGET PRODUCTION SCHEDULE, P-21							DATE FEBRUARY 1999																								
APPROPRIATION/BUDGET ACTIVITY 4 AIRCRAFT PROCUREMENT/NAVY						Weapon System KC-130J				P-1 ITEM NOMENCLATURE KC-130J																					
Item	Manufacturer's Name and Location					Production Rate			Procurement Leadtimes											Unit of Measure											
						MSR	ECON	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total																		
KC-130J - FY97	LMAS, MARIETTA, GA					N/A	N/A	N/A	0	8	38	N/A	46												EA						
KC-130J - FY98	LMAS, MARIETTA, GA					N/A	N/A	N/A	0	2	N/A	36	38												EA						
KC-130J - FY99	LMAS, MARIETTA, GA					N/A	N/A	N/A	0	4	N/A	22	26												EA						
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 1997												FISCAL YEAR 1998												B A L	
						1996												1997													
						CALENDAR YEAR												CALENDAR YEAR													
						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		
LMAS	97	N	3	0	3																									3	
LMAS	98	N	2	0	2														A											2	
ITEM / MANUFACTURER	F Y	S V C	Q T Y	D E L	B A L	FISCAL YEAR 1999												FISCAL YEAR 2000												B A L	
						1998												1999													
						CALENDAR YEAR												CALENDAR YEAR													
						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		
LMAS	97	N	3	0	3																									0	
LMAS	98	N	2	0	2																							3		2	
LMAS	99	N	2	0	2								A																	2	





<b>EXHIBIT P-43 SIMULATOR AND TRAINING DEVICE JUSTIFICATION</b>	DATE: FEBRUARY 1999
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Appropriation/P-1 Line Item <b>AIRCRAFT PROCUREMENT, NAVY BA-4</b>	Weapon System KC-130J	IOC Date TBD
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Training Device by Type	Site	Delivery Date	Ready for Training Date	Average Student Throughput	Prior Years		FY 1997		FY 1998		FY 1999		FY 2000		FY 2001		FY 2002		FY 2003		FY 2004		FY 2005		To Complete		Total			
					Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
Avionics Maint. Trnr	VMGRT 253 MCAS CHERRY PT	4QFY00	4QFY01	30				10,900																						
Aircrew CBT	VMGRT 253 MCAS CHERRY PT	3QFY00	3QFY00	10									3,657																	
Aircrew CBT Rev.&Maint.	VMGRT 253 MCAS CHERRY PT	3QFY06	3QFY06	15																										
<b>Total</b>								10,900					3,657																	

Description

CLASSIFICATION:

UNCLASSIFIED

Exhibit P-20, Requirements Study			APPROPRIATION/BUDGET ACTIVITY APN BA-4				DATE: FEBRUARY 1999		
P-1 ITEM NOMENCLATURE KC-130J			Admin Leadtime (after Oct1): 8 Months			Prod Leadtime : 38 Months			
	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Buy Summary	3	2	2				1		1
Unit Cost	68,371	58,572	56,036				73,302		73,165
Total Cost	205,113	117,143	112,072	12,257	4,799	0	73,302	0	73,165
Asset Dynamics									
Beginning Asset Position				0	3	7	7	7	8
Deliveries from all prior year funding				3					
Deliveries from FY 1998 funding					2				
Deliveries from FY 1999 funding					2				
Deliveries from FY 2000 funding								1	
Deliveries from subsequent years' funding									
Other Gains									
Combat Losses/Usage									
Training Losses/Usage									
Test Losses/Usage									
Other Losses/Usage									
Disposals/Retirements/Attritions/etc.									
End of Year Asset Position				3	7	7	7	8	8
Inventory Objective or Current Authorized Allowance				3	7	7	7	8	8

Aircraft:	
TOAI:	9
PAA:	
TAI	9
Attrition Res:	0
BAI	0
Inactive Inv:	0
Storage:	0

Remarks: