

DEPARTMENT OF THE NAVY  
FISCAL YEAR (FY) 2018  
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES  
MAY 2017

National Defense Sealift Fund

The estimated cost for this report for the Department of Navy (DON) is \$295.

The estimated total cost for supporting the DON budget justification material is approximately \$1,142,960 for the 2017 fiscal year. This includes \$76,659 in supplies and \$1,066,301 in labor.

## Department of Defense Appropriations Act, 2018

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### National Defense Sealift Fund

For National Defense Sealift Fund programs, projects, and activities, and for expenses of the National Defense Reserve Fleet, as established by section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744), and for the necessary expenses to maintain and preserve a U.S.-flag merchant fleet to serve the national security needs of the United States, \$509,327,000, to remain available until expended: *Provided*, That none of the funds provided in this paragraph shall be used to award a new contract that provides for the acquisition of any of the following major components unless such components are manufactured in the United States: auxiliary equipment, including pumps, for all shipboard services; propulsion system components (that is; engines, reduction gears, and propellers); shipboard cranes; and spreaders for shipboard cranes: *Provided further*, That the exercise of an option in a contract awarded through the obligation of previously appropriated funds shall not be considered to be the award of a new contract: *Provided further*, That the Secretary of the military department responsible for such procurement may waive the restrictions in the first proviso on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.

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Department of Defense  
 FY 2018 President's Budget Request  
 Exhibit O-1 FY 2018 President's Budget Request  
 Total Obligational Authority  
 (Dollars in Thousands)

Appropriation Summary -----	FY 2016	FY 2017	FY 2017	FY 2017	FY 2017	FY 2017	FY 2017
	Base + OCO	PB Request with CR Adj Base	Total PB Requests* with CR Adj Base	PB Request with CR Adj OCO	Total PB Requests* with CR Adj OCO	Less Enacted Div B P.L.114-254** OCO	Remaining Req with CR Adj OCO
Department of the Navy							
National Defense Sealift Fund	537,507	473,263	1,006,097				
Total Department of the Navy	537,507	473,263	1,006,097				
Total Operation and Maintenance Title	537,507	473,263	1,006,097				

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 (Dollars in Thousands)

Appropriation Summary	FY 2017 Total PB Requests** with CR Adj Base+OCO+SAA	FY 2017 Total PB Requests* with CR Adj Base + OCO	FY 2017 Less Enacted Div B P.L.114-254** OCO	FY 2017 Remaining Req with CR Adj Base + OCO	FY 2018 Base	FY 2018 OCO	FY 2018 Total
Department of the Navy							
National Defense Sealift Fund	473,263	1,006,097		1,006,097	509,327		509,327
Total Department of the Navy	473,263	1,006,097		1,006,097	509,327		509,327
Total Operation and Maintenance Title	473,263	1,006,097		1,006,097	509,327		509,327

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 (Dollars in Thousands)

	FY 2016 Base + OCO	FY 2017 PB Request with CR Adj Base	FY 2017 Total PB Requests* with CR Adj Base	FY 2017 PB Request with CR Adj OCO	FY 2017 Total PB Requests* with CR Adj OCO	FY 2017 Less Enacted Div B P.L.114-254** OCO	FY 2017 Remaining Req with CR Adj OCO	S e c
4557N National Defense Sealift Fund								
TOTAL, BA 01: Construction And Conversion	25,929							
TOTAL, BA 02: Operations, Maintenance And Lease	201,812		251,310					
TOTAL, BA 04: Research and Development	36,289							
TOTAL, BA 05: Ready Reserve Forces	273,477		281,524					
TOTAL, BA 20: Undistributed		473,263	473,263					
Total National Defense Sealift Fund	537,507	473,263	1,006,097					
Details:								
Budget Activity 01: Construction And Conversion								
Strategic Sealift Acquisition								
4557N 010 0100 LMSR	1,819							U
4557N 020 0401 MPF MLP	6,017							U
4557N 030 5000 Post Delivery and Outfitting	18,093							U
Total Strategic Sealift Acquisition	25,929							
Total, BA 01: Construction And Conversion	25,929							
Budget Activity 02: Operations, Maintenance And Lease								
Mobilization Preparedness								
4557N 040 0200 National Def Sealift Vessel	13,516							U
4557N 050 0220 LG Med Spd Ro/Ro Maintenance	132,505		172,102					U
4557N 060 0230 DoD Mobilization Alterations	27,759		23,676					U
4557N 070 0250 TAH Maintenance	28,032		55,532					U
Total Mobilization Preparedness	201,812		251,310					
Total, BA 02: Operations, Maintenance And Lease	201,812		251,310					
Budget Activity 04: Research and Development								
Research And Development								
4557N 080 0900 Research And Development	36,289							U
Total Research And Development	36,289							
Total, BA 04: Research and Development	36,289							

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	FY 2017 Total PB Requests** with CR Adj Base+OCO+SAA	FY 2017 Total PB Requests* with CR Adj Base + OCO	FY 2017 Less Enacted Div B P.L.114-254** OCO	FY 2017 Remaining Req with CR Adj Base + OCO	FY 2018 Base	FY 2018 OCO	FY 2018 Total	S e c
4557N National Defense Sealift Fund								
TOTAL, BA 01: Construction And Conversion								
TOTAL, BA 02: Operations, Maintenance And Lease		251,310		251,310	201,450		201,450	
TOTAL, BA 04: Research and Development					18,622		18,622	
TOTAL, BA 05: Ready Reserve Forces		281,524		281,524	289,255		289,255	
TOTAL, BA 20: Undistributed	473,263	473,263		473,263				
Total National Defense Sealift Fund	473,263	1,006,097		1,006,097	509,327		509,327	

Details:

Budget Activity 01: Construction And Conversion

Strategic Sealift Acquisition

4557N 010 0100 LMSR								U
4557N 020 0401 MPF MLP								U
4557N 030 5000 Post Delivery and Outfitting								U
Total Strategic Sealift Acquisition								
Total, BA 01: Construction And Conversion								

Budget Activity 02: Operations, Maintenance And Lease

Mobilization Preparedness

4557N 040 0200 National Def Sealift Vessel								U
4557N 050 0220 LG Med Spd Ro/Ro Maintenance		172,102		172,102	135,800		135,800	U
4557N 060 0230 DoD Mobilization Alterations		23,676		23,676	11,197		11,197	U
4557N 070 0250 TAH Maintenance		55,532		55,532	54,453		54,453	U
Total Mobilization Preparedness		251,310		251,310	201,450		201,450	
Total, BA 02: Operations, Maintenance And Lease		251,310		251,310	201,450		201,450	

Budget Activity 04: Research and Development

Research And Development

4557N 080 0900 Research And Development					18,622		18,622	U
Total Research And Development					18,622		18,622	
Total, BA 04: Research and Development					18,622		18,622	



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 (Dollars in Thousands)

4557N National Defense Sealift Fund	FY 2016 Base + OCO	FY 2017	FY 2017	FY 2017	FY 2017	FY 2017	FY 2017
		PB Request with CR Adj Base	Total PB Requests* with CR Adj Base	PB Request with CR Adj OCO	Total PB Requests* with CR Adj OCO	Less Enacted Div B P.L.114-254** OCO	FY 2017 Remaining Req with CR Adj OCO
Budget Activity 05: Ready Reserve Forces							
Ready Reserve and Prepositioning Force							
4557N 090 0500 Ready Reserve Force	273,477		281,524				U
Total Ready Reserve and Prepositioning Force	273,477		281,524				
Total, BA 05: Ready Reserve Forces	273,477		281,524				
Budget Activity 20: Undistributed							
Undistributed							
4557N 100 CR Adj to Match Continuing Resolution		473,263	473,263				U
Total Undistributed		473,263	473,263				
Total, BA 20: Undistributed		473,263	473,263				
Total National Defense Sealift Fund	537,507	473,263	1,006,097				

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Department of Defense  
 FY 2018 President's Budget Request  
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 Total Obligational Authority  
 (Dollars in Thousands)

	FY 2017 Total PB Requests** with CR Adj Base+OCO+SAA	FY 2017 Total PB Requests* with CR Adj Base + OCO	FY 2017 Less Enacted Div B P.L.114-254** OCO	FY 2017 Remaining Req with CR Adj Base + OCO	FY 2018 Base	FY 2018 OCO	FY 2018 Total	S e c
4557N National Defense Sealift Fund								
Budget Activity 05: Ready Reserve Forces								
Ready Reserve and Prepositioning Force								
4557N 090 0500 Ready Reserve Force		281,524		281,524	289,255		289,255	U
Total Ready Reserve and Prepositioning Force		281,524		281,524	289,255		289,255	
Total, BA 05: Ready Reserve Forces		281,524		281,524	289,255		289,255	
Budget Activity 20: Undistributed								
Undistributed								
4557N 100 CR Adj to Match Continuing Resolution	473,263	473,263		473,263				U
Total Undistributed	473,263	473,263		473,263				
Total, BA 20: Undistributed	473,263	473,263		473,263				
Total National Defense Sealift Fund	473,263	1,006,097		1,006,097	509,327		509,327	

**NDSF SUMMARY NARRATIVE**  
**FY 2018 President's Budget Submission**  
**May 2017**

The FY 2018 total budget submission for NDSF is \$509.3 million.

The submission includes \$190.3 million for costs associated with the operation and maintenance of Large Medium Speed Roll-on/Roll-off (LMSR) vessels, other common-user sealift vessels, and Fleet Hospital Ships (T-AH). There is \$289.3 million for costs associated with the maintenance of the National Defense Reserve Fleet (NDRF), which includes the Ready Reserve Force (RRF).

The submission includes \$11.2 million for DoD Mobilization Alterations, which will fund alterations to Military Sealift Command ships.

The submission also includes \$18.6 million for multiple research and development efforts.

The NDSF funds the operation, maintenance, and support (O&S) of current strategic sealift assets. These operations, other than RRF vessels, are funded on a reimbursable basis to the NDSF appropriation. The individual Defense components order these services from the NDSF via a funded Economy Act Order. The NDSF purchases these O&S services by issuing reimbursable orders to either the Transportation Working Capital Fund (TWCF) or the Navy Working Capital Fund (NWCF).

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**NDSF INDEX**  
**FY 2018 President's Budget Submission**  
**May 2017**

<b>NDSF BUDGET ACTIVITIES/PROGRAMS</b>	<b>PAGES</b>
<b>NDSF BA 01: Strategic Ship Acquisition</b>	7-8
<b>NDSF BA 02: DoD Mobilization Assets</b> (LMSR Maintenance, Mobilization Alterations, T-AH Maintenance)	9-11
<b>NDSF BA 04: Sealift Research and Development</b>	13-30
<b>NDSF BA 05: Ready Reserve Force</b>	31-33

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**NDSF SUMMARY FINANCIAL DATA**  
**FY 2018 President's Budget Budget Submission**  
**May 2017**

	<b>TOA (\$M)</b>							<b>Total Program</b>
	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019</u></b>	<b><u>FY 2020</u></b>	<b><u>FY 2021</u></b>	<b><u>FY 2022</u></b>	
<b>BA-01: Strategic Ship Acquisition</b>	<b>15.5</b>	-	-	-	-	-	-	<b>15.5</b>
5000: Outfitting and Post Delivery	15.5	-	-	-	-	-	-	15.5
<b>BA-02: DoD Mobilization Assets</b>	<b>160.5</b>	<b>251.3</b>	<b>201.5</b>	<b>185.5</b>	<b>218.5</b>	<b>198.7</b>	<b>187.9</b>	<b>1,403.8</b>
0220: LMSR Maintenance	124.5	172.1	135.8	125.0	145.8	154.3	149.6	<b>1,007.1</b>
0230: DOD Mobilization Alterations	8.2	23.7	11.2	20.9	20.0	10.0	20.2	<b>114.2</b>
0250: T-AH Maintenance	27.8	55.5	54.5	39.7	52.7	34.4	18.1	<b>282.6</b>
<b>BA-04: Sealift Research and Development</b>	<b>25.2</b>	-	<b>18.6</b>	<b>15.3</b>	<b>15.2</b>	<b>15.5</b>	<b>15.8</b>	<b>105.6</b>
0900: Research and Development	25.2	-	18.6	15.3	15.2	15.5	15.8	<b>105.6</b>
<b>NDSF BA-05: Ready Reserve Force</b>	<b>273.0</b>	<b>281.5</b>	<b>289.3</b>	<b>302.8</b>	<b>305.1</b>	<b>306.0</b>	<b>312.0</b>	<b>2,069.7</b>
0500: Ready Reserve Force	273.0	281.5	289.3	302.8	305.1	306.0	312.0	2,069.7
<b>TOTAL NDSF</b>	<b>474.2</b>	<b>532.8</b>	<b>509.3</b>	<b>503.6</b>	<b>538.8</b>	<b>520.2</b>	<b>515.7</b>	<b>3,594.5</b>

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<b>CLASSIFICATION: UNCLASSIFIED</b>										
<b>BUDGET ITEM JUSTIFICATION SHEET (P-40)</b>								DATE: May 2017		
<b>FY 2018 President's Budget Submission</b>										
APPROPRIATION/BUDGET ACTIVITY					P-1 LINE ITEM NOMENCLATURE					
<b>National Defense Sealift Fund/BA 1</b>					<b>NDSF OUTFITTING AND POST DELIVERY (P-40)</b>					
					<b>BLI: 5000</b>					
(Dollars in Millions)	PRIOR YR	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	TO COMP	TOTAL
Full Funding TOA-Outfitting	57.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	57.3
Full Funding TOA-Post Delivery	31.5	15.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	47.0
Total Obligational Authority	88.8	15.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	104.3
<b>MISSION:</b>										
<p>NDSF BLI 5000 established supporting Post Delivery and Outfitting requirements for MLP.</p> <p>Outfitting funds are used to acquire on board repair parts, other secondary items, equipage, recreation items, precommissioning crew support and general use furnished to the shipbuilder or the fitting-out activity to fill the ship's initial allowances as defined by the baseline Coordinated Shipboard Allowance List (COSAL). program also budgets for contractor-furnished spares, lead-time away from delivery. The program ensures operational readiness of ships undergoing new these ships receive there full allowances of spare parts and equipment which are vitally required to support the shipboard maintenance process; ensures ships with operating space items (tools, test equipment, damage control), personnel safety and survivability commodities for successful completion builder sea trials; shipboard maintenance and therefore achieving the OPNAV-directed Supply Readiness goals for material on board ship at delivery.</p> <p>Post Delivery funding covers the fixing of government-responsible items which were believed to have been complete to standard and/or operable at delivery. It is deliver to the Fleet complete ships, free from both contractor and government responsible deficiencies, capable of supporting the Navy's mission from the first service. The Post Shakedown Availability (PSA) is a shipyard availability assigned to commence after delivery. It is during this time that Acceptance and Final Trials deficiencies will be corrected. The purpose of the PSA is to accomplish correction of new construction deficiencies found during the shakedown period authorized; correction of other contractor and government responsible deficiencies previously authorized; and accomplishment of other improvements or class authorized. Funding is used for corrections authorized by the Ship Program Manager as a result of builders trials (pre-delivery), acceptance or underway trials, contract trials, trial board items, and correction of production-related defects or deficiencies which develop during the Post Delivery period.</p>										

<b>CLASSIFICATION: UNCLASSIFIED</b>															
<b>BUDGET ITEM JUSTIFICATION SHEET(P-30)</b> <b>FY 2018 President's Budget Submission</b>												<b>DATE</b> <b>May 2017</b>			
<b>APPROPRIATION/BUDGET ACTIVITY</b>										<b>P-1 LINE ITEM NOMENCLATURE</b>					
<b>National Defense Sealift Fund/BA 1</b>										<b>NDSF OUTFITTING AND POST DELIVERY (P-30)</b> <b>BLI: 5000</b>					
Ship Type	HULL NO	PROG YEAR	Contract Award	Start of Constr.	DEL DATE	CFO DATE	PSA START	PSA FINISH	OWLD	PRIOR YEARS	FY	FY	FY	TO	TOTAL
											2016	2017	2018	COMP	
MLP 1	1	11	MAY-11	JUN-11	MAY-13	AUG-13	FEB-15	APR-15	N/A	16,815	0	0	0	0	16,815
MLP 2	2	11	MAY-11	APR-12	MAR-14	JUN-14	MAY-15	JUN-15	N/A	11,845	0	0	0	0	11,845
MLP 3 AFSB	3	12	FEB-12	FEB-13	JUN-15	DEC-15	DEC-16	APR-17	N/A	2,879	15,456	0	0	0	18,335
<b>MLP Total</b>										<b>31,539</b>	<b>15,456</b>	0	0	0	46,995
<b>Full Funding TOA-Outfitting Total</b>										<b>57,275</b>	<b>0</b>	0	0	0	57,275
<b>Full Funding TOA-Post Delivery Total</b>										<b>31,539</b>	<b>15,456</b>	0	0	0	46,995
<b>Total Obligational Authority Total</b>										<b>88,814</b>	<b>15,456</b>	0	0	0	104,270
<b>NET P-1 Total</b>										<b>88,814</b>	<b>15,456</b>	0	0	0	104,270

**NATIONAL DEFENSE SEALIFT FUND**  
**Exhibit P-40**  
**FY 2018 President's Budget Budget Submission**

**May 2017**  
**BA 02**  
**BLI 0220**

**Large Medium Speed RO/RO (LMSR)**  
**(\$M)**

<u>LMSR</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Total, LMSR	124.5	172.1	135.8

**Justification:**

Large, Medium-Speed, Roll-on/Roll-off Ships (LMSRs) can carry an entire U.S. Army Task Force, including 58 tanks, 48 other track vehicles, plus more than 900 trucks and other wheeled vehicles. The ship carries vehicles and equipment to support humanitarian missions, as well as combat missions. These ships have a cargo carrying capacity of more than 380,000 square feet, equivalent to almost eight football fields. In addition, LMSRs have a slewing stern ramp and a removable ramp which services two side ports making it easy to drive vehicles on and off the ship. Interior ramps between decks ease traffic flow once cargo is loaded aboard ship. Two 110-ton single pedestal twin cranes make it possible to load and unload cargo where shore side infrastructure is limited or nonexistent. A commercial helicopter deck was added for emergency daytime landing.

LMSRs are maintained in a five-day Reduced Operating Status (ROS-5) as recommended by the series of Department of Defense Mobility Studies to meet USTRANSCOM mobility requirements for force closure. These ships provide the initial surge sealift capacity required to transport the lead combat forces from CONUS to a given area of operation and satisfy time-critical war fighting requirements. The criteria for each readiness status were also specified in the MRS (i.e., Outporting, Sea/Dock Trials, Maintenance). ROS-5 ships have a cadre crew assigned, are outported at a layberth, and undergo annual sea trials, periodic dock trials, and required periodic regulatory dry dockings/inspections.

**Narrative Explanation of Program Changes:**

The increase between FY 2016 and FY 2017 reflects \$15M in additional sealift support included within Navy's FY 2017 Amended Budget Submission, as well the impact of emergent surge sealift repairs.

The FY 2018 budget request is lower than the FY 2017 budget request, returning to the FY 2016 baseline plus an additional \$11M to address the backlog in maintenance and repair for aging sealift vessels.

NATIONAL DEFENSE SEALIFT FUND  
Exhibit P-40  
FY 2018 President's Budget Submission

May 2017  
BA 02  
BLI 0230

DOD Strategic Vessel Modernization  
(\$M)

<b><u>Modernization</u></b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>
T-AH Aviation Enhancement	0.0	8.5	0.0
T-Alts	0.0	6.0	6.3
ENCON T-Alts	8.2	9.2	4.9
Total, Modernization	<u>8.2</u>	<u>23.7</u>	<u>11.2</u>

**Justification:**

General: Vessel modernization replaces obsolete equipment and responds to emergent fleet and COCOM requirements. Requirements are prioritized annually and fiscal resources are allocated to complete the most important safety and operational requirements.

Transportation Alterations (T-Alts): Transportation Ship Alterations (T-ALTS) are required to perform modernization and upgrades to meet emergent fleet and COCOM requirements.

ENCON T-Alts: Funds the investment in Energy Conservation (ENCON) efforts resulting in reduced energy costs for MSC ship operations in the operating accounts. Major efforts in FY 2017 include Intelligent HVAC, E-STREAM, lighting upgrades, and pump/motor efficiency improvements.

**Narrative Explanation of Program Changes:**

The FY 2017 budget request is higher than the FY 2016 NDSF request due to the restoration of T-Alts (\$6.3M) a slight increase in ENCON T-Alts (\$9.2M) and T-AH Aviation Enhancement (\$8.5M). Flight deck modification will allow interoperability with MV-22 aircraft, the replacement platform for Marine Corps medium lift helicopters and will provide casualty evacuation as part of focused logistics support to amphibious operations.

The FY 2018 budget request is lower than the FY 2017 budget request due to completion of T-AH flight deck MV-22 modification and ENCON T-Alts; T-Alts efforts remain at a consistent level.

**NATIONAL DEFENSE SEALIFT FUND  
Exhibit P-40  
FY 2018 President's Budget Submission**

**May 2017  
BA 02  
BLI 0250**

**Hospital Ships (T-AH)  
(\$M)**

<b><u>T-AH</u></b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>
Total T-AH ROS Operations	27.8	55.5	54.5

**Justification:**

Two T-AHs are maintained in a five-day Reduced Operating Status (ROS-5) as required by Defense Planning Guidance and COCOM OPLANS. These ships provide the critical initial surge field hospital capability to support war fighting, humanitarian, and Operations Other Than War. T-AH ships have a cadre crew assigned, are outported at a Layberth, and undergo annual sea trials, periodic dock trials, and required periodic regulatory dry dockings/inspections.

Funding supports the following areas:

- Crew costs -- CIVMAR wages & salaries.
- Maintenance & Repair -- preventative maintenance, regulatory inspections, dry dockings, and overhauls.
- Layberth -- berth lease, utilities, tugs, pilots, and in-port fuel.
- Other costs -- ADP support, supplies, subsistence, spare parts, consumables, and NWCF AOR results.

**Narrative Explanation of Program Changes:**

The FY 2017 budget request is higher than the FY16 budget request due to increased maintenance and repair (M&R) requirements on the USNS MERCY and USNS COMFORT, including a phased service life extension program for USNS MERCY (\$2.9M). USNS COMFORT will be maintained in Reduced Operating Status for 365 days (\$22.8M), having previously deployed in FY16. While activated for deployments, T-AH are funded through OMN. The increased M&R efforts will maintain compliance with USCG Certification and American Bureau of Shipping (ABS) Class Requirements.

The FY 2018 budget request is lower than the FY 2017 budget request due to the bi-annual MERCY deployment; vessel funded in Full Operating Status (FOS) (OMN) for 150 days. The budget request includes MERCY Reduced Operating Status for 215 days (\$17.4M) and COMFORT Reduced Operating Status for 365 days (\$29.5M). There is also an increase in service life extension work on MERCY (\$7.6M).

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<b>CLASSIFICATION:</b>		<b>UNCLASSIFIED</b>					
<b>Exhibit R-2, RDT&amp;E Budget Item Justification:</b> PB 2018 Navy						Date: May 2017	
Appropriation/Budget Activity <b>RD TEN/BA 4</b>			R-1 Program Element (Number/Name) <b>0408042N/National Defense Sealift Fund</b>				
<b>COST (\$ in Millions)</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Total PE Cost	25.197	0.000	18.622	15.336	15.197	15.508	15.809
3110 / Maritime Prepositioning Force (Future)	1.768	0.000	0.468	0.000	0.000	0.000	0.000
3116 / Strategic Sealift Research & Development	5.502	0.000	6.425	6.354	6.025	6.151	6.276
3117 / Naval Operational Logistics Integration	17.927	0.000	11.729	8.982	9.172	9.357	9.533
<b>A. MISSION DESCRIPTION:</b>							
This Program Element supports multiple NDSF R&D efforts under various project units. Project Unit efforts are as follows:							
(1) Maritime Prepositioning Force (Future) - MPF(F) (3110) - Concept studies, preliminary, contract designs and technology development and testing leading to detail design, and construction award of ship systems for the initial operational capability milestone achievement that will provide a highly flexible, operational and logistics support capability to enable Expeditionary Maneuver Warfare concepts and to meet required operational capabilities with respect to Force Closure, Amphibious Task Force Integration, Sustainment and Reconstitution/Redeployment.							
(2) Strategic Sealift Research and Development (3116) - Develops new concepts and technologies which can be applied to or will enable future strategic sealift, and Seabasing systems. The technologies include ship configuration concepts, equipment to increase cargo handling and cargo loading/unloading rates (including commercial and merchant ship systems), improved man/machine interfaces, improved structural configurations and materials, and Logistics-Over-the-Shore (LOTS) equipment and system improvements.							
(3) Naval Operational Logistics Integration (OPLOG) (3117) - Develops enabling technologies for future and in-service afloat operational logistics and integrated supply systems; defines integrated combat logistics force and combatant logistics requirements; and conduct cooperative initiatives with acquisition program, program sponsors, engineering managers, the Navy science and technology community, and Fleet customers. OPLOG develops integrated, cross-platform (i.e applicable to more than one ship class/type) operational logistics and energy conservation technologies and capabilities as well as draft acquisition and operations policy ensuring future Naval systems leverage emerging logistic capabilities and technologies to provide operationally effective and energy efficient logistics delivery.							

<b>CLASSIFICATION:</b>		<b>UNCLASSIFIED</b>		
<b>Exhibit R-2, RDT&amp;E Budget Item Justification:</b> PB 2018 Navy				Date: May 2017
Appropriation/Budget Activity <b>RD TEN/BA 4</b>		R-1 Program Element (Number/Name) <b>0408042N/National Defense Sealift Fund</b>		
<b>B. Program Change Summary (\$ in Millions)</b>				
	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	
Previous President's Budget	25.197	0.000	0.000	
Current President's Budget	25.197	0.000	18.622	
Total Adjustments	0.000	0.000	18.622	
Congressional Rescissions	0.000	0.000	0.000	
Congressional Adjustments	0.000	0.000	0.000	
SBIR/STTR/FTT Assessment	0.000	0.000	0.000	
Program Adjustments	0.000	0.000	18.622	
Rate/Misc Adjustments	0.000	0.000	0.000	
Notes: FY18 and outyears reflects the reestablishment of the National Defense Sealift Fund (NDSF) appropriation.				



<b>CLASSIFICATION:</b>		<b>UNCLASSIFIED</b>						
<b>Exhibit R-2A, RDT&amp;E Budget Item Justification: PB 2018 Navy</b>							Date: May 2017	
<b>Appropriation/Budget Activity</b>		<b>PROGRAM ELEMENT NUMBER AND NAME</b>			<b>PROJECT NUMBER AND NAME</b>			
RDTEN/BA 4		0408042N/NATIONAL DEFENSE SEALIFT FUND			3110/Maritime Prepositioning Force (Future)			
<b>COST (In Millions)</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	
Project Cost	1.768	0.000	0.468	0.000	0.000	0.000	0.000	
RDT&E Articles Qty	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
<b>A. Mission Description and Budget Item Justification:</b>								
Maritime Prepositioning Force (Future) - MPF(F) (3110) - Concept studies, preliminary, contract designs and technology development and testing leading to detail design, and construction award of ship systems for the initial operational capability milestone achievement that will provide a highly flexible, operational and logistics support capability to enable Expeditionary Maneuver Warfare concepts and to meet required operational capabilities with respect to Force Closure, Amphibious Task Force Integration, Sustainment and Reconstitution/Redeployment. FY 17 efforts were financed under RDT&E,N BA 05 PE 0604567N Project 3374 in the amount of \$.694M. This is not a new start program.								
<b>B. Accomplishments/Planned Programs (\$ in Millions):</b>					<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	
<b>Title:</b> Engineering and Acquisition Support					1.768	0.000	0.468	
<b>FY2016 Accomplishments:</b> Continue tracking execution of Test and evaluation schedule to Test and Evaluation Master Plan (TEMP) - Continue IT&E Phase B2 for Afloat forward Staging Base (AFSB) - Continue execution of AFSB Live Fire Test Program to include a Total Ship survivability Trial (TSST) - Perform MLP Follow-On Operational Test & Evaluation (FOT&E) for MLP core Capability Set (CCS) - Perform Initial Operational Test and Evaluation (IOT&E) for afloat forward Staging Base (AFSB)								
<b>FY2017 Plans:</b> N/A								
<b>FY2018 Plans:</b> - Continue tracking execution of Test and Evaluation schedule to Test and Evaluation Master Plan (TEMP) for DT/OT efforts 'Execute follow-on Operational Test and Evaluation (FOT&E) as required								
<b>Accomplishments/Planned Programs Subtotals</b>					<b>1.768</b>	<b>0.000</b>	<b>0.468</b>	
<b>C. Other Program Funding Summary (\$ in Millions):</b>		<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>
RDTE,N PE 0604567N PU 3374: MPF(F)			0.694					
SCN/3039: Afloat Forward Staging Base		635.000						
<b>D. Acquisition Strategy:</b>								
To supplement the current maritime prepositioning force, and to provide in theater capability to support resupplying a Maritime Expeditionary Brigade, the Department is procuring 2 Expeditionary Transfer Dock (ESD, formerly MLP) in FY11, and three (one each in FY12, FY14 and FY16) Expeditionary Sea Base (ESB, formerly MLP AFSB Variant configurations).								
<b>E. Performance Metrics</b>								
Annual Program Review								

CLASSIFICATION:		UNCLASSIFIED										
EXHIBIT R-3, RDT&E PROJECT COST ANALYSIS: PB 2018 Navy										Date: May 2017		
Appropriation/Budget Activity			Program Element (Number/Name)					Project (Number/Name)				
RD TEN/BA 4			0408042N/ NATIONAL DEFENSE SEALIFT FUND					3110/Maritime Prepositioning Force (Future)				
<b>Product Development (\$ in Millions)</b>				FY 2016		FY 2017		FY 2018				
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost to Complete (\$000)	Total Cost (\$000)	Target Value of Contract
<b>Subtotal Product Development</b>			<b>0.000</b>	<b>0.000</b>		<b>0.000</b>		<b>0.000</b>		-	-	-
<b>Product Test and Evaluation (\$ in Millions)</b>				FY 2016		FY 2017		FY 2018				
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost to Complete (\$000)	Total Cost (\$000)	Target Value of Contract
Operational Test & Evaluation	WR	MCOTEA/COTF: Various		0.584	Jan-16			0.200	Jan-18			
Live Fire Test & Evaluation	WR	VARIOUS: Various		0.489	Jan-16							
Developmental Test & Evaluation	WR	VARIOUS: Various		0.645	Jan-16			0.268	Jan-18			
<b>Subtotal Test and Evaluation</b>			<b>0.000</b>	<b>1.718</b>		<b>0.000</b>		<b>0.468</b>				
<b>Product Management Services (\$ in Millions)</b>				FY 2016		FY 2017		FY 2018				
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost to Complete (\$000)	Total Cost (\$000)	Target Value of Contract
Travel	TO	VARIOUS: Various		0.050	Oct-15							
<b>Subtotal Management Services</b>			<b>0.000</b>	<b>0.050</b>		<b>0.000</b>		<b>0.000</b>				
<b>Total Cost</b>			<b>0.000</b>	<b>1.768</b>		<b>0.000</b>		<b>0.468</b>				
<b>Remarks:</b>												
Award dates reflect initial award of incremental execution												
FY2017 efforts are funded with RDTE,N PE 0604567N PU 3374: MPF (F) funds.												

CLASSIFICATION: UNCLASSIFIED

EXHIBIT R-4 RDT&E Schedule Profile: PB 2018 Navy Date: May 2017

Appropriation/Budget Ac	Program Element (Number/Name)	Project (Number/Name)
RDTEN/BA 4	0408042N/ NATIONAL DEFENSE SEALIFT FUND	3110 /Maritime Prepositioning Force (Future)

	FY 2016				FY 2017				FY 2018				FY 2019				FY 2020				FY 2021				FY 2022			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4				
Schedule Profile																												
TESTING: ESB DT&E																												
TESTING: ESB IT&E																												
TESTING: ESB OT&E																												
TESTING: ESB LFT&E																												



<b>CLASSIFICATION:</b>		<b>UNCLASSIFIED</b>						
Exhibit R-2A, RDT&E Budget Item Justification: PB 2018 Navy								Date: May 2017
<b>Appropriation/Budget Activity</b>		<b>PROGRAM ELEMENT NUMBER AND NAME</b>				<b>PROJECT NUMBER AND NAME</b>		
RD TEN/BA 4		0408042N/NATIONAL DEFENSE SEALIFT FUND				3116/Strategic Sealift Research & Development		
<b>COST (In Millions)</b>	<b>Prior Years</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Project Cost	53.329	5.502	0.000	6.425	6.354	6.025	6.151	6.276
RDT&E Articles Qty		0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>A. Mission Description and Budget Item Justification:</b>								
Strategic Sealift Research Development - Develops new concepts and technologies which can be applied to or will enable future strategic sealift and Seabasing systems. The technologies include ship configuration concepts, equipment to increase cargo handling and cargo loading/unloading rates (including commercial and merchant ship systems), improved man/machine interfaces, improved structural configurations and materials, and Logistics-Over-the-Shore (LOTS) equipment and system improvements. FY17 efforts were financed under BA04 PE0603563N Project 3376 Strategic Sealift, this is not a new start program.								
<b>B. Accomplishments/Planned Programs (\$ in Millions):</b>						<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
<b>Title:</b> Shipboard Crane Systems/Shipboard Cargo Systems						1.372	0.000	2.925
<b>FY2016 Accomplishments:</b> - Continued to investigate and conduct demonstrations of shipboard crane/cargo systems improvements.								
<b>FY2017 Accomplishments:</b> N/A								
<b>FY2018 Plans:</b> - Continue investigation and demonstration of shipboard crane/cargo systems improvements including weapons handling, transfer capabilities, and expeditionary vertical launch system rearming.								
<b>Title:</b> Sealift Concept Development						1.430	0.000	1.900
<b>FY2016 Accomplishments:</b> - Continued to provide Advanced Planning, Sealift Research, and Technology development and program guidance. Continued to develop Ship Cost Reduction Analysis.								
<b>FY2017 Plans:</b> N/A								
<b>FY2018 Plans:</b> - Continue to provide Advanced Planning, Sealift Research, and Technology development and program guidance. Conduct Sealift ship concept development and analysis.								

<b>CLASSIFICATION:</b>		<b>UNCLASSIFIED</b>				
Exhibit R-2A, RDT&E Budget Item Justification: PB 2018 Navy					Date: May 2017	
<b>Appropriation/Budget Activity</b> RDTE/BA 4		<b>PROGRAM ELEMENT NUMBER AND NAME</b> 0408042N/NATIONAL DEFENSE SEALIFT FUND			<b>PROJECT NUMBER AND NAME</b> 3116/Strategic Sealift Research & Development	
<b>B. Accomplishments/Planned Programs (\$ in Millions):</b>		<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>		
<b>Title:</b> Lighter/HSV Seabase to Shore Cargo Transfer		2.000	0.000	1.600		
<b>FY2016 Accomplishments:</b> - Continued development of at-sea vehicle transfer capability. Continued to develop analysis of improved air operations for Ship-To-Shore logistics support from Sealift ships.						
<b>FY2017 Plans:</b> N/A						
<b>FY2018 Plans:</b> - Continue development and demonstration of at-sea vehicle transfer capability.						
<b>Title:</b> Advanced Tools		0.700	0.000	0.000		
<b>FY2016 Accomplishments:</b> - Initiated investigation and demonstration of individual and multiship motion measurement and prediction.						
<b>FY2017 Plans:</b> N/A						
<b>FY2018 Plans:</b> N/A						
<b>Accomplishments/Planned Programs Subtotals</b>		<b>5.502</b>	<b>0.000</b>	<b>6.425</b>		
<b>C. Other Program Funding Summary (\$ in Millions):</b>		<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>
RDTE,N PE 0603563N PU 3376: Strategic Sealift			4.211			
<b>D. Acquisition Strategy:</b> Not applicable for SEALIFT R&D efforts						
<b>E. Performance Metrics</b> Annual Program Review						

CLASSIFICATION:		UNCLASSIFIED										
EXHIBIT R-3, RDT&E PROJECT COST ANALYSIS: PB 2018 Navy										Date: May 2017		
Appropriation/Budget Activity			Program Element (Number/Name)				Project (Number/Name)					
RDTE/BA 4			0408042N/ NATIONAL DEFENSE SEALIFT FUND				3116/Strategic Sealift Research & Development					
Product Development (\$ in Millions)				FY 2016		FY 2017		FY 2018		Cost to Complete (\$000)	Total Cost (\$000)	Target Value of Contract
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date			
Sealift Concept Development	WR	VARIOUS:Various	0.000	1.430	Jan 2016	0.000		1.900	Jan 2018	Continuing	Continuing	Continuing
Shipboard Crane Systems	WR	VARIOUS:Various	0.000	1.372	Jan 2016	0.000		2.925	Jan 2018	Continuing	Continuing	Continuing
Lighter/HSV Seabase to Shore Cargo Transfer	WR	VARIOUS:Various	0.000	2.000	Jan 2016	0.000		1.600	Jan 2018	Continuing	Continuing	Continuing
Advanced Tools	WR	VARIOUS:Various	0.000	0.700	Jan 2016	0.000		0.000		Continuing	Continuing	Continuing
<b>Subtotal Product Development</b>			<b>0.000</b>	<b>5.502</b>		<b>0.000</b>		<b>6.425</b>		-	-	-
<b>Subtotal Test and Evaluation</b>			<b>0.000</b>	<b>0.000</b>		<b>0.000</b>		<b>0.000</b>				
<b>Subtotal Management Services</b>			<b>0.000</b>	<b>0.000</b>		<b>0.000</b>		<b>0.000</b>				
<b>Total Cost</b>			<b>0.000</b>	<b>5.502</b>		<b>0.000</b>		<b>6.425</b>				
<b>Remarks:</b>												
FY2017 efforts are funded with RDTE,N PE 0603563N PU 3376: Strategic Sealift funds.												

CLASSIFICATION: UNCLASSIFIED		EXHIBIT R-4 RDT&E Schedule Profile: PB 2018 Navy		Date: May 2017																												
Appropriation/Budget Activity		Program Element (Number/Name)		Project (Number/Name)																												
RDTEN/BA 4		0408042N/ NATIONAL DEFENSE SEALIFT FUND		3116 /Strategic Sealift Research & Development																												
	FY 2016				FY 2017				FY 2018				FY 2019				FY 2020				FY 2021				FY 2022							
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Schedule Profile																																
Sealift Concept Development																																
Shipboard Crane Systems																																
Lighter/HSV Seabase to Shore Cargo Transfer																																
Advanced Tools																																
<p>Note: FY17 efforts were financed under RDT&amp;E.N BA 04 PE 0603563N Project 3376 in the amount of \$4.211M</p>																																



CLASSIFICATION: UNCLASSIFIED		EXHIBIT R-4A RDT&E Schedule Details: PB 2018 Navy		Date: May 2017
Appropriation/Budget Activity	Program Element (Number/Name)	Project (Number/Name)		
RDTEN/BA 4	0408042N/ NATIONAL DEFENSE SEALIFT FUND	3110 /Maritime Prepositioning Force (Future)		
		Start		End
		Quarter	Year	Quarter
Events by Sub Project				
Ship Concept Development		1	2016	4 2022
Shipboard Crane Systems		1	2016	4 2022
Lighter/HSV Seabase to Shore Cargo Transfer		1	2016	4 2022
Advanced Tools		3	2016	4 2016

<b>CLASSIFICATION:</b>		<b>UNCLASSIFIED</b>					
Exhibit R-2A, RDT&E Budget Item Justification: PB 2018 Navy							Date: May 2017
<b>Appropriation/Budget Activity</b>		<b>PROGRAM ELEMENT NUMBER AND NAME</b>			<b>PROJECT NUMBER AND NAME</b>		
RDTEN/BA 4		0408042N/NATIONAL DEFENSE SEALIFT FUND			3117/OPLOG IPT Development		
<b>COST (In Millions)</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>
Project Cost	17.927	0.000	11.729	8.982	9.172	9.357	9.533
RDT&E Articles Qty	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<p><b>A. Mission Description and Budget Item Justification:</b></p> <p>Project 3117 - Develops enabling technologies for future and in-service afloat operational logistics and integrated supply systems; defines integrated combat logistics force and combatant logistics requirements; and conduct cooperative initiatives with acquisition program, program sponsors, engineering managers, the Navy science and technology community, and Fleet customers. OPLOG develops integrated, cross-platform (i.e. applicable to more than one ship class/type) operational logistics and energy conservation technologies and capabilities as well as draft acquisition and operations policy ensuring future Naval systems leverage emerging logistic capabilities and technologies to provide operationally effective and energy efficient logistics delivery.</p> <p>Though the operational logistics family of systems touches all aspects of Naval presence and power projection, operational logistics capability and system interfaces typically have been left to individual acquisition programs to develop and resolve. Technology development is necessary to mitigate technological and operational risk before ship acquisition programs accept new technologies. This project provides a foundation for the transition and systems development of science &amp; technology initiatives evolving from the Office of Naval Research (ONR) Power &amp; Energy Future Naval Capabilities (FNC), Enterprise and Platform Enablers FNC, Seabasing FNC, and from other enabling Government, industry and academia concepts to the acquisition community. Thus, this project resources continued research and development of appropriate technologies with applicability to multiple acquisition programs and defines and matures performance and interface requirements for those technologies. This project continues to identify, develop, integrate, demonstrate, and transition logistics technologies to improve the cost effectiveness of Fleet at sea logistics delivery through outreach, coordination and collaboration with industry, academia, Fleet, and Enterprise representatives.</p> <p>This project will continue to develop improved shipboard replenishment, transfer, and handling systems and components as well as asset visibility and standardized packaging technologies. This project includes development of approaches to reduce operation and maintenance costs of, and energy consumption by the logistics Fleet. This integrated suite of developed capabilities will enable multiple ship types to leverage common technologies common across DoD (Joint) and commercial transportation networks providing a more affordable, energy efficient, mission capable force. These capabilities and system-of-systems approach will be applied to concept development of future auxiliary force architectures.</p> <p>FY 17 efforts were financed under RDT&amp;E,N BA 04 Project 3389 PE 0603564N in the amount of \$14.843M.</p>							

<b>CLASSIFICATION:</b>		<b>UNCLASSIFIED</b>					
Exhibit R-2A, RDT&E Budget Item Justification: PB 2018 Navy							Date: May 2017
<b>Appropriation/Budget Activity</b>	<b>PROGRAM ELEMENT NUMBER AND NAME</b>				<b>PROJECT NUMBER AND NAME</b>		
RDTEN/BA 4	0408042N/NATIONAL DEFENSE SEALIFT FUND				3117/OPLOG IPT Development		
<b>COST (In Millions)</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>
Project Cost	17.927	0.000	11.729	8.982	9.172	9.357	9.533
RDT&E Articles Qty	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>B. Accomplishments/Planned Programs (\$ in Millions):</b>					<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
<b>Title:</b> Advanced Systems					8.370	0.000	0.000
<b>FY2016 Accomplishments/Plans:</b> Continued land-based testing of fueling station. Accepted replenishment station equipment and planned for FY17 shipboard installation, testing and operation. Began Detail design of hybrid STREAM system for legacy CLF ships. This involved purchase and testing of prototype components to modernize installed Navy Standard UNREP stations on T-AKES with E-STREAM technologies.							
<b>FY2017 Plans:</b> N/A							
<b>FY2018 Plans:</b> N/A							
<b>Title:</b> Logistics Architectures					0.050	0.000	0.050
<b>FY2016 Accomplishments/Plans:</b> Conduct combat logistics force data collection and operational studies.							
<b>FY2017 Plans:</b> N/A							
<b>FY2018 Plans:</b> Conduct combat logistics force data collection and operational studies.							
<b>Title:</b> Shipboard Material Transport					0.250	0.000	0.000
<b>FY2016 Accomplishments/Plans:</b> Coordinate with JSF and NAVAIR on modification and testing of cadidate JSF power module mover.							
<b>FY2017 Plans:</b>							
<b>FY2018 Plans:</b> N/A							

<b>CLASSIFICATION:</b>		<b>UNCLASSIFIED</b>						
Exhibit R-2A, RDT&E Budget Item Justification: PB 2018 Navy							Date: May 2017	
<b>Appropriation/Budget Activity</b>		<b>PROGRAM ELEMENT NUMBER AND NAME</b>			<b>PROJECT NUMBER AND NAME</b>			
RDTEN/BA 4		0408042N/NATIONAL DEFENSE SEALIFT FUND			3117/OPLOG IPT Development			
COST (In Millions)		<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>
Project Cost		17.927	0.000	11.729	8.982	9.172	9.357	9.533
RDT&E Articles Qty		0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>B. Accomplishments/Planned Programs (\$ in Millions):</b>						<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>
<b>Title:</b> Shipboard Energy Conservation (E-STREAM)						9.257	0.000	4.848
<b>FY2016 Accomplishments/Plans:</b> Continue energy management approach improvements, validation of energy savings from implementation of energy conservation measures, identification and evaluation of additional energy conservation concepts, transition of successful energy conservation measures to MSC and coordination with other Navy energy conservation programs to leverage successful energy reduction approaches. Prototype purchase, installations, and testing were accomplished								
<b>FY2017 Plans:</b> N/A								
<b>FY2018 Plans:</b> Continue energy management approach improvements including efficient ESTREAM system and components. Data package development and prototype purchase, installations, and testing for energy initiatives efficient shipboard replenishment at sea (RAS) ESTREAM planned for FY 2018.								
<b>Title:</b> Shipboard Energy Conservation (OTHER)						0.000	0.000	6.831
<b>FY2016 Accomplishments/Plans:</b> N/A								
<b>FY2017 Plans:</b> N/A								
<b>FY2018 Plans:</b> Continue energy management approach improvements including validation of energy savings from implementation of energy conservation measures, identification and evaluation of additional energy conservation concepts, transition of successful energy conservation measures to MSC and coordination with other Navy energy conservation programs to leverage successful energy reduction approaches.								
<b>Accomplishments/Planned Programs Subtotals</b>						17.927	0.000	11.729
<b>C. Other Program Funding Summary (\$ in Millions)</b>								
RDT&E, N BA 04/ PE 0603564N/ 3389: OPLOG IPT Development				FY 2017	14.843			
<b>Remarks</b>								
<b>D. Acquisition Strategy</b>								
N/A								
<b>E. Performance Metrics</b>								
Annual Program Review								

CLASSIFICATION:		UNCLASSIFIED										
EXHIBIT R-3, RDT&E PROJECT COST ANALYSIS: PB 2018 Navy										Date: May 2017		
Appropriation/Budget Activity 1319/04				Program Element (Number/Name) PE 0603564N/Ship Prel Design & Feasibility Studies				Project (Number/Name) 3389 / OPLOG IPT Development				
<b>Product Development (\$ in Millions)</b>												
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2016		FY 2017		FY 2018		Cost to Complete (\$000)	Total Cost (\$000)	Target Value of Contract
				Cost	Award Date	Cost	Award Date	Cost	Award Date			
Primary Hardware Development	Various	VARIOUS:Various		4.000	Jan 2016			3.000	Jan 2018	Continuing	Continuing	Continuing
Ancillary Hardware Development	Various	VARIOUS:Various		5.000	Jan 2016			1.095	Jan 2018	Continuing	Continuing	Continuing
Ship Integration	Various	VARIOUS:Various		2.000	Jan 2016			1.200	Jan 2018	Continuing	Continuing	Continuing
Ship Suitability	Various	VARIOUS:Various		1.500	Jan 2016			1.000	Jan 2018	Continuing	Continuing	Continuing
System Engineering	Various	VARIOUS:Various		1.500	Jan 2016			1.134	Jan 2018	Continuing	Continuing	Continuing
<b>Subtotal Product Development</b>			<b>0.000</b>	<b>14.000</b>		<b>0.000</b>		<b>7.429</b>		-	-	-
<b>Support Cost (\$ in Millions)</b>												
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2016		FY 2017		FY 2018		Cost to Complete (\$000)	Total Cost (\$000)	Target Value of Contract
				Cost	Award Date	Cost	Award Date	Cost	Award Date			
Development Support	Various	VARIOUS:Various		0.450	Jan 2016			0.750	Jan 2018	Continuing	Continuing	Continuing
Software Development	Various	VARIOUS:Various		0.000				0.250	Jan 2018	Continuing	Continuing	Continuing
Integrated Logistics Support	Various	VARIOUS:Various		0.180	Jan 2016			0.250	Jan 2018	Continuing	Continuing	Continuing
Configuration Management	Various	VARIOUS:Various		0.300	Jan 2016			0.400	Jan 2018	Continuing	Continuing	Continuing
Technical Data	Various	VARIOUS:Various		0.400	Jan 2016			0.700	Jan 2018	Continuing	Continuing	Continuing
Studies & Analysis	Various	VARIOUS:Various		0.397	Jan 2016			0.350	Jan 2018	Continuing	Continuing	Continuing
<b>Subtotal Support Cost</b>				<b>1.727</b>		<b>0.000</b>		<b>2.700</b>		-	-	-
<b>Test and Evaluation (\$ in Millions)</b>												
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	FY 2016		FY 2017		FY 2018		Cost to Complete (\$000)	Total Cost (\$000)	Target Value of Contract
				Cost	Award Date	Cost	Award Date	Cost	Award Date			
Development Test & Evaluation	Various	VARIOUS:Various		1.000	Jan 2016			0.750	Jan 2018	Continuing	Continuing	Continuing
Operational Test & Evaluation	Various	VARIOUS:Various		0.500	Jan 2016			0.500	Jan 2018	Continuing	Continuing	Continuing
<b>Subtotal Product Development</b>				<b>1.500</b>		<b>0.000</b>		<b>1.250</b>		-	-	-

<b>CLASSIFICATION: UNCLASSIFIED</b>												
<b>EXHIBIT R-3, RDT&amp;E PROJECT COST ANALYSIS: PB 2018 Navy</b>										<b>Date: May 2017</b>		
<b>Appropriation/Budget</b>			<b>Program Element (Number/Name)</b>					<b>Project (Number/Name)</b>				
1319: RDTEN/BA 4: Ad			PE 0603564N/Ship Prel Design & Feasibility Studies					3389 / OPLOG IPT Development				
<b>Management Services (\$ in Millions)</b>				<b>FY 2016</b>		<b>FY 2017</b>		<b>FY 2018</b>				
<b>Cost Category Item</b>	<b>Contract Method &amp; Type</b>	<b>Performing Activity &amp;</b>	<b>Prior Years</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost to Complete (\$000)</b>	<b>Total Cost (\$000)</b>	<b>Target Value of Contract</b>
Contractor Engineering Support	Various	VARIOUS :Various		0.200				0.100	Jan 2018	Continuing	Continuing	Continuing
Government Engineering Support	Various	VARIOUS :Various		0.500				0.250	Jan 2018	Continuing	Continuing	Continuing
<b>Subtotal Management Services</b>				<b>0.700</b>		<b>0.000</b>		<b>0.350</b>		-	-	-
<b>Total Cost</b>				17.927		0.000		11.729				

<b>CLASSIFICATION:</b>		<b>UNCLASSIFIED</b>																											
<b>EXHIBIT R-4 RDT&amp;E Schedule Profile: PB 2018 Navy</b>																		<b>Date:</b> May 2017											
<b>Appropriation/Budget Activity</b>		<b>Program Element (Number/Name)</b>												<b>Project (Number/Name)</b>															
RDTEN/BA 4		0408042N/ NATIONAL DEFENSE SEALIFT FUND												3117 /OPLOG IPT															
		<b>FY 2016</b>				<b>FY 2017</b>				<b>FY 2018</b>				<b>FY 2019</b>				<b>FY 2020</b>				<b>FY 2021</b>				<b>FY 2022</b>			
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Schedule Profile																													
Advance Systems																													
Logistics Architectures																													
Shipboard Material Transport																													
Shipboard Energy Conservation (ESTREAM)																													
Shipboard Energy Conservation Other																													
<p>Note: FY17 efforts were financed under RDT&amp;E,N BA 04 PE 0603564N Project 3389 in the amount of \$14.843M.</p>																													

CLASSIFICATION: UNCLASSIFIED				
EXHIBIT R-4A RDT&E Schedule Details: PB 2018 Navy				Date: May 2017
Appropriation/Budget Activity	Program Element (Number/Name)	Project (Number/Name)		
RD TEN/BA 4	0408042N/ NATIONAL DEFENSE SEALIFT FUND	3110 /Maritime Prepositioning Force (Future)		
		Start		End
		Quarter	Year	Quarter
				Year
Events by Sub Project				
Advance Systems		1	2016	4 2022
Logistics Architectures		1	2016	4 2022
Shipboard Material Transport		1	2016	4 2022
Shipboard Energy Conservation (ESTREAM)		1	2016	4 2022
Shipboard Energy Conservation Other		1	2016	4 2022



NATIONAL DEFENSE SEALIFT FUND  
Exhibit P-40  
FY 2018 President's Budget Submission

May 2017  
BA 05  
BLI 0500

Ready Reserve Force (RRF)  
(\$M)

<u>RRF/NDRF</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
TOTAL RRF	273.0	281.5	289.3

**Justification:**

The RRF Budget is based upon the conclusions of the 2005 Mobility Capabilities Requirements Study 2016 (MCRS) and subsequent requirements review and determination by Navy and USTRANSCOM. The current funding levels are expected to support readiness and allow the ships to activate in time to deliver cargo to a given area of operations and satisfy Combatant Commanders' critical war fighting requirements.

This funding continues the support of service life extension work for aging RRF priority ships, and funding Outyear Engineering Requirements Assessments (OERA) for eight FSS vessels. Funding also maintains three fleet facilities that maintain/layberth National Defense Reserve Fleet vessels.

**Narrative Explanation of Program Changes:**

The increase between FY 2016 and FY 2017 reflects \$7M in additional sealift support included within Navy's FY 2017 Amended Budget Submission.

The FY 2018 budget request is higher than the FY 2017 request due to service life extension work, including for the OPDS (Offshore Petroleum Discharge Ship) SS Petersburg, and increased maintenance and repair (M&R) requirements for other aging sealift vessels. The \$5.2M increase in facilities from FY17 to FY18 reflects an increase in NDRF Fleet craft and Facility Maintenance at all 3 fleet locations, to include electrical repairs/upgrades for vessel mooring that have been delayed for several years and can no longer be deferred.

**NATIONAL DEFENSE SEALIFT FUND**  
**Exhibit P-5 Sealift Cost Analysis**  
**FY 2018 President's Budget Submission**

May 2017  
BA 05  
BLI 0500

**Ready Reserve Force (RRF)**  
**(\$K)**

	B. APPROPRIATION: National Defense Sealift Fund		C. ITEM NOMENCLATURE Budget Activity: Ready Reserve Force (RRF) (NDSF BA 5) Budget Line Item: Ready Reserve Force (RRF) (NDSF BLI 0500)				BA-5 BLI 0500
TOTAL COST IN THOUSANDS OF DOLLARS							
ELEMENT OF COST RRF/NDRF COST CATEGORY	FY16		FY17		FY18		
	QTY	COST	QTY	COST	QTY	COST	
Maintenance & Repair, sea trials, ESL, FSS OERA, & Program support Less JCS Exercise Savings		118,866 (5,000)		132,568		135,085	
ROS Crews/SM fees	46	103,069	46	94,637	46	96,534	
Outporting/Security	44	22,880	44	23,889	44	23,274	
Logistics/IT Program Management		9,117		10,663		9,372	
NDRF/Facilities		21,018		19,767		24,990	
Convert T5 Tanker to OPDS		3,041				-	
<b>Total, RRF Maintenance &amp; Operations</b>		<b>272,991</b>		<b>281,524</b>		<b>289,255</b>	
Congressional Add: MARAD Ship Financing Guarantee Program		-		-		-	
<b>TOTAL, RRF (NDSF BA 5 BLI 0500)</b>	-	<b>272,991</b>	-	<b>281,524</b>		<b>289,255</b>	

**NATIONAL DEFENSE SEALIFT FUND**  
**Exhibit P-40**  
**FY 2018 President's Budget Submission**

May 2017  
 BA 05  
 BLI 0500

**READY RESERVE FORCE - SHIPS BY READINESS CATEGORY**

<b>Ship Type</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>RO/RO</b>	<u><b>35</b></u>	<u><b>35</b></u>	<u><b>35</b></u>
ROS-5	35	35	35
<b>HEAVYLIFT</b>	<u><b>2</b></u>	<u><b>2</b></u>	<u><b>2</b></u>
ROS-5	2	2	2
<b>T-ACS</b>	<u><b>6</b></u>	<u><b>6</b></u>	<u><b>6</b></u>
ROS-5	6	6	6
<b>OPDS-TANKER</b>	<u><b>1</b></u>	<u><b>1</b></u>	<u><b>1</b></u>
RRF-10	1	1	1
<b>T-AVB</b>	<u><b>2</b></u>	<u><b>2</b></u>	<u><b>2</b></u>
ROS-5	2	2	2
<b>GRAND TOTAL</b>	<b>46</b>	<b>46</b>	<b>46</b>

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