

**UNCLASSIFIED**

<b>RDT&amp;E BUDGET ITEM JUSTIFICATION SHEET (R-2 Exhibit)</b>	DATE <b>February 2002</b>
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<b>BUDGET ACTIVITY</b> <b>07 - Operational System Development</b>	<b>PE NUMBER AND TITLE</b> <b>0305144F TITAN SPACE LAUNCH VEHICLES</b>	<b>PROJECT</b> <b>4135</b>
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COST (\$ in Thousands)	FY 2001 Actual	FY 2002 Estimate	FY 2003 Estimate	FY 2004 Estimate	FY 2005 Estimate	FY 2006 Estimate	FY 2007 Estimate	Cost to Complete	Total Cost
4135 Titan II/IV	21,496	21,080	0	0	0	0	0	0	3,011,297
Quantity of RDT&E Articles	0	0	0	0	0	0	0	0	0

**(U) A. Mission Description**

National security requirements dictate a continuing, highly reliable means of placing critical satellites into required orbits. The Titan IV program provides the capability to launch the largest of these satellites into near-earth or geosynchronous orbits from either the East or West Coast launch facilities. Titan IV is used to launch Air Force, National Reconnaissance Office (NRO), and NASA payloads. This program provides several different configurations of the Titan IV including No Upper Stage (NUS), Inertial Upper Stage (IUS), and Centaur. In addition, the Titan IV program developed a new vehicle configuration, the Titan IVB, with solid rocket motor upgrade (SRMU), new avionics and ground support equipment to meet reliability and increased performance requirements. This program provides continuing integration support to the payload community as well as engineering support to maintain system characterization and reliability. Continuously evaluates and improves upper stage reliability, cost effectiveness, and responsiveness; supports redesign and disposition of aging spares and facilities which are no longer manufactured or available; investigates flight anomalies; and conducts small studies to assist in defining future upper stages.

Since FY94, this program element also included funding for sustaining engineering, payload integration, and government costs for the Titan II space launch vehicle. Since FY96, program office support efforts have been funded with procurement dollars.

Beginning in FY00, the remaining Inertial Upper Stage Program (PE 0305138F) funds transferred into the Titan program to provide consolidated acquisition of the IUS to support the launch of Defense Support Program (DSP) satellites. IUS is an upper stage on the Titan IV (can be modified for Shuttle) and delivers the DSP satellite to its required orbit.

NOTE: Titan IV / Milstar 6 and Titan II / Coriolis Space Test Program missions previously manifested in FY02 have moved into FY03 due to satellite delays and unavailability of launch ranges -- integration will be finished in FY03 with FY02 funding.

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<b>(U) <u>A. Mission Description Continued</u></b>				
<b>(U) <u>FY 2001 (\$ in Thousands)</u></b>				
(U) \$18,945	Completed Milstar 4 integration; continued Milstar 5 & 6 integration			
(U) \$2,551	Continued Titan II / Coriolis Space Test Program mission integration			
(U) \$21,496	Total			
<b>(U) <u>FY 2002 (\$ in Thousands)</u></b>				
(U) \$18,831	Complete Milstar 5 integration, continue Milstar 6 integration			
(U) \$2,249	Continue Titan II / Coriolis Space Test Program mission integration			
(U) \$0	Note: Missions have moved into FY03 -- see footnote above.			
(U) \$21,080	Total			
<b>(U) <u>FY 2003 (\$ in Thousands)</u></b>				
(U) \$0	No new activity planned (see FY02 description)			
(U) \$0	Total			
<b>(U) <u>B. Budget Activity Justification</u></b>				
This PE is in Budget Activity 7, Operational Systems Development, because Titan II, Titan IV and the Inertial Upper Stage are in production and are operational vehicles.				
<b>(U) <u>C. Program Change Summary (\$ in Thousands)</u></b>				
	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>Total Cost</u>
(U) Previous President's Budget	25,578	21,293		3,015,829
(U) Appropriated Value	25,815	21,293		
(U) Adjustments to Appropriated Value				
a. Congressional/General Reductions	-181	-213		
b. Small Business Innovative Research	-130			
c. Omnibus or Other Above Threshold Reprogram				
d. Below Threshold Reprogram	-3,952			
e. Rescissions	-56			
(U) Adjustments to Budget Years Since FY 2002 PBR				
Project 4135	Page 2 of 5 Pages	Exhibit R-2 (PE 0305144F)		

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BUDGET ACTIVITY				PE NUMBER AND TITLE				PROJECT			
<b>07 - Operational System Development</b>				<b>0305144F TITAN SPACE LAUNCH VEHICLES</b>				<b>4135</b>			
<b>(U) <u>C. Program Change Summary (\$ in Thousands) Continued</u></b>											
				<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>Total Cost</u>				
(U)	Current Budget Submit/FY 2003 PBR			21,496	21,080		3,011,297				
(U)	<u>Significant Program Changes:</u> FY 2001: Below Threshold Reprogramming (BTR) decrease to support higher Air Force priorities.										
<b>(U) <u>D. Other Program Funding Summary (\$ in Thousands)</u></b>											
		<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>Cost to</u>	<u>Total Cost</u>	
		<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Complete</u>		
(U)	MPAF, Space Programs, (BA 05, PE 0305144F, P-27)	392,981	350,196	335,303	7,890	6,757	0	0	0	6,561,549	
<b>(U) <u>E. Acquisition Strategy</u></b>											
The program has implemented a revised acquisition strategy for the 39-vehicle program. During FY1996, Titan IV transitioned from the old '85-C-0019' development/production and payload integration contract to new contracts designed to improve cost accountability, correct contract discrepancies, and establish an overall programmatic view for the effort to complete the program. The new contracts combine Titan II and Titan IV production, storage, pad maintenance and deactivation, launch operations, anomaly resolution, development and hardware requalification, payload integration, and program studies to provide the greatest potential for cost savings by maximizing use of resources and eliminating duplicative processes.											
<b>(U) <u>F. Schedule Profile</u></b>											
				<u>FY 2001</u>			<u>FY 2002</u>			<u>FY 2003</u>	
				1	2	3	4	1	2	3	4
(U)	Milstar launches (Final launch Nov 02)				*			X		X	
(U)	Final Titan II launch (STP/Coriolis)									X	
(U)	Final Titan IV launch (DSP-22)										X
	*completed event										
	X planned event										
Project 4135		Page 3 of 5 Pages					Exhibit R-2 (PE 0305144F)				

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RDT&E PROGRAM ELEMENT/PROJECT COST BREAKDOWN (R-3)						DATE February 2002				
BUDGET ACTIVITY				PE NUMBER AND TITLE			PROJECT			
<b>07 - Operational System Development</b>				<b>0305144F TITAN SPACE LAUNCH VEHICLES</b>			<b>4135</b>			
<b>(U) A. Project Cost Breakdown (\$ in Thousands)</b>										
						<u>FY 2001</u>		<u>FY 2002</u>		<u>FY 2003</u>
(U)	Contract Costs Unified Payload Integration					21,496		20,655		0
(U)	Facility Support					0		425		0
(U)	Total					21,496		21,080		0
<b>(U) B. Budget Acquisition History and Planning Information (\$ in Thousands)</b>										
<b>(U) Performing Organizations:</b>										
<u>Contractor or</u>	<u>Contract</u>									
<u>Government</u>	<u>Method/Type</u>	<u>Award or</u>	<u>Performing</u>	<u>Project</u>						
<u>Performing</u>	<u>or Funding</u>	<u>Obligation</u>	<u>Activity</u>	<u>Office</u>	<u>Total Prior</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget to</u>	<u>Total</u>
<u>Activity</u>	<u>Vehicle</u>	<u>Date</u>	<u>EAC</u>	<u>EAC</u>	<u>to FY 2001</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>Complete</u>	<u>Program</u>
<u>Product Development Organizations</u>										
LMC 85-C-0019*	SS/FPIF	1QFY85	11,203,100	11,203,100	2,042,016	0	0	0	0	2,042,016
LMC 85-C-0085**	SS/FPIF	1QFY85	678,715	678,715	72,504	0	0	0	0	72,504
LMC 92-C-0028**	SS/CPAF	3QFY92	515,251	515,251	93,428	0	0	0	0	93,428
LMC 96-C-0035	SS/CPAF	3QFY96	232,923	229,304	225,758	0	0	0	0	225,758
LMC 98-C-0005***	SS/CPAF	1QFY98	257,381	256,829	42,209	21,496	20,655	0	0	84,360
Facilities	n/a	n/a			6,993	0	425	0	0	7,418
NOTE: EAC are total contract values while funding values are AF funds only										
* Contract closed										
** Contracts inactive										
*** Includes both RDT&E and Procurement funding										
<u>Support and Management Organizations</u>										
Tecolote, SRS, TRW, Antioch			N/A	N/A	101,557	0	0	0	0	101,557
Other Research & Dev.			N/A	N/A	33,068	0	0	0	0	33,068
Aerospace			N/A	N/A	188,367	0	0	0	0	188,367
Other Prgm Supprt			N/A	N/A	162,821	0	0	0	0	162,821

