

Exhibit R-2, RDT&E Budget Item Justification	DATE February 2007
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BUDGET ACTIVITY 07 Operational System Development	PE NUMBER AND TITLE 0207141F F-117A SQUADRON
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Cost (\$ in Millions)	FY 2006 Actual	FY 2007 Estimate	FY 2008 Estimate	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate	FY 2013 Estimate	Cost to Complete	Total
Total Program Element (PE) Cost	11.349	14.040	0.000	0.000	0.000	0.000	0.000	0.000	Continuing	TBD
3956 F-117A Stealth Fighter	11.349	14.040	0.000	0.000	0.000	0.000	0.000	0.000	Continuing	TBD

(U) **A. Mission Description and Budget Item Justification**

The F-117A is the world's first operational low-observable (LO) combat aircraft. Its combination of stealth and precision weapons delivery capability allows the USAF to hold even the most highly defended targets at risk. The program completed production in July 1990 with the delivery of the final F-117A. The single operational F-117A unit is the 49th Fighter Wing stationed at Holloman AFB, NM.

The Air Force will retire 10 F-117A aircraft in FY07 and the remaining aircraft in FY08.

- The F-117A Weapon System Trainer (WST) requires a replacement for the imagery computer/image generation system. The vendor of the current system, SGI, no longer manufactures replacement boards for the imagery computer. Furthermore, the vendor no longer supports the current maintenance requirements. Recently, the computer was responsible for 80% of the total WST downtime. The downtime associated with the computer will increase over time. By modifying the WST we can continue to train and certify pilots in the trainer through the F-117's remaining operational life, reducing overall training costs. The image generation system must be updated by 4Q FY07 to continue to certify pilots in take-offs and landings through FY08.

- The F-117A Mission Planning System (MPS) requires an operational system upgrade. The National Geospatial-Intelligence Agency (NGA) formerly National Imaging and Mapping Agency (NIMA) is migrating to DVD format for all mapping database operations and the F-117A MPS operating system cannot be modified to function with this capability. Additionally, the current MPS Solaris operating system and Sybase database product are no longer supported by the Air Force Mission Support System (AFMSS) program office. Required hardware has been developed and procured. In FY07 will complete software development, testing and fielding enabling F117A mission planning until fleet retirement in FY08. This is a critical upgrade requirement because security accreditation expires in October 2007. Without the MPS the F-117A cannot fly.

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(U) **B. Program Change Summary (\$ in Millions)**

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
(U) Previous President's Budget	13.406	14.093		
(U) Current PBR/President's Budget	11.349	14.040		
(U) Total Adjustments	-2.057			
(U) Congressional Program Reductions				
Congressional Rescissions		-0.053		
Congressional Increases				
Reprogrammings	-1.695			
SBIR/STTR Transfer	-0.362			
(U) <u>Significant Program Changes:</u>				

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BUDGET ACTIVITY 07 Operational System Development					PE NUMBER AND TITLE 0207141F F-117A SQUADRON			PROJECT NUMBER AND TITLE 3956 F-117A Stealth Fighter		
Cost (\$ in Millions)	FY 2006 Actual	FY 2007 Estimate	FY 2008 Estimate	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate	FY 2013 Estimate	Cost to Complete	Total
3956 F-117A Stealth Fighter	11.349	14.040	0.000	0.000	0.000	0.000	0.000	0.000	Continuing	TBD
Quantity of RDT&E Articles	0	0	0	0	0	0	0	0		

(U) A. Mission Description and Budget Item Justification

The F-117A is the world's first operational low-observable (LO) combat aircraft. Its combination of stealth and precision weapons delivery capability allows the USAF to hold even the most highly defended targets at risk. The program completed production in July 1990 with the delivery of the final F-117A. The single operational F-117A unit is the 49th Fighter Wing stationed at Holloman AFB, NM.

The Air Force will retire 10 F-117A aircraft in FY07 and the remaining aircraft in FY08.

- The F-117A Weapon System Trainer (WST) requires a replacement for the imagery computer/image generation system. The vendor of the current system, SGI, no longer manufactures replacement boards for the imagery computer. Furthermore, the vendor no longer supports the current maintenance requirements. Recently, the computer was responsible for 80% of the total WST downtime. The downtime associated with the computer will increase over time. By modifying the WST we can continue to train and certify pilots in the trainer through the F-117's remaining operational life, reducing overall training costs. The image generation system must be updated by 4Q FY07 to continue to certify pilots in take-offs and landings through FY08.

- The F-117A Mission Planning System (MPS) requires an operational system upgrade. The National Geospatial-Intelligence Agency (NGA) formerly National Imaging and Mapping Agency (NIMA) is migrating to DVD format for all mapping database operations and the F-117A MPS operating system cannot be modified to function with this capability. Additionally, the current MPS Solaris operating system and Sybase database product are no longer supported by the Air Force Mission Support System (AFMSS) program office. Required hardware has been developed and procured. In FY07 will complete software development, testing and fielding enabling F117A mission planning until fleet retirement in FY08. This is a critical upgrade requirement because security accreditation expires in October 2007. Without the MPS the F-117A cannot fly.

(U) B. Accomplishments/Planned Program (\$ in Millions)

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
(U) SDD for Smart Weapons Integration	3.489			
(U) SDD for Weapon System Trainer (WST) Image Generation System	1.894			
(U) Mission Planning System (MPS) Upgrade	1.000	2.460		
(U) Dual Radio SDD	2.098			
(U) SATCOM Antenna SDD	0.532			
(U) Retirement activity	2.336	11.580		
(U) Total Cost	11.349	14.040	0.000	0.000

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PROJECT NUMBER AND TITLE

3956 F-117A Stealth Fighter

(U) **C. Other Program Funding Summary (\$ in Millions)**

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Cost to</u>	<u>Total Cost</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Complete</u>							
(U) Aircraft Procurement (BA-5), Appn 3010/BP1100, AF F117A Squadrons, PE 0207141F	7.699	2.015							0.000	9.714

(U) **D. Acquisition Strategy**

RDT&E funds are executed to develop improved capability, reliability, maintenance and safety modifications. The contracting approach varies by individual effort and involves Cost Plus Fixed Fee (CPFF) and Cost Plus Award Fee (CPAF) contract types.

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Exhibit R-3, RDT&E Project Cost Analysis

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BUDGET ACTIVITY				PE NUMBER AND TITLE						PROJECT NUMBER AND TITLE				
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(U) Cost Categories (Tailor to WBS, or System/Item Requirements) (\$ in Millions)	<u>Contract Method & Type</u>	<u>Performing Activity & Location</u>	<u>Total Prior to FY 2006 Cost</u>	<u>FY 2006 Cost</u>	<u>FY 2006 Award Date</u>	<u>FY 2007 Cost</u>	<u>FY 2007 Award Date</u>	<u>FY 2008 Cost</u>	<u>FY 2008 Award Date</u>	<u>FY 2009 Cost</u>	<u>FY 2009 Award Date</u>	<u>Cost to Complete</u>	<u>Total Cost</u>	<u>Target Value of Contract</u>
(U) <u>Product Development</u>														
Smart Weapon Integration SDD	CPAF	Lockheed Martin, Palmdale CA	24.451	3.489									27.940	
Weapon System Trainer Image Generation Sys Upgrd SDD	CPFF	Lockheed Martin, Palmdale CA	3.458	1.894									5.352	
Mission Planning System, Operating System Upgrade SDD	CPFF	Lockheed Martin, Palmdale CA	3.217	1.000		2.460							6.677	
Dual Radio SDD	CPFF	Lockheed Martin, Palmdale CA	2.200	2.098									4.298	
SATCOM Antenna SDD	CPFF	Lockheed Martin, Palmdale CA	3.300	0.532									3.832	
Retirement activity				2.336		11.580							13.916	
Subtotal Product Development			36.626	11.349		14.040		0.000		0.000		0.000	62.015	0.000
Remarks:														
(U) <u>Support</u>													0.000	
Subtotal Support			0.000	0.000		0.000		0.000		0.000		0.000	0.000	0.000
Remarks:														
(U) <u>Test & Evaluation</u>													0.000	
Subtotal Test & Evaluation			0.000	0.000		0.000		0.000		0.000		0.000	0.000	0.000
Remarks:														
(U) <u>Management</u>													0.000	
Subtotal Management			0.000	0.000		0.000		0.000		0.000		0.000	0.000	0.000
Remarks:														
(U) Total Cost			36.626	11.349		14.040		0.000		0.000		0.000	62.015	0.000

Exhibit R-4, RDT&E Schedule Profile

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PROJECT NUMBER AND TITLE
3956 F-117A Stealth Fighter

F-117 Program Appn 3600, P.E. 27141F

Description	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13
Smart Weapons Integration	Cmplt							
WST Image Generation SDD	Cnt	Cmplt						
MPS OS (AFMSS) SDD	Cnt	Cmplt FQT						

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Exhibit R-4a, RDT&E Schedule Detail	DATE February 2007
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	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
(U) Schedule Profile				
(U) Smart Weapons Integration Completion	4Q			
(U) WST Image Generation IOC		2Q		
(U) MPS OS Upgrade Functional Qualification Testing (FQT)		3Q		