

<b>Exhibit R-2, RDT&amp;E Budget Item Justification</b>	DATE <b>February 2008</b>
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BUDGET ACTIVITY <b>07 Operational System Development</b>	PE NUMBER AND TITLE <b>0101120F ADVANCED CRUISE MISSILE</b>
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Cost (\$ in Millions)	FY 2007 Actual	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	6.767	0.000	0.000	0.000	0.000	0.000	0.000	0.000	17.333
4798 Life Extension Program	6.767	0.000	0.000	0.000	0.000	0.000	0.000	0.000	17.333

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

AGM-129, The Advanced Cruise Missile (ACM), is a low-observable air-launched, strategic missile with significant improvements over the Air Launched Cruise Missile B version (ALCM-B) in range, accuracy, and survivability. Armed with a W-80 warhead, it is designed to evade air and ground-based defenses in order to strike heavily defended, hardened targets at any location within any enemy's territory. The ACM is designed for B-52H external carriage and there are currently 394 ACM in the inventory. The ACM fleet design service life expires between the years 2003 and 2008.

Cruise Missile Functional Ground Testing (FGT) was required to provide the capability to non-destructively accomplish functional flight simulation of a full-up missile flight profile on the ground to obtain additional reliability data. This capability provided critical reliability data without the cost of flight test mission and also retained the missiles in the inventory. This effort developed the software and hardware for an existing test facility for accomplishment of the ground tests.

The W-80 LEP was initiated to replace warhead components to extend its service life. The National Nuclear Security Administration (NNSA) was responsible for most of the refurbishment costs associated with the W-80 Warhead. The Air force was responsible for funding ACM/W-80 integration. Integration included evaluation of interface control changes as part of the Initial Concept Design, missile testing and logistics requirements necessary to support a First Production Unit (FPU) delivery.

Per Secretary of Defence direction the ACM system is being retired beginning in FY08.

These programs were in Budget Activity 7, Operational System Development, due to efforts supporting a fielded, post Milestone III weapon system.

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

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
(U) Previous President's Budget	6.957	0.000	0.000
(U) Current PBR/President's Budget	6.767	0.000	0.000
(U) Total Adjustments	-0.190		
(U) Congressional Program Reductions			
Congressional Rescissions			
Congressional Increases			
Reprogrammings			
SBIR/STTR Transfer	-0.190		
(U) <u>Significant Program Changes:</u>			

## Exhibit R-2a, RDT&amp;E Project Justification

DATE

February 2008

BUDGET ACTIVITY				PE NUMBER AND TITLE			PROJECT NUMBER AND TITLE		
<b>07 Operational System Development</b>				<b>0101120F ADVANCED CRUISE MISSILE</b>			<b>4798 Life Extension Program</b>		
Cost (\$ in Millions)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate	FY 2013 Estimate	Cost to Complete	Total
4798 Life Extension Program	6.767	0.000	0.000	0.000	0.000	0.000	0.000	0.000	17.333
Quantity of RDT&E Articles	0	0	0	0	0	0	0		

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

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These programs were in Budget Activity 7, Operational System Development, due to efforts supporting a fielded, post Milestone III weapon system.

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

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
(U) Continue ACM/W80 integration and data development support			
(U) Conduct ACM/W80 Development Flight Testing			
(U) ACM/W-80 interface compatibility testing			
(U) Compile and reduce ACM/W80 interface data for archiving	1.429		
(U) Develop final report for ACM/W80 interface/tests to establish a baseline of all accomplishments and data points.	1.620		
(U) Develop planning documentation to address program restart requirements.	0.893		
(U) Conduct Cruise Missile Functional Ground Test (FGT) Integration Testing and Verification	0.937		
(U) Developmental Test in FGT Facility	1.100		
(U) Develop FGT Supportability Plan	0.788		
(U) Total Cost	6.767	0.000	0.000

R-1 Line Item No. 111

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Project 4798

Exhibit R-2a (PE 0101120F)

## Exhibit R-2a, RDT&amp;E Project Justification

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BUDGET ACTIVITY

07 Operational System Development

PE NUMBER AND TITLE

0101120F ADVANCED CRUISE  
MISSILE

PROJECT NUMBER AND TITLE

4798 Life Extension Program

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

	<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>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Complete</u>	
(U) MPAF, Missile Modifications (WSC 20ACMA, P-21)	0.150	0.000	0.000	0.000	0.000	0.000	0.000		0.150
(U) MPAF, Replenishment Spares (BA04, PE 0101120F, P-16)	1.938	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.938
(U) MPAF, Missile Modification Initial Spares (BA04, PE 0101120F, P-16)	0.248	0.000	0.000	0.000	0.000	0.000	0.000		0.248

(U) **D. Acquisition Strategy**

Per Secretary of Defence decision ACM system has been retired.

UNCLASSIFIED

**Exhibit R-3, RDT&E Project Cost Analysis**

DATE

**February 2008**

BUDGET ACTIVITY				PE NUMBER AND TITLE				PROJECT NUMBER AND TITLE				
<b>07 Operational System Development</b>				<b>0101120F ADVANCED CRUISE MISSILE</b>				<b>4798 Life Extension Program</b>				
(U) Cost Categories (Tailor to WBS, or System/Item Requirements) (\$ in Millions)	<u>Contract Method &amp; Type</u>	<u>Performing Activity &amp; Location</u>	<u>Total Prior to FY 2007 Cost</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>Support</u>												
None											0.000	
Subtotal Support			0.000	0.000		0.000		0.000		0.000	0.000	0.000
Remarks:												
(U) <u>Test &amp; Evaluation</u>												
FGT Support	Fund cite/MIPR	49TES, Barksdale AK		1.000	Jul-07						1.000	1.000
Subtotal Test & Evaluation			0.000	1.000		0.000		0.000		0.000	1.000	1.000
Remarks:	None											
(U) <u>Product Development</u>												
Functional Ground Test (FGT) Development	FFP,CPFF, and T&M	Raytheon, Tucson AZ	5.797	1.925	Feb-07						7.722	7.722
W80 Life Extension Program (LEP) Integration & Support	T&M	Raytheon, Tucson AZ	4.769	3.842	Jan-07					0.000	8.611	8.611
Subtotal Product Development			10.566	5.767		0.000		0.000		0.000	16.333	16.333
Remarks:												
(U) <u>Management</u>												
None											0.000	
Subtotal Management			0.000	0.000		0.000		0.000		0.000	0.000	0.000
Remarks:												
(U) Total Cost			10.566	6.767		0.000		0.000		0.000	17.333	17.333

**Exhibit R-4, RDT&E Schedule Profile**

DATE

**February 2008**

BUDGET ACTIVITY

**07 Operational System Development**

PE NUMBER AND TITLE

**0101120F ADVANCED CRUISE  
MISSILE**

PROJECT NUMBER AND TITLE

**4798 Life Extension Program**

Exhibit R-4a, RDT&E Schedule Detail

DATE

February 2008

BUDGET ACTIVITY

07 Operational System Development

PE NUMBER AND TITLE

0101120F ADVANCED CRUISE  
MISSILE

PROJECT NUMBER AND TITLE

4798 Life Extension Program

(U) Schedule Profile

FY 2007

FY 2008

FY 2009

(U) FGT Integration

1-2Q

(U) FGT Development Testing

3Q

(U) Compile and reduce ACM/W80 interface data for archiving

1-4Q

(U) Develop final report for ACM/W80 interface/tests

1-4Q

(U) Develop planning documentation to address program restart requirements.

1-4Q