

Exhibit R-2, RDT&E Budget Item Justification	DATE February 2008
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BUDGET ACTIVITY 07 Operational System Development	PE NUMBER AND TITLE 0101122F AIR LAUNCHED CRUISE MISSILE
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	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
Cost (\$ in Millions)									
Total Program Element (PE) Cost	3.620	4.642	0.396	0.414	0.430	0.438	0.447	Continuing	TBD
4797 Flight Testing & Navigation Enhancement	3.620	4.642	0.396	0.414	0.430	0.438	0.447	Continuing	TBD

(U) A. Mission Description and Budget Item Justification

The AGM-86B, Air Launched Cruise Missile (ALCM), is a subsonic, air-to-surface strategic nuclear missile, operational since 1982. Armed with a W-80 warhead, it is designed to evade air and ground-based defenses in order to strike targets at any location within any enemy's territory. The ALCM is designed for B-52H internal and external carriage.

A Service Life Extension Plan (SLEP) was developed to meet an AF Long Range Plan requirement to extend ALCM Service Life to FY30. The results of Service Life Extension Program (SLEP) studies identified system components that cannot be sustained beyond the standard service life. The current system is experiencing obsolescence of parts/components. Missile components and support equipment are becoming non-supportable. Service Life Extension of this critical weapon is essential to meet Air Combat Command (ACC) and United States Strategic Command (USSTRATCOM) commitments (also known as OPLAN 8044).

The W-80 LEP replaces warhead components to extend its service life. The National Nuclear Security Administration (NNSA) is responsible for most of the refurbishment costs associated with the W-80 warhead. The Air Force is responsible for funding ALCM W-80 integration. Integration includes evaluation of interface control changes as part of the Initial Concept Design (ICD), missile testing, and logistics requirements necessary to support a First Production Unit (FPU) delivery in 2008. The W-80 LEP program has been archived.

Joint Test Assembly (JTA-1) Replacement Support: The W80-1 JTA (warhead flight test configuration) is becoming unsupportable with sunset technology. Update of this JTA was to be addressed within the W80 Life Extension Program (LEP). With the cancellation of the W80 LEP, the JTA replacement still needs to be accomplished, which will be led by NNSA. Air Force support is required to evaluate the interface changes, revise the W80-1 Interface Control Documents (ICDs), provide integration support, and flight test qualification.

Aging and surveillance program for ALCM critical components such as those in the safe arm and fuze subsystem, navigation/guidance system, and electrical/power distribution system. This is needed to identify aging trends prior to failures in fielded components that would result in fleet-wide reliability and supportability problems.

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

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07 Operational System Development

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0101122F AIR LAUNCHED CRUISE MISSILE

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

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
(U) Previous President's Budget	3.722	4.672	0.400
(U) Current PBR/President's Budget	3.620	4.642	0.396
(U) Total Adjustments	-0.102	-0.030	
(U) Congressional Program Reductions			
Congressional Rescissions		-0.030	
Congressional Increases			
Reprogrammings			
SBIR/STTR Transfer	-0.102		
(U) <u>Significant Program Changes:</u>			

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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
4797 Flight Testing & Navigation Enhancement	3.620	4.642	0.396	0.414	0.430	0.438	0.447	Continuing	TBD
Quantity of RDT&E Articles	0	0	0	0	0	0	0		

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

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A Service Life Extension Plan (SLEP) was developed to meet an AF Long Range Plan requirement to extend ALCM Service Life to FY30. The results of Service Life Extension Program (SLEP) studies identified system components that cannot be sustained beyond the standard service life. The current system is experiencing obsolescence of parts/components. Missile components and support equipment are becoming non-supportable. Service Life Extension of this critical weapon is essential to meet Air Combat Command (ACC) and United States Strategic Command (USSTRATCOM) commitments (also known as OPLAN 8044).

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(U) <u>B. Accomplishments/Planned Program (\$ in Millions)</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
(U) Continue ALCM/W80 interface change evaluations/changes and contractor ICD support for W80 LEP			
(U) Continue ALCM integration data development			
(U) Continue ALCM W-80 integration ground test and flight test support, Environmental Flight Test and Developmental Flight Test	0.500		
(U) W80 Joint Test Assembly (JTA-1) Replacement Support, revise the W80-1 Interface Control Documents (ICDs), provide integration support, and flight test qualification. Continuation of W80 efforts - not a New Start.		2.102	0.170
(U) Develop aging and surveillance program for ALCM critical components such as those in the safe arm and fuze subsystem, navigation/guidance system, and electrical/power distribution system to identify aging trends prior to failures in fielded components.	3.120	2.540	0.226
(U) Total Cost	3.620	4.642	0.396

(U) <u>C. Other Program Funding Summary (\$ in Millions)</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 Complete</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) MPAF, Missile Modifications (BA 03, PE 0101122F, P-15)	9.669	10.111	10.216	0.000	0.000	0.000	0.000		29.996
(U) MPAF, Missile Modifications Initial Spares (BA 04 PE 0101122F, P-16)	0.185	0.191	0.194	0.000	0.000	0.000	0.000		0.570
(U) MPAF, Replenishment Spares (BA 04, PE 0101122F, P-16)	0.287	0.295	0.300	11.075	11.358	11.570	11.811	Continuing	TBD
(U) OPAF, Electronics and Telecommunications Equipment (BP83) (BA 03, PE 0101122F, P-18)	1.415	1.461	1.499	1.562	1.620	1.651	1.684	Continuing	TBD

(U) **D. Acquisition Strategy**
 The ALCM/W-80 LEP integration is being performed by the prime contractor utilizing a Time and Materials (T&M) engineering assignment on an existing sustainment contract.

The ALCM JTA-1 Replacement Support will be performed utilizing a Firm Fixed Price (FFP) contract.

The ALCM Aging and Surveillance Program will be developed by the prime contractor utilizing a Time and Materials (T&M) engineering assignment.

UNCLASSIFIED

Exhibit R-3, RDT&E Project Cost Analysis

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07 Operational System Development				0101122F AIR LAUNCHED CRUISE MISSILE				4797 Flight Testing & Navigation Enhancement				
(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 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>Product Development</u>												
W80 LEP Support	Eng	Boeing,	1.040	0.500	Jan-07					1.420	2.960	
JTA-1 Replacement Support	Asgn/T&M FFP	Seattle, WA. ESpectrum, San Antonio, TX				2.102	Jan-08	0.170	Jan-09		2.272	
Subtotal Product Development			1.040	0.500		2.102		0.170		1.420	5.232	0.000
Remarks:												
(U) <u>Support</u>												
W80 Support/PSM			0.085							0.000	0.085	
ALCM Aging and Surveillance Program				3.120	Jan-07	2.540	Jan-08	0.226	Jan-09		5.886	
Subtotal Support			0.085	3.120		2.540		0.226		0.000	5.971	0.000
Remarks:												
(U) <u>Test & Evaluation</u>												
49th Test Wing (W-80 LEP)	MIPR		1.925							4.685	6.610	
None											0.000	
Subtotal Test & Evaluation			1.925	0.000		0.000		0.000		4.685	6.610	0.000
Remarks:												
(U) <u>Management</u>												
Subtotal Management			0.000	0.000		0.000		0.000		0.000	0.000	0.000
Remarks:												
(U) Total Cost			3.050	3.620		4.642		0.396		6.105	17.813	0.000

Exhibit R-4, RDT&E Schedule Profile

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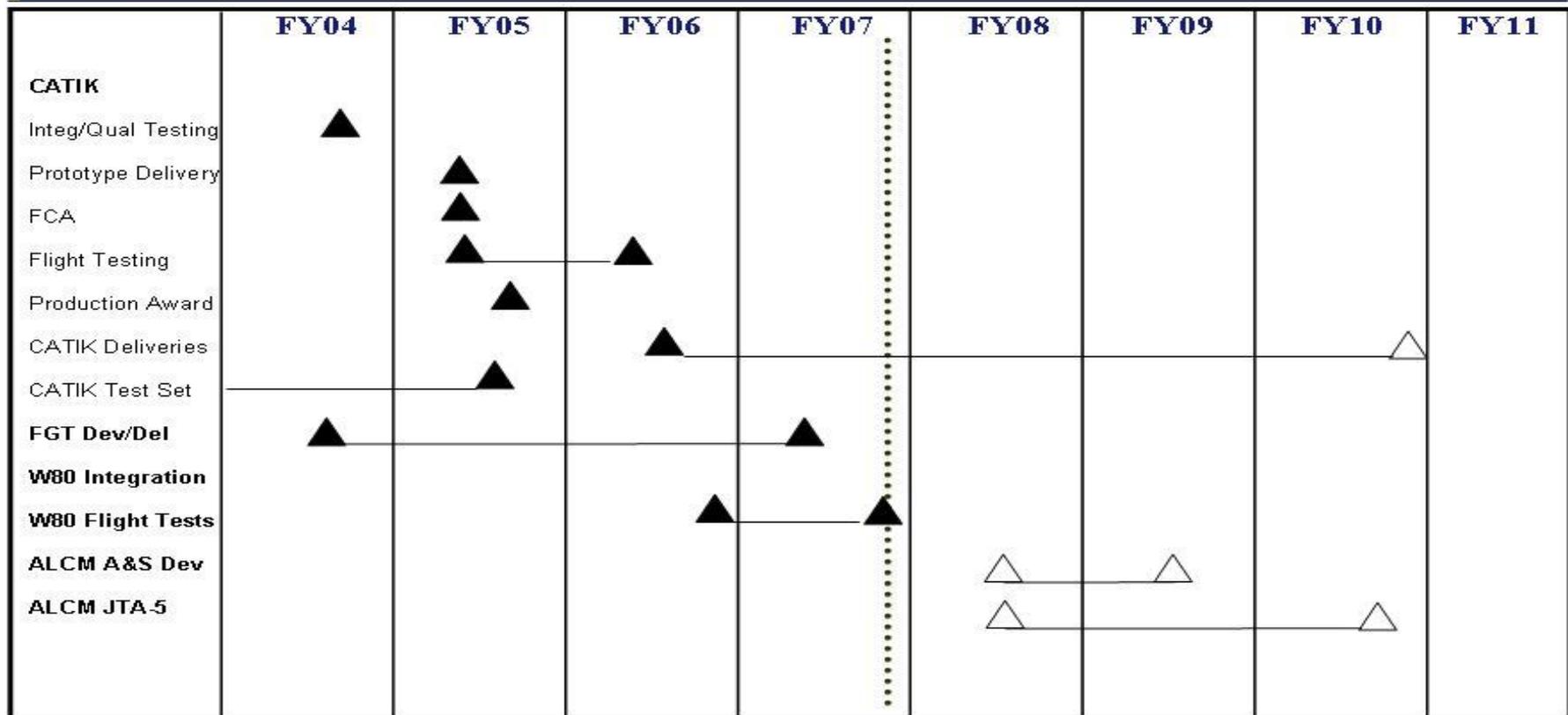
PE NUMBER AND TITLE
0101122F AIR LAUNCHED CRUISE
MISSILE

PROJECT NUMBER AND TITLE
4797 Flight Testing & Navigation
Enhancement



U.S. AIR FORCE

ALCM Schedule



Integrity - Service - Excellence

Exhibit R-4a, RDT&E Schedule Detail

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MISSILE

PROJECT NUMBER AND TITLE

4797 Flight Testing & Navigation
Enhancement

(U) Schedule Profile

FY 2007

FY 2008

FY 2009

(U) ALCM JTA-1 Support

2Q

2Q

(U) ALCM Aging & Surveillance Program development

3Q

2Q

3Q