

RDT&E BUDGET ITEM JUSTIFICATION SHEET (R-2 Exhibit)	DATE FEBRUARY 2008
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APPROPRIATION / BUDGET ACTIVITY RDT&E, DEFENSE-WIDE / 7	R-1 ITEM NOMENCLATURE / PROJECT NO. PE 1160429BB SOF Tanker Recapitalization/S875
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COST (Dollars in Millions)	FY07	FY08	FY09	FY10	FY11	FY12	FY13	Cost to Complete	Total Cost
PE 1160429BB		12.375	4.659	4.211	2.748	3.031			27.024
S875, SOF Tanker Recapitalization		12.375	4.659	4.211	2.748	3.031			27.024

A. Mission Description and Budget Item Justification:

The Special Operations Forces (SOF) Tanker line funds the recapitalization of aging MC-130E Combat Talon I and MC-130P Combat Shadow airframes to perform clandestine or low visibility, single- or multi-ship low-level missions intruding politically-sensitive or hostile territories to provide air refueling for special operations helicopters and CV-22 aircraft. Secondary missions include airdrop of leaflets, small special operations teams, resupply bundles and combat rubber raiding craft. Additional capabilities include low-light navigation and in-flight refueling as a receiver. The Air Force will procure and field basic aircraft (Block 1), common support equipment, and trainers for USSOCOM. A block upgrade approach will be used to incorporate SOF capabilities onto the aircraft.

Block 2: Integrate and test core mission capabilities such as minor software enhancements for integration with the special mission processor, improved navigation, and situational awareness capabilities.

Block 3: Initiate development, integration, testing, and validation of enhancements to meet SOF-unique requirements for a special mission processor, enhanced defensive systems, secure digital map enhanced situational awareness, enhanced vision system, improved refueling performance, and SOF communications. Capabilities developed under Block 3 will result in post-production modifications.

APPROPRIATION / BUDGET ACTIVITY
RDT&E, DEFENSE-WIDE / 7

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PE 1160429BB SOF Tanker Recapitalization/S875

B. Program Change Summary:

	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>
Previous President's Budget		12.701	4.666
Current President's Budget		12.375	4.659
Total Adjustments		-0.326	-0.007
Congressional Program Reductions		-0.081	
Congressional Increases			
Reprogrammings			
Other Program Adjustments			-0.007
SBIR Transfer		-0.245	

Funding:

FY08: Congressional reductions include Section 8097 (-\$0.020 million) and Section 8104 (-\$0.061 million). Other program adjustments include transfer to Small Business Innovative Research account (-\$0.245 million).

FY09: Decrease (-\$0.007 million) is due to economic inflation adjustments.

Schedule: None.

Technical: Refinement of SOF-unique capabilities completed upon establishment of service-common Block 1 baseline.

Exhibit R-2a, RDT&E Project Justification

Date: FEBRUARY 2008

Appropriation/Budget Activity RDT&E BA # 7	SOF Tanker Recapitalization/S875
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Cost (\$ in millions)	FY07	FY08	FY09	FY10	FY11	FY12	FY13
SOF Tanker Recapitalization		12.375	4.659	4.211	2.748	3.031	
RDT&E Articles Quantity							

A. Mission Description and Budget Item Justification: The Special Operations Forces (SOF) Tanker line funds the recapitalization of aging MC-130E Combat Talon I and MC-130P Combat Shadow airframes to perform clandestine or low visibility, single- or multi-ship low-level missions intruding politically-sensitive or hostile territories to provide air refueling for special operations helicopters. Secondary missions include airdrop of leaflets, small special operations teams, resupply bundles and combat rubber raiding craft. Additional capabilities include low-light navigation and in-flight refueling as a receiver. The Air Force will procure and field basic aircraft (Block 1), common support equipment, and trainers for USSOCOM. A block upgrade approach will be used to incorporate SOF capabilities on to the aircraft.

Block 2: Develop, integrate, test and validate enhancements to meet SOF-unique mission requirements for variable drag drogue upgrades to the common refueling system.

Block 3: Initiate development, integration, testing, and validation of enhancements to meet SOF-unique requirements for a special mission processor, enhanced defensive systems, secure digital map enhanced situational awareness, enhanced vision system, improved refueling performance, and SOF communications. Capabilities developed under Block 3 will result in post-production modifications.

B. Accomplishments/Planned Program

	FY07	FY08	FY09
Block 2		6.551	1.913
RDT&E Articles Quantity			

FY08 Start integration of Block 2 equipment into service-common tanker.

FY09 Continue integration of Block 2 equipment into service-common tanker.

	FY07	FY08	FY09
Block 3		5.824	2.746
RDT&E Articles Quantity			

FY08 Start development of enhancements for SOF-unique requirements.

FY09 Continue development and start integration of Block-3 improvements.

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C. Other Program Funding Summary.

	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>To Complete</u>	<u>Total Cost</u>
SOF Tanker Recap PROC		18.439	36.286	44.687	54.439	95.439	78.792	118.465	446.547

D. Acquisition Strategy. The Acquisition Strategy will be developed prior to the Milestone B in 3rd Quarter FY08 and approved by the Special Operations Acquisition Executive. Given the technological maturity of the United States Air Force service-common aircraft, USSOCOM is pursuing parallel System Development and Design and production block upgrade phases.

Exhibit R-3 RDT&E Project Cost Analysis

DATE: FEBRUARY 2008

APPROPRIATION / BUDGET ACTIVITY RDT&E DEFENSE-WIDE / 7				Program Element 1160429BB/SOF Tanker Recapitalization Project Name and Number SOF Tanker Recapitalization/S875							
Actual or Budget Value (\$ in millions)											
Cost Categories (Tailor to WBS, or System/Item Requirements)	Contract Method & Type	Performing Activity & Location	Total PYs Cost	Budget Cost FY07	Award Date FY07	Budget Cost FY08	Award Date FY08	Budget Cost FY09	Award Date FY09	To Complete	Total Program
Variable Drag Drogue Development Block 2	TBD	TBD				6.551	Apr-08	1.913	Dec-08		8.464
Subtotal Product Development			0.000	0.000		6.551		1.913		0.000	8.464
Remarks:											
Software & Integration Block 3	TBD	TBD				5.374	May-08	1.946	Dec-08	6.640	13.960
Subtotal Support			0.000	0.000		5.374		1.946		6.640	13.960
Remarks:											
Developmental Test & Evaluation (T&E) Block 3	TBD	TBD						0.300	Dec-08	1.850	2.150
Subtotal T&E			0.000	0.000		0.000		0.300		1.850	2.150
Remarks:											
Contractor Engineering Support Block 1	TBD	TBD				0.450	Dec-07	0.500	Dec-08	1.500	2.450
Subtotal Management			0.000	0.000		0.450		0.500		1.500	2.450
Remarks:											
Total Cost			0.000	0.000		12.375		4.659		9.990	27.024
Remarks:											

