

EXHIBIT R-2, RDT&E Budget Item Justification							DATE: <b>May 2009</b>	
APPROPRIATION/BUDGET ACTIVITY <b>RESEARCH DEVELOPMENT TEST &amp; EVALUATION, NAVY / BA-7</b>					R-1 ITEM NOMENCLATURE 0307207N, AERIAL COMMON SENSOR			
COST (\$ in Millions)	FY 2008	FY 2009	FY 2010					
Total PE Cost	<b>8.164</b>	<b>74.230</b>						
3015 AERIAL COMMON SENSOR	<b>6.564</b>	<b>74.230</b>						
9999 Congressional Add	<b>1.600</b>							
<b>A. MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION:</b>								
<p>Funding from FY 2010 on is shifted to new Program Element, PE 0307217 - EPX (EP-3 replacement).</p> <p>Provides funding for the Navy's EPX (EP-3 replacement) program. EPX is the Navy's recapitalization of existing EP-3E capabilities and will be a transformational platform to fulfill Navy and OSD requirements for a manned multi-intelligence Intelligence, Surveillance, Reconnaissance and Targeting (ISR&amp;T) capability. EPX RDT&amp;E efforts will develop the system to meet the multi-intelligence ISR&amp;T requirements, ensure connectivity to other service platforms and ground stations, and address an ISR capability gap presented by service life limits of the EP-3E.</p> <p>The Joint Requirements Oversight Council (JROC) validated Navy service requirements in December 2007, and the Navy has established EPX as the program to accomplish their ISR&amp;T re-capitalization in accordance with JROC validation.</p> <p>The acquisition concept for EPX has been established, and system development activities are underway. FY08 Pre-MS A risk reduction efforts with industry participation include requirements analysis, Concept of Operations (CONOPS) development, trade study analysis, specification development, system concept development, and threat analysis. Materiel Development Decision (MDD), Analysis of Alternatives (AoA), and award of study contract(s) are planned in FY09. AoA planned completion FY10.</p> <p>Congressional Add - Will provide Secure Data Sharing (ONI).</p>								

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APPROPRIATION/BUDGET ACTIVITY <b>RESEARCH DEVELOPMENT TEST &amp; EVALUATION, NAVY / BA-7</b>	R-1 ITEM NOMENCLATURE 0307207N, AERIAL COMMON SENSOR
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**B. PROGRAM CHANGE SUMMARY:**

Funding:	FY08	FY09	FY10
Previous President's Budget:	8.164	74.604	102.562
Current President's Budget:	8.164	74.230	0.000
Total Adjustments	0.000	-0.374	-102.562

Summary of Adjustments

Congressional Rescissions			
Congressional Adjustments		-0.172	
SBIR/STTR/FTT Assessments			
Program Adjustments			-102.562
Rate/Misc Adjustments		-0.202	
Subtotal	0.000	-0.374	-102.562

Schedule:

MDD planned for 3rd quarter FY09 and award of study contract(s) planned for 4th quarter FY09. AoA will be conducted 3rd quarter FY09 through 1st quarter FY10.

Technical:

Starting in FY 2010, Aerial Common Sensor is budgeted for under PE 0307217, Project Unit 3015.

EXHIBIT R-2a, RDT&E Project Justification							DATE: <b>May 2009</b>	
APPROPRIATION/BUDGET ACTIVITY <b>RDT&amp;E, N / BA-7</b>		PROGRAM ELEMENT NUMBER AND NAME 0307207N, AERIAL COMMON SENSOR			PROJECT NUMBER AND NAME 3015 AERIAL COMMON SENSOR			
COST (\$ in Millions)		FY 2008	FY 2009	FY 2010				
Project Cost		<b>6.564</b>	<b>74.230</b>					
RDT&E Articles Qty								

**A. MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION:**

Provides funding for the Navy's EPX (EP-3 replacement) program. EPX is the Navy's recapitalization of existing EP-3E capabilities and will be a transformational platform to fulfill Navy and OSD requirements for a manned multi-intelligence Intelligence, Surveillance, Reconnaissance and Targeting (ISR&T) capability. EPX RDT&E efforts will develop the system to meet the multi-intelligence ISR&T requirements, ensure connectivity to other service platforms and ground stations, and address an ISR capability gap presented by service life limits of the EP-3E.

The Joint Requirements Oversight Council (JROC) validated Navy service requirements in December 2007, and the Navy has established EPX as the program to accomplish their ISR&T recapitalization. In accordance with JROC validation, funding from FY 2010 on is shifted to new Program Element, PE 0307217 - EPX (EP-3 replacement).

The acquisition concept for EPX has been established, and system development activities are underway. FY08 Pre-MS A risk reduction efforts with industry participation include requirements analysis, Concept of Operations (CONOPS) development, trade study analysis, specification development, system concept development, and threat analysis. Materiel Development Decision (MDD), Analysis of Alternatives (AoA), and award of study contract(s) are planned in FY09. AoA planned completion FY10.

EXHIBIT R-2a, RDT&E Project Justification		DATE: <b>May 2009</b>	
APPROPRIATION/BUDGET ACTIVITY <b>RDT&amp;E, N / BA7</b>	PROGRAM ELEMENT NUMBER AND NAME 0307207N, AERIAL COMMON SENSOR	PROJECT NUMBER AND NAME 3015 AERIAL COMMON SENSOR	
<b>B. Accomplishments/Planned Program</b>			
EPX Trade Study and Tech Develop Activities	FY 08	FY 09	FY 10
Accomplishments/Effort/Subtotal Cost	1.300	45.000	
RDT&E Articles Quantity			
FY 08 pre-MS risk reduction tasks include requirements analysis, Concept of Operations (CONOPS) development, trade study analysis, and system concept development. MDD planned for 3rd quarter FY09, study contract(s) planned for 4th quarter FY09, and AoA will be conducted 3rd quarter FY09 through 1st quarter FY10.			
Support EPX initial test and eval doc/plan	FY 08	FY 09	FY 10
Accomplishments/Effort/Subtotal Cost		1.356	
RDT&E Articles Quantity			
Support initial test and evaluation planning and documentation.			
EPX govt/contr sys eng support; ISR study	FY 08	FY 09	FY 10
Accomplishments/Effort/Subtotal Cost	5.264	27.874	
RDT&E Articles Quantity			
Fund Government and Contractor systems engineering and engineering support to accomplish technical activities in FY08 and FY09. Fund Government EPX program management in FY08 and FY09.			

EXHIBIT R-2a, RDT&E Project Justification			DATE:	<b>May 2009</b>
APPROPRIATION/BUDGET ACTIVITY	PROGRAM ELEMENT NUMBER AND NAME	PROJECT NUMBER AND NAME		
<b>RDT&amp;E, N / BA-7</b>	0307207N, AERIAL COMMON SENSOR	3015 AERIAL COMMON SENSOR		
<b>C. OTHER PROGRAM FUNDING SUMMARY:</b>				
<u>Line Item No. &amp; Name</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	
Not Applicable				
<b>D. ACQUISITION STRATEGY:</b>				
<p>The EPX acquisition strategy will utilize an evolutionary program approach to develop increments of capability to meet the Navy's ISR&amp;T mission needs and address the ISR gap presented by the service life limits of the EP-3E. A competitive environment will be maintained through the TD phase, with a single contractor selected following MS B to develop the system solution. The Pre-MS A and TD phase focus will be to establish achievable performance requirements, reduce technical risk, and identify mature cost and schedule parameters for development, procurement, and life cycle support. The System Development and Demonstration phase will design and produce production representative systems for test and evaluation. Production and deployment will occur following successful operational evaluation of those production representative systems.</p>				

Exhibit R-3 Cost Analysis (page 1)							DATE: <b>May 2009</b>						
APPROPRIATION/BUDGET ACTIVITY			PROGRAM ELEMENT				PROJECT NUMBER AND NAME						
<b>RDT&amp;E, N / BA-7</b>			0307207N, AERIAL COMMON SENSOR				3015 AERIAL COMMON SENSOR						
Cost Categories	Contract Method & Type	Performing Activity & Location	Total PY s Cost	FY 09 Cost	FY 09 Award Date	FY 10 Cost	FY 10 Award Date						
Primary Hdw Dev	C-CPAF	Various	19.590										
Primary Hdw Dev-Study Contract Aw	FFP	TBD		45.000	11/08								
Primary Hdw Dev - Trade Study	FFP	Various	5.250										
Systems Engineering	WX	SPAWARSYSCEN SD CA		0.444	11/08								
Systems Engineering	WX	NAWCAD, PAX RIVER, MD	0.870	6.413	11/08								
Training Development	WX	NAWCTSD, ORLANDO, FL	0.702	0.368	11/08								
Subtotal Product Development			26.412	52.225									
Development Support	WX	NAWCAD, PAX River, MD		1.406	11/08								
Development Support	WX	Various		1.815	11/08								
ENG & TECH SRVC (NON-FFRDC)	C-CPFF	Various		1.469	11/08								
Software Development	WX	NAWCAD, PAX River, MD		0.505	11/08								
Subtotal Support				5.195									

Exhibit R-3 Cost Analysis (page 2)							DATE: <b>May 2009</b>						
APPROPRIATION/BUDGET ACTIVITY			PROGRAM ELEMENT				PROJECT NUMBER AND NAME						
<b>RDT&amp;E, N / BA-7</b>			0307207N, AERIAL COMMON SENSOR				3015 AERIAL COMMON SENSOR						
Cost Categories	Contract Method & Type	Performing Activity & Location	Total PY s Cost	FY 09 Cost	FY 09 Award Date	FY 10 Cost	FY 10 Award Date						
Developmental Test & Evaluation	WX	NAWCAD PAX RIVER MD	0.950	1.356	01/09								
Subtotal T&E			0.950	1.356									
ENG & TECH SRVC (NON-FFRDC)	C-CPFF	TBD	6.088	3.743	01/09								
ENG & TECH SRVC (NON-FFRDC)	C-CPFF	JHOPKINS, COLUMBIA, MD	5.000	0.954	11/08								
Government Engineering Support	WX	NAWCAD, PAX RIVER, MD	4.996	4.431	11/08								
Government Engineering Support	WX	VARIOUS	3.019	0.612	11/08								
Program Management Support	WX	NAWCAD, PAX RIVER, MD	2.652	5.609	11/08								
Travel	WX	NAWCAD, PAX RIVER, MD	0.293	0.105	11/08								
Subtotal Management			22.048	15.454									
Total Cost			49.410	74.230									
Remarks:													

EXHIBIT R4, Schedule Profile													39539		DATE: May 2009	
APPROPRIATION/BUDGET ACTIVITY						PROGRAM ELEMENT NUMBER AND NAME						PROJECT NUMBER AND NAME				
RDT&E, N / BA-7						0307207N, AERIAL COMMON SENSOR						3015 AERIAL COMMON SENSOR				
Fiscal Year	2008				2009				2010							
	1	2	3	4	1	2	3	4	1	2	3	4				
Acquisition Milestones							MDD ▲					MS A ▲				
Contract Milestones		▲	BAA Contract Award					▲								
System Development							Study Contract Award									
Analysis of Alternatives							AoA									
Software 1XXSW Delivery 2XXSW Delivery																
Test & Evaluation Milestones																
Development Test																
Operational Test																
Production Milestones																
Production Deliveries																



EXHIBIT R-2a, RDT&E Project Justification							DATE: <b>May 2009</b>	
APPROPRIATION/BUDGET ACTIVITY <b>RDT&amp;E, N / BA-7</b>		PROGRAM ELEMENT NUMBER AND NAME 0307207N, AERIAL COMMON SENSOR			PROJECT NUMBER AND NAME 9999 CONGRESSIONAL ADD			
COST (\$ in Millions)	FY 2008	FY 2009	FY 2010					
Project Cost	<b>1.600</b>							
RDT&E Articles Qty								
<p><b>A. MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION:</b> Congressional add.</p> <p><b>B. Accomplishments/Planned Program:</b></p>								
<b>9999</b>	FY 08	FY 09	FY 10					
Accomplishments/Effort/Subtotal Cost	1.600							
RDT&E Articles Quantity								
<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;">             Provide Secure Data Sharing (ONI).         </div>								