

RDT&E BUDGET ITEM JUSTIFICATION SHEET (R-2 Exhibit)						DATE FEBRUARY 2006				
APPROPRIATION / BUDGET ACTIVITY RDT&E, DEFENSE-WIDE / 7			R-1 ITEM NOMENCLATURE / PROJECT NO. PE 1160421BB Special Operations CV-22 Development/SF200							
COST (Dollars in Millions)	FY05	FY06	FY07	FY08	FY09	FY10	FY11		Cost to Complete	Total Cost
PE1160421BB	53.059	29.526		31.660	28.551	37.635	69.028		Cont.	Cont.
SF200 CV-22	53.059	29.526		31.660	28.551	37.635	69.028		Cont.	Cont.
<p>A. Mission Description and Budget Item Justification: The CV-22 is a Special Operations Forces (SOF) variant of the V-22 vertical lift, multi-mission aircraft. The CV-22 will provide long range, high speed infiltration, exfiltration, and resupply to Special Forces teams in hostile, denied, and politically sensitive areas. This is a capability not currently provided by existing aircraft. The CV-22 acquisition program delayed incorporation of some operational capabilities until the completion of a Block 10 (formerly Pre-Planned Product Improvement) CV-22 program. This strategy was agreed to by the Department of the Navy and the USSOCOM Acquisition Executive.</p> <p>Block 10: Integrate and test the Directional Infrared Countermeasures (DIRCM), a system that protects against infrared guided missiles; design, integrate and validate of the Troop Commander Situational Awareness station to provide the embarked troop commander access to the CV-22's communication, navigation and mission management system; relocate the ALE-47 chaff and flare dispenser control head to allow any cockpit crew member to activate defensive countermeasures; add a second forward firing chaff and flare dispenser to provide an adequate quantity of consumable countermeasures for the extended duration of SOF infiltration/exfiltration/resupply missions; and incorporate a dual access feature to the Digital Map System to allow both the pilot and co-pilot to independently access and control the digital map display from the mission computer.</p> <p>Block 20: Design, integrate, test, and validate enhancements required to meet SOF unique mission requirements and correction of deficiencies identified in previous testing. This block will provide more robust performance of the CV platform in navigation, maneuverability and mission deployment. Initial risk reduction and trade studies will be pursued prior to starting System Development and Demonstration.</p> <p>Block 30: Design, integrate, test, and validate enhancements required to meet SOF unique mission requirements to maintain performance against the evolving threat environment. This block will enhance survivability and performance against potential threats through reduction in electronic</p>										

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<p>signature emissions and improved countermeasures. Initial risk reduction and trade studies will be pursued prior to starting System Development and Demonstration.</p> <p>B. Program Change Summary:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: right;"><u>FY2005</u></th> <th style="text-align: right;"><u>FY2006</u></th> <th style="text-align: right;"><u>FY2007</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">Previous President's Budget</td> <td style="text-align: right;">62.806</td> <td style="text-align: right;">29.954</td> <td style="text-align: right;">14.234</td> </tr> <tr> <td style="text-align: right;">Current President's Budget</td> <td style="text-align: right;">53.059</td> <td style="text-align: right;">29.526</td> <td></td> </tr> <tr> <td style="text-align: right;">Total Adjustments</td> <td style="text-align: right;">-9.747</td> <td style="text-align: right;">-0.428</td> <td style="text-align: right;">-14.234</td> </tr> <tr> <td style="text-align: right;">Congressional Program Reductions</td> <td></td> <td style="text-align: right;">-0.428</td> <td></td> </tr> <tr> <td style="text-align: right;">Congressional Rescissions</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: right;">Congressional Increases</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: right;">Congressional Transfer</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: right;">Reprogrammings</td> <td style="text-align: right;">-9.747</td> <td></td> <td style="text-align: right;">-14.234</td> </tr> <tr> <td style="text-align: right;">SBIR Transfer</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>Funding:</p> <p>FY05: Decrease of (-\$9.747M) reflects reprogrammings to PE 1160403BB, Aviation Systems Advanced Development (+\$4.197M) to CAAP and (+\$5.000M) to GMS-2.</p> <p>FY06: Congressional reductions include (-\$0.298M) for global 1% reduction and (-\$0.130M) for Section 8125 reduction.</p> <p>FY07</p> <p>- RDT&E program was restructured to better align funds with execution.</p>					<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>	Previous President's Budget	62.806	29.954	14.234	Current President's Budget	53.059	29.526		Total Adjustments	-9.747	-0.428	-14.234	Congressional Program Reductions		-0.428		Congressional Rescissions				Congressional Increases				Congressional Transfer				Reprogrammings	-9.747		-14.234	SBIR Transfer			
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Exhibit R-2a, RDT&E Project Justification		Date: FEBRUARY 2006
Appropriation/Budget Activity RDT&E BA # 7	CV-22/Project SF200	

Cost (\$ in millions)	FY05	FY06	FY07	FY08	FY09	FY10	FY11
CV-22	53.059	29.526		31.660	28.551	37.635	69.038
RDT&E Articles Quantity							

A. Mission Description and Budget Item Justification: The CV-22 is a Special Operations Forces (SOF) variant of the V-22 vertical lift, multi-mission aircraft. The CV-22 will provide long range, high speed infiltration, exfiltration, and resupply to Special Forces teams in hostile, denied, and politically sensitive areas. This is a capability not currently provided by existing aircraft. The CV-22 acquisition program delayed incorporation of some operational capabilities until the completion of a Block 10 (formerly Pre-Planned Product Improvement) CV-22 program. This strategy was agreed to by the Department of the Navy and the USSOCOM Acquisition Executive.

Block 10: Integrate and test the Directional Infrared Countermeasures (DIRCM), a system that protects against infrared guided missiles; design, integrate and validate of the Troop Commander Situational Awareness station to provide the embarked troop commander access to the CV-22's communication, navigation and mission management system; relocate the ALE-47 chaff and flare dispenser control head to allow any cockpit crew member to activate defensive countermeasures; add a second forward firing chaff and flare dispenser to provide an adequate quantity of consumable countermeasures for the extended duration of SOF infiltration/exfiltration/resupply missions; and incorporate a dual access feature to the Digital Map System to allow both the pilot and co-pilot to independently access and control the digital map display from the mission computer.

Block 20: Design, integrate, test, and validate enhancements required to meet SOF unique mission requirements and correction of deficiencies identified in previous testing. This block will provide more robust performance of the CV platform in navigation, maneuverability and mission deployment. Initial risk reduction and trade studies will be pursued prior to starting System Development and Demonstration.

Block 30: Design, integrate, test, and validate enhancements required to meet SOF unique mission requirements to maintain performance against the evolving threat environment. This block will enhance survivability and performance against potential threats through reduction in electronic signature emissions and improved countermeasures. Initial risk reduction and trade studies will be pursued prior to starting System Development and Demonstration.

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B. Accomplishments/Planned Program				
	FY05	FY06	FY07	
Block 10	44.943	22.776		
RDT&E Articles Quantity				
FY05 Continued development/integration/testing of Block 10 capabilities. FY06 Continue development/integration/testing of Block 10 capabilities.				
	FY05	FY06	FY07	
Block 20		1.127		
RDT&E Articles Quantity				
FY06 Risk reduction, trade studies, and system requirements definition for Block 20 capabilities. Start design and development of Block 20.				
	FY05	FY06	FY07	
Program Office Support	0.816	.200		
RDT&E Articles Quantity				
FY05 Continued program office support for Block 10. FY06 Complete program office support for Block 10 program and begin program office support for Block 20.				
	FY05	FY06	FY07	
Engineering and Logistics Support	7.300	5.423		
RDT&E Articles Quantity				
FY05 Continued engineering and logistics support for Block 10. FY06 Complete engineering and logistics support for Block 10 and begin engineering and logistics support for Block 20.				

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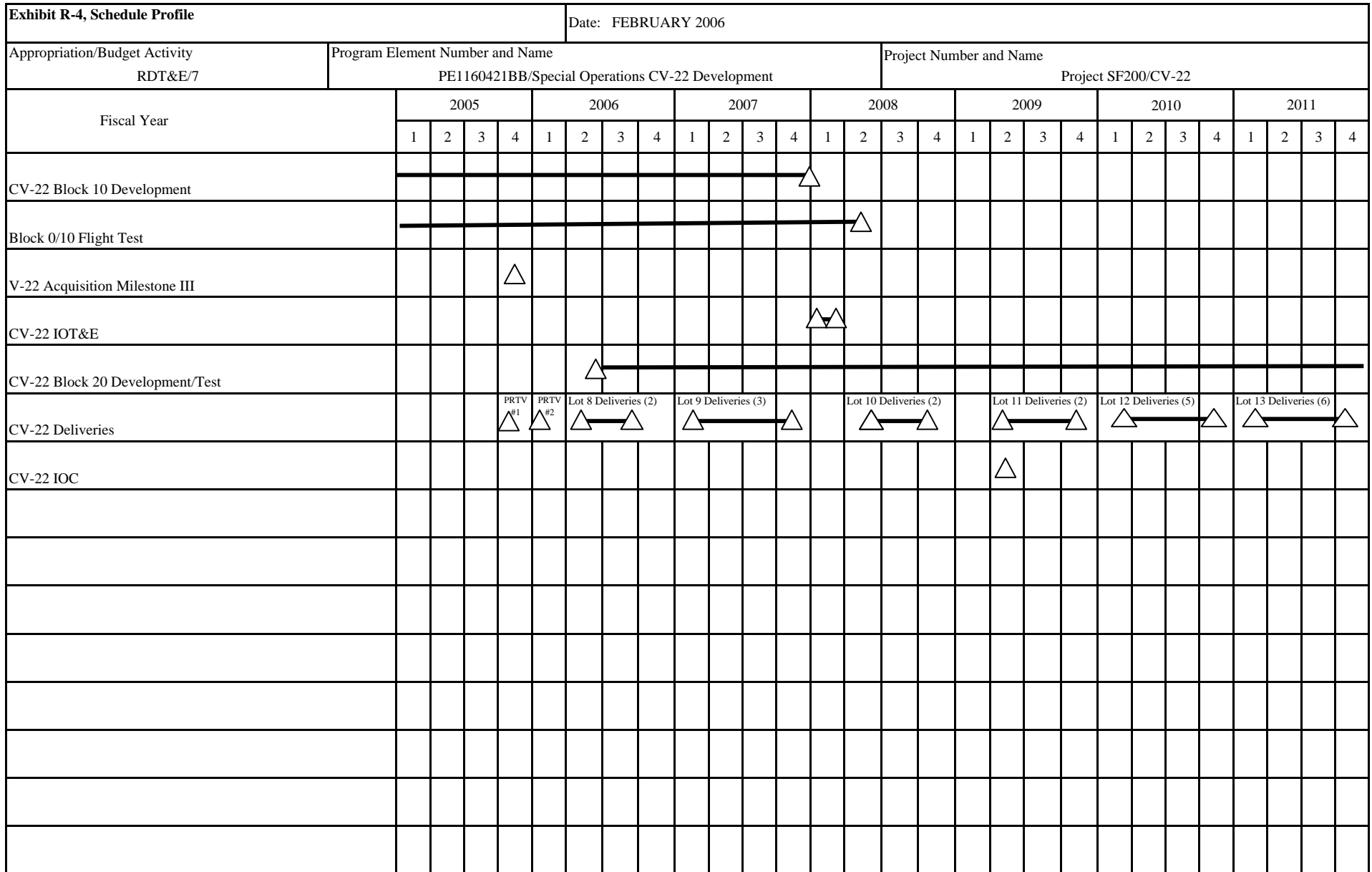
C. Other Program Funding Summary:

	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>To Complete</u>	<u>Total Cost</u>
Proc, CV-22 SOF Osprey	117.697	116.341	168.780	247.672	185.009	179.003	169.854	Cont.	Cont.

D. Acquisition Strategy.

The CV-22 program is managed by the Navy V-22 Joint Program Office (NAVAIR PMA-275). This ensures that the CV-22 changes are incorporated into the ongoing V-22 production line with minimum impact. Funding for the baseline CV-22 Engineering Manufacturing and Development, known as Block 0, is embedded in the Navy budget. Block 10 RDT&E funding is sent from USSOCOM to PMA-275 to be placed on contract with the V-22 prime contractor. Block 10 capability is required for full compliance with the Joint Operational Requirements Document. Future Block upgrades are planned to follow the same acquisition strategy, with the PMA-275 ensuring the integration of the SOF unique systems with the ongoing basic vehicle improvements supporting both the CV-22 and the Marine Corps MV-22.

Exhibit R-3 COST ANALYSIS				DATE: FEBRUARY 2006							
APPROPRIATION / BUDGET ACTIVITY				Special Operations CV-22 Development/PE1160421BB							
RDT&E DEFENSE-WIDE / 7				CV-22/SF200							
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 FY06	Award Date FY06	Budget Cost FY07	Award Date FY07			To Complete	Total Program
Primary Hardware (H/W) Dev	SS/CPAF	NAVAIR/PMA-275 & Bell-Boeing, Patuxent River, MD	203.604	20.311	Feb-06					Cont.	Cont.
Additional Test Aircraft (ATA) Modification	SS/CPAF/IF	NAVAIR/PMA-275 & Bell-Boeing, Patuxent River, MD	62.595							0.000	62.595
Block 20 Risk Reduction and Development	TBD	TBD		1.127	Mar-06					Cont.	Cont.
Award/Incentive Fees											
Primary H/W Dev			10.667	2.465	Various					Cont.	Cont.
ATA			6.350							0.000	6.350
Prior Year Completed Efforts	Various	Various	100.521								
Subtotal Product Dev			383.737	23.903		0.000				Cont.	Cont.
Remarks:											
Contractor Engineering Spt	WR	Various	8.052	1.741	Dec-05					Cont.	Cont.
Government Engineering Spt	WR	Various	24.917	3.682	Dec-05					Cont.	Cont.
Travel and Logistics			1.100	0.200	Various					Cont.	Cont.
Subtotal Management			34.069	5.623		0.000				Cont.	Cont.
Remarks:											
Total Cost			417.806	29.526		0.000				Cont.	Cont.
Remarks:											



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