

EXHIBIT R-2, RDT&E Budget Item Justification

DATE:

February 2006

APPROPRIATION/BUDGET ACTIVITY

RESEARCH DEVELOPMENT TEST & EVALUATION, NAVY /

BA 6

R-1 ITEM NOMENCLATURE

0605863N, RDT&E SHIP AND AIRCRAFT SUPPORT

COST (\$ in Millions)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	
Total PE Cost	86.459	75.974	83.140	82.644	81.133	82.768	81.767	
0354 RDT&E SHIPS SUPPORT	15.103	10.593	8.155	8.094	.751	4.854	.761	
0568 RDT&E A/C FLT HOURS	25.441	30.639	35.870	34.482	35.258	35.719	36.920	
0569 RDT&E A/C SUPPORT	35.012	27.713	30.654	31.224	35.955	32.851	34.511	
2924 RDT&E SELF DEFENSE TEST SHIP	10.903	7.029	8.461	8.844	9.169	9.344	9.575	

(U) A. MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION: This program provides support for ships and aircraft required to accommodate Research, Development, Test and Evaluation (RDT&E) of new systems. The RDT&E ship and aircraft inventory is required to adequately test new and improved weapon systems, stay current with threats, and increase warfighting capability of the fleet. The program provides integrated logistics support for aircraft at selected field activities; provides depot-level rework of aircraft, engines, and components for the Navy inventory of RDT&E aircraft; and provides support for ships and aircraft bailed to contractors for Navy RDT&E projects. Costs covered under this element include aircrew training and proficiency, fuel, supplies, equipment, repair, Aviation Depot Level Repairables (AVDLR), Special Flight Test Instrumentation Pool (SFTIP) equipment, overhaul of ships and aircraft, as well as organizational, intermediate, and depot maintenance of ships and aircraft in the Navy RDT&E inventory.

CLASSIFICATION:

EXHIBIT R-2a, RDT&E Project Justification							DATE: FEBRUARY 2006	
APPROPRIATION/BUDGET ACTIVITY RDT&E, N / BA-6		PROGRAM ELEMENT NUMBER AND NAME 0605863N Ship and Aircraft Support			PROJECT NUMBER AND NAME 0354 RDT&E Ship Support			
COST (\$ in Millions)		FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Project Cost		15.103	10.593	8.155	8.094	0.751	4.854	0.761
RDT&E Articles Qty								
<p>MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION:</p> <p>0354, RDT&E Ships Support. This project provides for operation and maintenance of a platform used as Sea Based Test Site in support of the Navy Research, Development, Test and Evaluation (RDT&E) program. This project is for the USS DOLPHIN (AGSS-555). Testing aboard this platform reduces the number of fleet units required to support RDT&E efforts. A major cost of this project is regularly scheduled ship maintenance. The remainder of the funds are used for purchase of supplies and equipment, fuel and petroleum products, repairs, and supporting modifications. Most costs are fixed and are associated with simply having these platforms in the inventory. A lesser portion of the costs varies with the tempo and type of ship operations and provides for systems improvements and replacement planning. The nature of the operations determined by the overall Navy/DoD R&D testing program.</p> <p>USS DOLPHIN will support software upgrades testing of the MK50 and MK48 Advanced Capability (ADCAP) torpedoes, the "VA Class" Submarine Material Qualification Program, ONR Littoral Warfare Advanced Development (LWAD) Program, Improved Extended Echo Ranging (IEER), Advanced Extended Echo Ranging (AEER), Advanced Deployable System (ADS), Submarine Mast Detection Radar (SMDR), Laser Airborne System - Hyperspectral (LASH), Airborne Low Frequency Sonar (ALFS), Tripartied Technology Cooperation Program (TTCP) and the Advanced Sea /Air/Land (SEAL) Delivery Program. Mobile Inshore Warfare Unit Arrays and the Seabased Weapons and Tactics School (SWATS) are also frequently supported by USS DOLPHIN. USS DOLPHIN provides support for numerous undersea surveillance, sonar, weapons, communications and imaging programs.</p> <p>The USS DOLPHIN has just completed an extensive refit (over \$40M) following her Flooding/Fire incident in May 2002. AGSS-555 USS DOLPHIN has successfully completed Sea Trials and INSURV. The boat is in the process of being modified to support a key CNO Project (MK54 FOT&E) in April 2006.</p>								

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EXHIBIT R-2a, RDT&E Project Justification			DATE: FEBRUARY 2006	
APPROPRIATION/BUDGET ACTIVITY RDT&E, N /BA-6	PROGRAM ELEMENT NUMBER AND NAME 0605863N Ship and Aircraft Support	PROJECT NUMBER AND NAME 0354 RDT&E Ship Support		
B. Accomplishments/Planned Program				
	FY05	FY 06	FY 07	
USS DOLPHIN Ship Support	15.103			
<div style="border: 1px solid black; padding: 5px;"> FY 2005 PLANS: Plan to complete RAV 1-6 and repair TAV in 3rd qtr. FY 05. USS DOLPHIN plans on supporting MK48 ADCAP CBASS Torpedo, MK54 Torpedo (Shallow Water ASW Target-SWAT Program, Low Frequency Sonar, Advanced Deployable system (ADS) AN/SQQ-89 ASW Combat System. USS DOLPHIN plans on conducting periodic phased maintenance to maintain certification and procure material to support continued operations. </div>				
	FY05	FY 06	FY 07	
USS DOLPHIN Ship Support		10.593		
<div style="border: 1px solid black; padding: 5px;"> FY 2006 PLANS: Plan on conducting periodic maintenance and procurement of material for future RAV and to support continued operations. </div>				
	FY05	FY 06	FY 07	
USS DOLPHIN Ship Support			8.155	
<div style="border: 1px solid black; padding: 5px;"> FY 2007 PLANS: Plans To continue supporting Fleet Operations. </div>				

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		DATE:	FEBRUARY 2006
APPROPRIATION/BUDGET ACTIVITY	PROGRAM ELEMENT NUMBER AND NAME	PROJECT NUMBER AND NAME	
RDT&E, N / BA-6	0605863N Ship and Aircraft Support	0354 RDT&E Ship Support	
C. PROGRAM CHANGE SUMMARY:			
Funding:	FY 2005	FY 2006	FY 2007
Previous President's Budget: (FY 06 President's Budget Controls)	11.014	9.624	8.733
Current BES/President's Budget (FY07 President Budget Controls)	15.103	10.593	8.155
Total Adjustments	4.089	0.969	-0.578
Summary of Adjustments			
Program Adjustments	0.003	1.130	-0.733
SBIR	-0.023	0.000	0.000
Rate Adjustment	0.000	0.000	0.155
Sec. 8125: Revised Economic	0.000	-0.049	0.000
Congressional reductions	0.000	-0.112	0.000
Department of Energy Transfer	-0.008	0.000	0.000
Execution Realignments	4.117	0.000	0.000
Subtotal	4.089	0.969	-0.578
Schedule:			
Not Applicable			
Technical:			
Not Applicable			

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R-1 Shopping List Item No 153

Exhibit R-2 RD TEN Budget Item Justification
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EXHIBIT R-2a, RDT&E Project Justification								DATE: February 2006	
APPROPRIATION/BUDGET ACTIVITY RDT&E, N /		BA 6		PROGRAM ELEMENT NUMBER AND NAME 0605863N, RDT&E SHIP AND AIRCRAFT SUPPORT			PROJECT NUMBER AND NAME 0568, RDT&E A/C FLT HOURS		
COST (\$ in Millions)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011		
0568 RDT&E A/C FLT HOURS	25.441	30.639	35.870	34.482	35.258	35.719	36.920		
RDT&E Articles Qty									
<p>A. MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION: RDT&E Aircraft Flight Hours. This non-acquisition project supports direct flight hour costs, including organizational and intermediate level maintenance, as well as associated consumables, including petroleum, oil, and lubricants (POL). These flight hours are used for post-maintenance test flights, aircrew training, and the accomplishment of pilot proficiency requirements (approximately 3 hours per pilot per month), in support of Research and Development programs at four Naval Air Systems Command/Naval Surface Warfare Center/Office of Naval Research (NAVAIR/NSWC/ONR) flight activities.</p>									

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EXHIBIT R-2a, RDT&E Project Justification				DATE: February 2006
APPROPRIATION/BUDGET ACTIVITY RDT&E, N /		PROGRAM ELEMENT NUMBER AND NAME BA 6 0605863N, RDT&E SHIP AND AIRCRAFT SUPPORT		PROJECT NUMBER AND NAME 0568, RDT&E A/C FLT HOURS
B. ACCOMPLISHMENTS / PLANNED PROGRAM:				
	FY 2005	FY 2006	FY 2007	
Accomplishments / Effort / Sub-total Cost	25.441	30.639	35.870	
RDT&E Articles Qty				
<div style="border: 1px solid black; min-height: 100px; margin-top: 10px;">Providing organizational and intermediate-level maintenance, supply and Petroleum, Oil and Lubricants (POL) in support of RDT&E aircraft operations. In FY05, we met 87% of post-maintenance test flights, aircrew training, and proficiency flight hours requirements. Based on the budget control, FY06 plans are to provide 86% of these requirements. FY07 plans are to meet 86% of the requirements.</div>				

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EXHIBIT R-2a, RDT&E Project Justification

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APPROPRIATION/BUDGET ACTIVITY

RDT&E, N /**BA 6**

PROGRAM ELEMENT NUMBER AND NAME

0605863N, RDT&E SHIP AND AIRCRAFT SUPPORT

PROJECT NUMBER AND NAME

0568, RDT&E A/C FLT HOURS

C. PROGRAM CHANGE SUMMARY

Funding:	FY 2005	FY 2006	FY 2007
Previous President's Budget:	26.256	32.205	33.478
Current BES / President's Budget:	25.441	30.639	35.870
Total Adjustments	-0.815	-1.566	2.392

Summary of Adjustments

Congressional Reductions	-0.221	-0.325	
Economic Assumptions			5.183
Program Adjustments	-0.594	-1.099	-2.791
Subtotal	-0.815	-1.566	2.392

Schedule: Not applicable.

Technical: Not applicable.

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EXHIBIT R-2a, RDT&E Project Justification								DATE: February 2006	
APPROPRIATION/BUDGET ACTIVITY RDT&E, N /		PROGRAM ELEMENT NUMBER AND NAME BA 6 0605863N, RDT&E SHIP AND AIRCRAFT SUPPORT				PROJECT NUMBER AND NAME 0568, RDT&E A/C FLT HOURS			
D. OTHER PROGRAM FUNDING SUMMARY:	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Cost
									0.000
									0.000
									0.000
									0.000
									0.000
									0.000
									0.000
E. ACQUISITION STRATEGY: Not applicable.									

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EXHIBIT R-2a, RDT&E Project Justification

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APPROPRIATION/BUDGET ACTIVITY

RDT&E, N /

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PROGRAM ELEMENT NUMBER AND NAME

0605863N, RDT&E SHIP AND AIRCRAFT SUPPORT

PROJECT NUMBER AND NAME

0569, RDT&E A/C SUPPORT

COST (\$ in Millions)

FY 2005

FY 2006

FY 2007

FY 2008

FY 2009

FY 2010

FY 2011

0569 RDT&E A/C SUPPORT

35.012

27.713

30.654

31.224

35.955

32.851

34.511

RDT&E Articles Qty

A. MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION: RDT&E Aircraft Support. This continuing project funds costs associated with Research, Development, Test and Evaluation (RDT&E) fixed and rotary wing aircraft which accommodate test and evaluation of aircraft/weapon systems. Testing aboard these platforms reduces the number of fleet units required to support RDT&E efforts. Included in these costs are Aviation Depot-Level Repairables (AVDLRs), which are spare and replacement aircraft parts and components. In FY 1998, AVDLR costs were reclassified as direct (customer-funded) costs, and a portion of the AVDLR funding to support customer programs were redistributed to customers. The remainder of AVDLR funding was retained in the account to support overhead maintenance related flight operations, aircrew training, and proficiency flight hours. This project also funds airframe Standard Depot Level Maintenance (SDLM), the Integrated Maintenance Concept (IMC) and Phased Depot Maintenance (PDM), in-service repairs, emergency repairs, and engine repair, as well as aircraft material condition and field inspections. Additionally, it funds Individual Material Readiness List (IMRL) tools and support equipment, and other systems for application to and compatibility with RDT&E requirements. Special Flight Test Instrumentation Pool (SFTIP) equipment, shared by programs to reduce or eliminate procurement lead times and reduce costs, is also supported.

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APPROPRIATION/BUDGET ACTIVITY

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PROGRAM ELEMENT NUMBER AND NAME

0605863N, RDT&E SHIP AND AIRCRAFT SUPPORT

PROJECT NUMBER AND NAME

0569, RDT&E A/C SUPPORT

B. ACCOMPLISHMENTS / PLANNED PROGRAM:

	FY 2005	FY 2006	FY 2007	
Accomplishments / Effort / Sub-total Cost	.250			
RDT&E Articles Qty				

Providing support for Special Flight Test Instrumentation Pool (SFTIP) equipment, shared by programs to reduce or eliminate procurement lead times and costs to supported test programs, at NAVAIRWARCENACDIV Patuxent River, Maryland. The plans are to reduce this support in FY05 and eventually cease funding the effort beginning in FY06.

	FY 2005	FY 2006	FY 2007	
Accomplishments / Effort / Sub-total Cost	.388	1.117	1.127	
RDT&E Articles Qty				

Providing In-Service Repair (ISR) funds for emergent repair requirements to aircraft performing mission critical test and evaluation projects. FY05-FY07 plans are to continue to support these requirements.

	FY 2005	FY 2006	FY 2007	
Accomplishments / Effort / Sub-total Cost	34.374	26.596	29.527	
RDT&E Articles Qty				

Continuing the transition from ASPA/SDLM/MCAPP to the IMC/PDM program for depot maintenance requirements, while sustaining the following programs: AVDLR/IMRL, engine repairs, support of aircraft that in the RDT&E inventory. Continuing operation and implementation of maintenance and material management programs at Naval Air Warfare Center activities. FY05-FY07 plans are to continue to support these requirements.

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APPROPRIATION/BUDGET ACTIVITY

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PROGRAM ELEMENT NUMBER AND NAME

0605863N, RDT&E SHIP AND AIRCRAFT SUPPORT

PROJECT NUMBER AND NAME

0569, RDT&E A/C SUPPORT

C. PROGRAM CHANGE SUMMARY

Funding:	FY 2005	FY 2006	FY 2007
Previous President's Budget:	32.334	28.166	29.055
Current BES / President's Budget:	35.012	27.713	30.654
Total Adjustments	2.678	-0.453	1.599

Summary of Adjustments

Congressional Reductions	-0.173	-0.294	
Economic Assumptions		-0.128	0.377
Program Adjustments	2.851	-0.031	1.222
Subtotal	2.678	-0.453	1.599

Schedule: Not applicable.

Technical: Not applicable.

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EXHIBIT R-2a, RDT&E Project Justification								DATE: February 2006	
APPROPRIATION/BUDGET ACTIVITY RDTE, N /		PROGRAM ELEMENT NUMBER AND NAME BA 6 0605863N, RDTE SHIP AND AIRCRAFT SUPPORT				PROJECT NUMBER AND NAME 0569, RDTE A/C SUPPORT			
D. OTHER PROGRAM FUNDING SUMMARY:	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Complete	Total Cost
									0.000
									0.000
									0.000
									0.000
									0.000
									0.000
									0.000
E. ACQUISITION STRATEGY: Not applicable.									

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EXHIBIT R-2a, RDT&E Project Justification							DATE: February 2006	
APPROPRIATION/BUDGET ACTIVITY RDT&E, N / BA-6		PROGRAM ELEMENT NUMBER AND NAME 0605863N - RDT&E,N Ship and Aircraft Support			PROJECT NUMBER AND NAME 2924 - RDT&E Self Defense Test Ship			
COST (\$ in Millions)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	
Project Cost	10.903	7.029	8.461	8.844	9.169	9.344	9.575	
RDT&E Articles Qty								
<p>A. MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION:</p> <p>This project provides for the maintenance of Hull Mechanical and Electrical (HM&E) and installed Combat Systems of the Self-Defense Test Ship (SDTS) in support of the Navy Research, Development, Test and Evaluation (RDT&E) of ship self-defense systems. Testing aboard this ship reduces the number of fleet units required to support RDT&E efforts. SDTS provides the capability of safely testing self-defense weapon systems within their minimum range. A major cost of this project is regularly scheduled ship and combat system maintenance. The remainder of the funds are used for purchase of expendable supplies and routine equipment, fuel and petroleum products, repairs and supporting services. Most costs are fixed and are associated with simply having this platform in the inventory.</p> <p>Current and projected Anti-Ship Cruise Missile (ASCM) threats require self-defense weapons systems capable of adequately countering ASCMs. The National Defense Authorization Act for FY87, section 910, "Testing of Certain Weapons Systems and Munitions," requires live-fire lethality testing of manned weapons systems. Operational and safety constraints limit realistic live-fire lethality testing with U.S. Navy ships and thus drive the requirement for having an afloat, unmanned, remotely controlled SDTS. SDTS plan calls for multiple configuration testing including DD(X), CVN 21, LHA 6, LHDs/CVNs, LPD 17, and 2 versions of LCS against realistic threat presentation in an at-sea environment.</p>								

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APPROPRIATION/BUDGET ACTIVITY RDT&E, N / BA-6	PROGRAM ELEMENT NUMBER AND NAME 0605863N - RDT&E,N Ship and Aircraft Support	PROJECT NUMBER AND NAME 2924 - RDT&E Self Defense Test Ship	
B. Accomplishments/Planned Program			
	FY 05	FY 06	FY 07
Accomplishments/Effort/Subtotal Cost	10.903	0.000	0.000
RDT&E Articles Quantity			
<div style="border: 1px solid black; padding: 5px; min-height: 60px;"> NAVSURFWARCENDIV Port Hueneme, CA is at the end of a two year conversion. Additional installations in support of LPD 17, DD(X) and element level programs have been planned and scheduled and will be performed along with the HM&E maintenance onboard SDTS. </div>			
	FY 05	FY 06	FY 07
Accomplishments/Effort/Subtotal Cost	0.000	7.029	0.000
RDT&E Articles Quantity			
<div style="border: 1px solid black; padding: 5px; min-height: 60px;"> Self Defense Test Ship (SDTS) will complete conversion efforts to EDD 964 (EX USS PAUL F FOSTER). NAVSURFWARCENDIV Port Hueneme, CA will plan, schedule and perform HM&E maintenance onboard SDTS in support of check out and installation and work ups for the testing of LPD 17 and MFR. SDTS will support Probability of Raid Annihilation (Pra) and end to end test efforts for LPD-17 combat system. </div>			
	FY 05	FY 06	FY 07
Accomplishments/Effort/Subtotal Cost	0.000	0.000	8.461
RDT&E Articles Quantity			
<div style="border: 1px solid black; padding: 5px; min-height: 60px;"> NAVSURFWARCENDIV Port Hueneme, CA will plan, schedule, and perform maintenance onboard EDD 964 and continue to support testing for LPD 17, LHDs/CVNs and MFR. PHD will also determine the feasibility of multiple configurations in support of the Navy AAW SSD Enterprise Strategy. </div>			

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APPROPRIATION/BUDGET ACTIVITY	PROGRAM ELEMENT NUMBER AND NAME	PROJECT NUMBER AND NAME																																								
RDT&E, N / BA-6	0605863N - RDT&E,N Ship and Aircraft Support	2924 - RDT&E Self Defense Test Ship																																								
<p>C. PROGRAM CHANGE SUMMARY:</p> <table> <tr> <td>Funding:</td> <td>FY 2005</td> <td>FY 2006</td> <td>FY 2007</td> </tr> <tr> <td>Previous President's Budget:</td> <td>10.922</td> <td>7.136</td> <td>8.464</td> </tr> <tr> <td>Current PB Budget:</td> <td>10.903</td> <td>7.029</td> <td>8.461</td> </tr> <tr> <td>Total Adjustments</td> <td>-0.019</td> <td>-0.107</td> <td>-0.003</td> </tr> </table> <table> <tr> <td colspan="4">Summary of Adjustments</td> </tr> <tr> <td>Program adjustments</td> <td>-0.019</td> <td>0.000</td> <td>-0.135</td> </tr> <tr> <td>Rate Adjustments</td> <td>0.000</td> <td>0.000</td> <td>0.132</td> </tr> <tr> <td>8125 Revised Economic Assumption</td> <td>0.000</td> <td>-0.032</td> <td>0.000</td> </tr> <tr> <td>Congressional Reduction</td> <td>0.000</td> <td>-0.075</td> <td>0.000</td> </tr> <tr> <td>Subtotal</td> <td>-0.019</td> <td>-0.107</td> <td>-0.003</td> </tr> </table> <p>Schedule:</p> <p>Not Applicable</p> <p>Technical:</p> <p>Not Applicable</p>			Funding:	FY 2005	FY 2006	FY 2007	Previous President's Budget:	10.922	7.136	8.464	Current PB Budget:	10.903	7.029	8.461	Total Adjustments	-0.019	-0.107	-0.003	Summary of Adjustments				Program adjustments	-0.019	0.000	-0.135	Rate Adjustments	0.000	0.000	0.132	8125 Revised Economic Assumption	0.000	-0.032	0.000	Congressional Reduction	0.000	-0.075	0.000	Subtotal	-0.019	-0.107	-0.003
Funding:	FY 2005	FY 2006	FY 2007																																							
Previous President's Budget:	10.922	7.136	8.464																																							
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