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Exhibit R-2, RDT&E Budget Item Justification: PB 2011 Air Force									DATE: February 2010		
APPROPRIATION/BUDGET ACTIVITY 3600: Research, Development, Test & Evaluation, Air Force BA 7: Operational Systems Development				R-1 ITEM NOMENCLATURE PE 0101122F: AIR LAUNCHED CRUISE MISSILE							
COST (\$ in Millions)	FY 2009 Actual	FY 2010 Estimate	FY 2011 Base Estimate	FY 2011 OCO Estimate	FY 2011 Total Estimate	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	Cost To Complete	Total Cost
Total Program Element	0.384	3.652	3.631	0.000	3.631	0.424	50.061	248.273	495.514	Continuing	Continuing
674797: Flight Testing & Navigation Enhancement	0.384	3.652	3.631	0.000	3.631	0.424	50.061	248.273	495.514	Continuing	Continuing
A. Mission Description and Budget Item Justification											
<p>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.</p>											
<p>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 initial missile 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 8010).</p>											
<p>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 was responsible for funding ALCM W-80 integration. Integration included 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 The W-80 LEP program has been archived.</p>											
<p>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.</p>											
<p>Analysis of alternatives (AOA) is in development for the future of long range strategic stand-off vehicles.</p>											
<p>These programs are in Budget Activity 7, Operational System Development, due to efforts supporting a fielded, post Milestone III operational weapon system.</p>											

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B. Program Change Summary (\$ in Millions)					
	FY 2009	FY 2010	FY 2011 Base	FY 2011 OCO	FY 2011 Total
Previous President's Budget	0.395	3.652	0.000	0.000	0.000
Current President's Budget	0.384	3.652	3.631	0.000	3.631
Total Adjustments	-0.011	0.000	3.631	0.000	3.631
• Congressional General Reductions		0.000			
• Congressional Directed Reductions		0.000			
• Congressional Rescissions	0.000	0.000			
• Congressional Adds		0.000			
• Congressional Directed Transfers		0.000			
• Reprogrammings	0.000	0.000			
• SBIR/STTR Transfer	0.000	0.000			
• Other Adjustments	-0.011	0.000	3.631	0.000	3.631
Change Summary Explanation					
The FY 2010 President's Budget submittal did not reflect FY 2011 through FY 2015 funding. Therefore, explanation of changes between the two budget positions cannot be made in a relevant manner."					

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Exhibit R-2A, RDT&E Project Justification: PB 2011 Air Force								DATE: February 2010			
APPROPRIATION/BUDGET ACTIVITY 3600: <i>Research, Development, Test & Evaluation, Air Force</i> BA 7: <i>Operational Systems Development</i>				R-1 ITEM NOMENCLATURE PE 0101122F: <i>AIR LAUNCHED CRUISE MISSILE</i>				PROJECT 674797: <i>Flight Testing & Navigation Enhancement</i>			
COST (\$ in Millions)	FY 2009 Actual	FY 2010 Estimate	FY 2011 Base Estimate	FY 2011 OCO Estimate	FY 2011 Total Estimate	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	Cost To Complete	Total Cost
674797: <i>Flight Testing & Navigation Enhancement</i>	0.384	3.652	3.631	0.000	3.631	0.424	50.061	248.273	495.514	Continuing	Continuing
Quantity of RDT&E Articles	0	0	0	0	0	0	0	0	0		
A. Mission Description and Budget Item Justification <p>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.</p> <p>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 initial missile 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 8010).</p> <p>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 was responsible for funding ALCM W-80 integration. Integration included 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.</p> <p>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.</p> <p>Analysis of alternatives (AOA) is in development for the future of long range strategic stand-off vehicles.</p> <p>These programs are in Budget Activity 7, Operational System Development, due to efforts supporting a fielded, post Milestone III operational weapon system.</p>											
B. Accomplishments/Planned Program (\$ in Millions)											

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B. Accomplishments/Planned Program (\$ in Millions)					
	FY 2009	FY 2010	FY 2011 Base	FY 2011 OCO	FY 2011 Total
MAJOR THRUST: W80 Joint Test Assembly (JTA-8) Replacement Support, W80 LEP; revise the W80-1 Interface Control Documents (ICDs), provide integration support, and flight test qualification. FY 2009 Accomplishments: IN FY 2009: Revise the W80-1 Interface Control Documents (ICDs), provide integration support, and flight test qualification FY 2010 Plans: IN FY 2010: Continue integration support, and flight test qualification FY 2011 Base Plans: IN FY 2011: Continue integration support, and flight test qualification FY 2011 OCO Plans: In FY 2011 OCO: Not Applicable.	0.010	0.005	0.070	0.000	0.070
MAJOR THRUST: Develop aging and surveillance program for ALCM critical components FY 2009 Accomplishments: IN FY 2009: 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. FY 2010 Plans: IN FY 2010: Continue development of aging and surveillance program for ALCM critical components FY 2011 Base Plans: IN FY 2011: Continue development of aging and surveillance program for ALCM critical components	0.374	0.347	0.261	0.000	0.261

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B. Accomplishments/Planned Program (\$ in Millions)											
						FY 2009	FY 2010	FY 2011 Base	FY 2011 OCO	FY 2011 Total	
FY 2011 OCO Plans: In FY 2011 OCO: Not Applicable.											
MAJOR THRUST: Conduct Analysis of Alternatives (AOA) for future long range stand-off vehicle (LRSO). FY 2009 Accomplishments: IN FY2009: Not Applicable FY 2010 Plans: IN FY 2010: Initiate LRSO AoA study plan and begin LRSO AOA FY 2011 Base Plans: IN FY 2011: Complete LRSO AOA FY 2011 OCO Plans: In FY 2011 OCO: Not Applicable.						0.000	3.300	3.300	0.000	3.300	
Accomplishments/Planned Programs Subtotals						0.384	3.652	3.631	0.000	3.631	
C. Other Program Funding Summary (\$ in Millions)											
Line Item	FY 2009	FY 2010	FY 2011 Base	FY 2011 OCO	FY 2011 Total	FY 2012	FY 2013	FY 2014	FY 2015	Cost To Complete	Total Cost
• PE 0101122F: MPAF, Missile Modifications (BA 03, P-15)	10.120	0.000	10.795	0.000	10.795	10.013	6.267	0.000	0.000	0.000	0.000
• PE 0101122F (1): MPAF, Missile Modifications Initial Spares (BA 04 P-16)	0.194	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	0.270	10.875	0.266	0.000	0.266	1.298	5.202	4.570	4.829	0.000	0.000

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C. Other Program Funding Summary (\$ in Millions)											
Line Item	FY 2009	FY 2010	FY 2011 Base	FY 2011 OCO	FY 2011 Total	FY 2012	FY 2013	FY 2014	FY 2015	Cost To Complete	Total Cost
• PE 0101122F (2): MPAF, Replenishment Spares (BA 04, P-16)											
• PE 0101122F (3): OPAF, Electronics and Telecommunications Equipment (BP83) (BA 03, P-18)	1.495	1.535	1.584	0.000	1.584	1.611	1.638	1.662	1.690	0.000	0.000
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-8 Replacement Support will be performed utilizing a Firm Fixed Price (FFP) contract.											
The ALCM Aging and Surveillance Program will be developed and matured by the prime contractor utilizing a Time and Materials (T&M) engineering assignment on an existing contract.											
Analysis of Alternatives (AOA) is in development for the future of long range strategic stand-off vehicles.											
E. Performance Metrics											
Please refer to the Performance Base Budget Overview Book for information on how Air Force resources are applied and how those resources are contributing to Air Force performance goals and most importantly, how they contribute to our mission.											

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2011 Air Force											DATE: February 2010																																																																	
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Product Development (\$ in Millions) <table border="1" style="width:100%; border-collapse: collapse; margin-top: 10px;"> <tr> <th rowspan="2">Cost Category Item</th> <th rowspan="2">Contract Method & Type</th> <th rowspan="2">Performing Activity & Location</th> <th rowspan="2">Total Prior Years Cost</th> <th colspan="2">FY 2010</th> <th colspan="2">FY 2011 Base</th> <th colspan="2">FY 2011 OCO</th> <th>FY 2011 Total</th> <th rowspan="2">Cost To Complete</th> <th rowspan="2">Total Cost</th> <th rowspan="2">Target Value of Contract</th> </tr> <tr> <th>Cost</th> <th>Award Date</th> <th>Cost</th> <th>Award Date</th> <th>Cost</th> <th>Award Date</th> <th>Cost</th> </tr> <tr> <td>W80 LEP Support</td> <td>TM</td> <td>Boeing Seattle, WA</td> <td align="right">0.000</td> <td align="right">0.000</td> <td></td> <td align="right">0.000</td> <td></td> <td align="right">0.000</td> <td></td> <td align="right">0.000</td> <td align="right">0.000</td> <td align="right">0.000</td> <td>Continuing</td> </tr> <tr> <td>JTA-1 Replacement Support</td> <td>C/FFP</td> <td>Boeing Seattle, WA</td> <td align="right">0.010</td> <td align="right">0.005</td> <td>Feb 2010</td> <td align="right">0.070</td> <td>Feb 2011</td> <td align="right">0.000</td> <td></td> <td align="right">0.070</td> <td align="right">0.000</td> <td align="right">0.085</td> <td align="right">0.000</td> </tr> <tr> <td align="right" colspan="3">Subtotal</td> <td align="right">0.010</td> <td align="right">0.005</td> <td></td> <td align="right">0.070</td> <td></td> <td align="right">0.000</td> <td></td> <td align="right">0.070</td> <td align="right">0.000</td> <td align="right">0.085</td> <td></td> </tr> </table>														Cost Category Item	Contract Method & Type	Performing Activity & Location	Total Prior Years Cost	FY 2010		FY 2011 Base		FY 2011 OCO		FY 2011 Total	Cost To Complete	Total Cost	Target Value of Contract	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	W80 LEP Support	TM	Boeing Seattle, WA	0.000	0.000		0.000		0.000		0.000	0.000	0.000	Continuing	JTA-1 Replacement Support	C/FFP	Boeing Seattle, WA	0.010	0.005	Feb 2010	0.070	Feb 2011	0.000		0.070	0.000	0.085	0.000	Subtotal			0.010	0.005		0.070		0.000		0.070	0.000	0.085	
Cost Category Item	Contract Method & Type	Performing Activity & Location	Total Prior Years Cost	FY 2010		FY 2011 Base		FY 2011 OCO		FY 2011 Total	Cost To Complete	Total Cost	Target Value of Contract																																																															
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W80 LEP Support	TM	Boeing Seattle, WA	0.000	0.000		0.000		0.000		0.000	0.000	0.000	Continuing																																																															
JTA-1 Replacement Support	C/FFP	Boeing Seattle, WA	0.010	0.005	Feb 2010	0.070	Feb 2011	0.000		0.070	0.000	0.085	0.000																																																															
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Cost Category Item	Contract Method & Type	Performing Activity & Location	Total Prior Years Cost	FY 2010		FY 2011 Base		FY 2011 OCO		FY 2011 Total	Cost To Complete	Total Cost	Target Value of Contract																																																															
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W80 Support/PSM	TM	Boeing Seattle, WA	0.000	0.000		0.000		0.000		0.000	0.000	0.000	Continuing																																																															
ALCM Aging and Surveillance Program	TM	ESpectrum San Antonio, TX	0.374	0.347	Jun 2010	0.261	Jun 2011	0.000		0.261	0.000	0.982	0.000																																																															
Subtotal			0.374	0.347		0.261		0.000		0.261	0.000	0.982																																																																
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Test and Evaluation (\$ in Millions)													
				FY 2010		FY 2011 Base		FY 2011 OCO		FY 2011 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Total Prior Years Cost	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
49th Test Wing (W-80 LEP)	MIPR	TBD TBD	0.000	0.000		0.000		0.000		0.000	0.000	0.000	Continuing
Subtotal			0.000	0.000		0.000		0.000		0.000	0.000	0.000	
Remarks													
Management Services (\$ in Millions)													
				FY 2010		FY 2011 Base		FY 2011 OCO		FY 2011 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Total Prior Years Cost	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Cruise Missile AoA	MIPR	TBD TBD	0.000	3.300	Jan 2010	3.300	Jan 2011	0.000		3.300	0.000	6.600	0.000
Subtotal			0.000	3.300		3.300		0.000		3.300	0.000	6.600	0.000
Remarks													
			Total Prior Years Cost	FY 2010		FY 2011 Base		FY 2011 OCO		FY 2011 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals			0.384	3.652		3.631		0.000		3.631	0.000	7.667	
Remarks Total Prior Years Cost may include only FY 2009 data.													

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Exhibit R-4, RDT&E Schedule Profile: PB 2011 Air Force

DATE: February 2010

APPROPRIATION/BUDGET ACTIVITY

3600: Research, Development, Test & Evaluation, Air Force
BA 7: Operational Systems Development

R-1 ITEM NOMENCLATURE

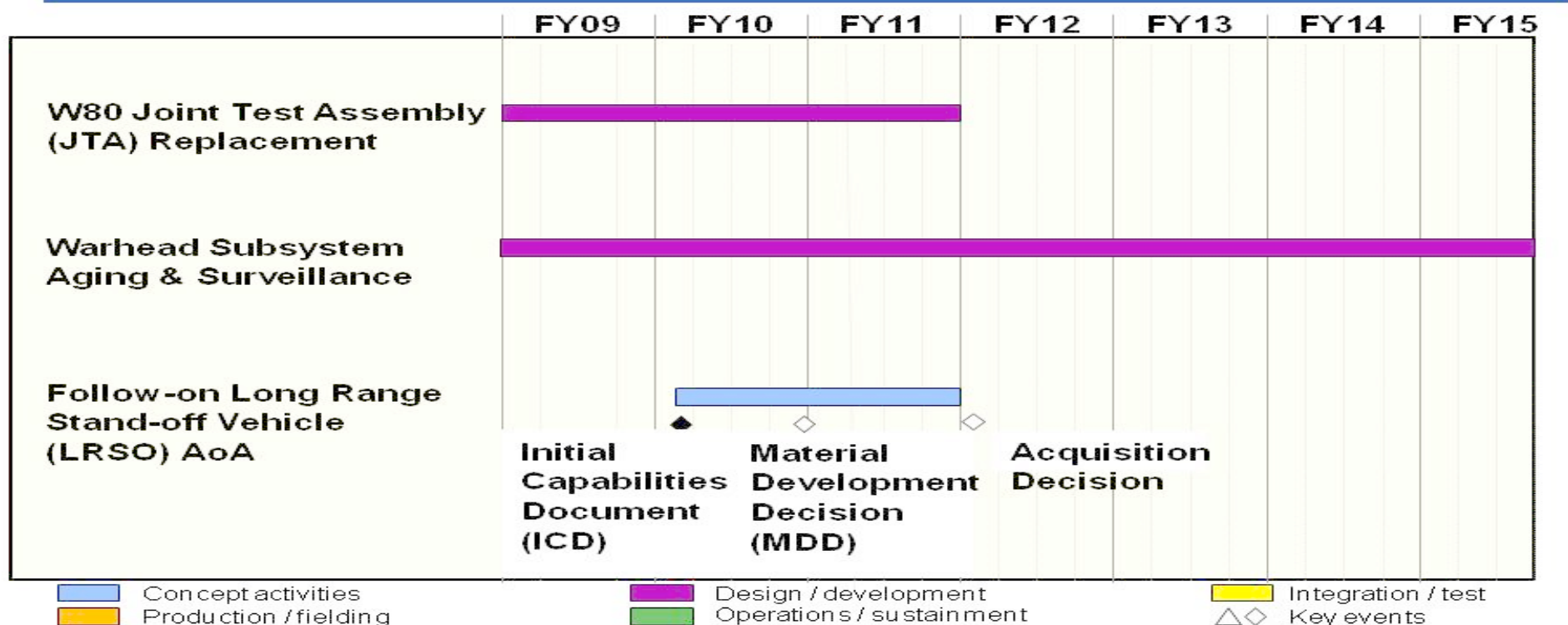
PE 0101122F: AIR LAUNCHED CRUISE
MISSILE

PROJECT

674797: Flight Testing & Navigation
Enhancement



PE 0101122F - ALCM



Integrity - Service - Excellence

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Exhibit R-4A, RDT&E Schedule Details: PB 2011 Air Force			DATE: February 2010	
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Schedule Details

Event	Start		End	
	Quarter	Year	Quarter	Year
ALCM JTA-8 Support	1	2009	4	2011
LRSO AOA	2	2010	4	2011
ALCM Aging & Surveillance Program Development	1	2009	4	2011

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