Exhibit R-2, RDT&E Budget Item Justification: PB 2013 Defense Logistics Agency										DATE: February 2012	
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 3: *Advanced Technology Development (ATD)*				R-1 ITEM NOMENCLATURE PE 0603712S: *Logistics Research and Development Technology (Log R&D)*							
COST ($ in Millions)	**FY 2011**	**FY 2012**	**FY 2013 Base**	**FY 2013 OCO**	**FY 2013 Total**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**	**Cost To Complete**	**Total Cost**
Total Program Element	19.910	23.260	24.605	-	24.605	20.615	20.899	21.242	21.595	Continuing	Continuing
1: *Medical Logistics Network (MLN)*	2.744	2.796	2.900	-	2.900	2.948	2.998	3.049	3.101	Continuing	Continuing
2: *Weapon System Sustainment (WSS)*	5.462	5.564	5.765	-	5.765	5.859	5.961	6.064	6.167	Continuing	Continuing
3: *Supply Chain Management (SCM)*	3.868	3.443	3.811	-	3.811	3.360	3.344	3.386	3.435	Continuing	Continuing
4: *Strategic Distribution & Reutilization (SDR)*	3.486	5.571	5.806	-	5.806	3.787	3.853	3.919	3.986	Continuing	Continuing
5: *Energy Readiness Program (ERP)*	2.113	3.606	3.966	-	3.966	2.265	2.305	2.344	2.384	Continuing	Continuing
6 : *Defense Logistics Information Research (DLIR)*	2.237	2.280	2.357	-	2.357	2.396	2.438	2.480	2.522	Continuing	Continuing
7: *Tent Network for Technology Implementation (TENTNET)*	-	-	-	-	-	-	-	-	-	Continuing	Continuing

A. Mission Description and Budget Item Justification

The central idea of the Focused Logistics Joint Functional Concept "is to build sufficient capacity into the sustainment pipeline, exercise sufficient control over the pipeline from end to end, and provide a high degree of certainty to the supported joint force commander that sustainment, and support will arrive where needed and on time." The Defense Logistics Agency (DLA) Research and Development (R&D) program helps achieve this vision by pioneering advanced logistics concepts and business processes that provides the leanest possible infrastructure, the use of the best commercial and government sources, and the application of business practices. The Logistics R&D program develops and demonstrates high risk, high payoff technology that will provide a significantly higher level of support at lower costs, than would be otherwise attainable. The program has a proven track record of implementation and benefits. One example is the Department of Defense (DOD) Electronic MALL (EMALL). DOD EMALL was the first web based, distributed architecture on-line ordering capability. It has been adopted by the Army, Navy and the Department of Homeland Security. DLA's overall Log R&D program has demonstrated positive net present value and a positive return on investment.

Exhibit R-2, RDT&E Budget Item Justification: PB 2013 Defense Logistics Agency	DATE: February 2012
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B. Program Change Summary ($ in Millions)	FY 2011	FY 2012	FY 2013 Base	FY 2013 OCO	FY 2013 Total
Previous President's Budget	20.542	23.887	24.350	-	24.350
Current President's Budget	19.910	23.260	24.605	-	24.605
Total Adjustments	-0.632	-0.627	0.255	-	0.255
• Congressional General Reductions	-	-0.064			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-	-0.563			
• Departmental Fiscal Guidance	-0.603	-	0.255	-	0.255
• Efficiency Initiatives SSC Reduction (OSD Withhold)	-0.029	-	-	-	-

Change Summary Explanation

FY2012 FFRDC(f) Reduction: -$0.064 million

FY2012 SBIR/STTR Transfer (Reduction): -$0.563 million

FY2013 Departmental Fiscal Guidance: $0.255 million

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency			DATE: February 2012
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 3: *Advanced Technology Development (ATD)*	R-1 ITEM NOMENCLATURE PE 0603712S: *Logistics Research and Development Technology (Log R&D)*	PROJECT 1: *Medical Logistics Network (MLN)*	

COST ($ in Millions)	FY 2011	FY 2012	FY 2013 Base	FY 2013 OCO	FY 2013 Total	FY 2014	FY 2015	FY 2016	FY 2017	Cost To Complete	Total Cost
1: *Medical Logistics Network (MLN)*	2.744	2.796	2.900	-	2.900	2.948	2.998	3.049	3.101	Continuing	Continuing

A. Mission Description and Budget Item Justification

The Medical Directorate's mission is to develop and implement the critical logistics and medical supply chain business practices that ensure the cost-effective and efficient distribution of medical materiel to the full range of Military Health System operations.

The Medical Logistics Network (MLN) anticipates future medical logistical requirements and develops strategies and tools to meet these requirements. Operating in the unique DoD-Commercial medical logistics environment, the Medical Logistics Network supports innovative projects that improve this partnership and enhance the medical logistics enterprise support to the Warfighter.

B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
Title: Medical Logistics Network Accomplishments/Plans	2.744	2.796	2.900

FY 2011 Accomplishments:

Netcentric Infrastructure and Implementation (NII) – Provided the Defense Medical Logistics enterprise with a .NET web service provisioning Netcentric Framework based on Service-Oriented Architecture (SOA). A service-oriented information environment allows the timely exchange of data among business systems in an efficient and effective manner. It also enables authoritative data sources distributed throughout the Enterprise to be leveraged, and reduces unnecessary replication of data repositories. The Netcentric Framework limits ad hoc design, discourages stove-pipe development, and reduces the development lifecycle of web services. It also adds a metrics logging capability to provide feedback on the value of web services and identify future enhancements of the capability. In May 2011, the Netcentric Framework was transitioned to the Defense Medical Logistic Standard Support Wholesale (DMLSS-W) team.

Defense Medical Logistics Transformation (DMLT) – Developed enterprise architecture (EA) products to support the business process reengineering project on Medical Equipment Life Cycle Management. Project deliverables included (To-Be) process models, opportunities for improvement, and a Functional Capabilities Document. The plan was approved by the DML board of directors and transitioned to the Joint Medical Logistics Functional Development Center (JMLFDC) for Analysis of Alternatives (AoA) consideration and implementation resourcing.

FY 2012 Plans:

DMLT will support business process reengineering projects on: 1) Expeditionary Medical Supply Chain Support; 2) Life Cycle Management of Materiel Item Data. Process models will serve as basis for detailed system requirements development and will transition to JMLFDC for implementation.

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency		DATE: February 2012
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 3: *Advanced Technology Development (ATD)*	R-1 ITEM NOMENCLATURE PE 0603712S: *Logistics Research and Development Technology (Log R&D)*	PROJECT 1: *Medical Logistics Network (MLN)*

B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
MLN has three new approved charters which will be in full development in FY 12. These projects will develop processes and tools to reengineer the often manual, laborious medical business practices associated with: 1) determining "fair and reasonable" pricing for medical products; 2) performing analytical queries of source medical business data; and 3) identifying contracting/sourcing opportunities for medical products based upon best-value criteria that include Federal price, market share, and product life cycle/ clinical attributes. ***FY 2013 Plans:*** In FY2013 the three new projects will be in their second year, delivering enhancements to extend the first year's accomplishments. We will look to extend the processes and tools for fair and reasonable pricing to other supply classes such as Subsistence, and broaden the scope of strategic sourcing opportunities to other classes of medical products such as medical equipment.			
Accomplishments/Planned Programs Subtotals	2.744	2.796	2.900

C. Other Program Funding Summary ($ in Millions)

N/A

D. Acquisition Strategy

DMLT: Currently in its final year. New work for the three approved charters will be competitively bid as task orders on the Defense Logistics Standard Support Blanket Purchase Agreement (DMLSS-W BPA).

E. Performance Metrics

DMLT: 1) The percentage of requirements supported by architecture products – Eighty-seven percent of the MedSurg Prime Vendor Program's Gen IV Requirements are supported by architecture products. 2) Measurement of compliance with laws and regulations (e.g. Clinger-Cohen Act) that require complete enterprise architecture. 3) Percentage alignment between Balanced Scorecard Transformation Initiatives and Enterprise Architecture.

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency			DATE: February 2012
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 3: *Advanced Technology Development (ATD)*	R-1 ITEM NOMENCLATURE PE 0603712S: *Logistics Research and Development Technology (Log R&D)*	PROJECT 2: *Weapon System Sustainment (WSS)*	

COST ($ in Millions)	FY 2011	FY 2012	FY 2013 Base	FY 2013 OCO	FY 2013 Total	FY 2014	FY 2015	FY 2016	FY 2017	Cost To Complete	Total Cost
2: *Weapon System Sustainment (WSS)*	5.462	5.564	5.765	-	5.765	5.859	5.961	6.064	6.167	Continuing	Continuing

A. Mission Description and Budget Item Justification

Support Defense Logistics Agency (DLA) Strategic Plans Goals 1.) Warfighter Support) and 2.) Internal Process. The program spans multiple weapon systems and supply chains to improve internal processes, provide new methods, reduce costs and lead times, and ultimately, improve readiness for DLA customers.

The program is focused in three initiatives:
1.) Planning Process Improvement: The program improves elements of current inventory policy models, assesses potential benefits of new technologies and seeks more efficient approaches to deliver customer requirements while reducing inventory and order fulfillment costs.

2.) Technical/Quality Process Improvement: The program improves internal efficiency and customer satisfaction through new tools and methods to proactively address supply issues resulting from current technical/quality processes.

3.) Procurement Process Improvement: The program will demonstrate tailored data collection and business processes for well-defined subsets of suppliers and procurement types to improve supplier responsiveness, cycle time and cost.

B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
Title: Weapon System Sustainment Accomplishments/Plans	5.462	5.564	5.765
FY 2011 Accomplishments: Planning Process Improvement: The Peak Policy pilot at DLA Aviation continued through the year and continued to show impressive performance improvements over the control group of all N items in aviation; e.g., at the end of FY2011 Peak reduced the number of Procurement Requests (PRs) by 41.3% while the control group PRs increased by 9.3%, and Peak reduced the number of Unfilled Orders by 40.4% while the control group reduced by 13.8%. Efforts to transition Peak Policy and the Next Generation Inventory Model (Next Gen) for R items included participation in two different Forecastability Assessments, wherein the two models performed better than all competing approaches in both. Requirements were successfully developed for an integrated stocking model that integrates Next Gen for R items and the Peak Policy for N items with a more effective method of managing the movement of items between the R and N categories, and the results were delivered to the Planning Process Owner. An effort was initiated to support the roll out of Inventory Policy Optimization (IPO) to the Air Force through a range of analyses to better understand the software, resolve problems and improve its performance. Efforts to develop new projects in the Planning Process area were initiated working with the Process Owner and Sub Process Owners.			

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency		DATE: February 2012
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 3: *Advanced Technology Development (ATD)*	R-1 ITEM NOMENCLATURE PE 0603712S: *Logistics Research and Development Technology (Log R&D)*	PROJECT 2: *Weapon System Sustainment (WSS)*

B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
Technical/Quality Process Improvement: The FY 2010 projects dealing with the piloting of new business processes containing specific review procedures for assessing PQDRs to identify systemic quality issues so that the root causes can then be evaluated, and the effort to define process improvements for specific notifications to customers of quality alerts were successfully completed and transition planning and support activities undertaken. Efforts were initiated to transition the recommendations resulting from the Counterfeit Parts strategic roadmap project into daily use within the DLA Aviation, Land & Maritime, and Troop Support sites, as well as HQ. The Parts Management/Data Sharing project initiated in FY 2010 was completed and transitioned through creation of a new DoD process for component standardization, with the first step being formation of a Connectors Working Group. The CAGE Hopping analysis effort was completed with a number of business process improvement recommendations that the T/Q process owner accepted and incorporated into a new Decision Support Pilot project. A project was initiated to demonstrate the feasibility of product marking with DNA to prevent introduction of counterfeit parts in the supply chain. The project to develop a DLA-wide approach for enhancing customer service by the Product Test Centers was completed and the recommendations accepted by the T/Q Process Owner. A new Product Verification Process project was initiated to transition those recommendations into daily policy and processes. Procurement Process Improvement: The project to assess the feasibility of using RFID or other automatic identification technology to improve GFP inventory accuracy was completed and the results transitioned to J-74. The Wide Area Workflow (WAWF)-focused project initiated in FY2010 was completed to understand issues with receipt and destination acceptance for Direct Vendor Delivery (DVD) and Industrial Product-Support Vendor (IPV) shipments as they impact DOD's ability to correctly pay supplier invoices and recommend alternatives to address those issues, and the recommendations delivered to J-33. A Decision Support Pilot project was initiated to evaluate the capabilities of a number of commercially available tools to detect fraudulent practices early – before award if possible. The results of the pilot will include definition of requirements for a DLA-wide decision support capability.			
FY 2012 Plans: Planning Process Improvement: A decision will be made whether to complete the Peak Policy pilot at Aviation after 24 months of operation or to continue or expand it. Efforts will continue to develop a plan with the Planning Process Owner to transition Peak Policy and Next Gen either as DLA capabilities or as part of the JDA suite of planning tools. The FY2010 project to develop and validate the benefits of a multi-echelon version of Next Gen applicable to wholesale and retail levels will be completed early in the year, and the results will become part of the transition planning. IPO support efforts will be completed and the results transitioned to IPO. A new project will be initiated to demonstrate the feasibility of applying the Prime Vendor concept to the management of Foreign Military Sales (FMS) items in order to greatly improve support to FMS customers. Another new project wherein suppliers manage the ordering and delivery of parts for DLA wholesale stock will be initiated to demonstrate the feasibility of the concept and its benefits in cost reduction and support to the warfighter.			

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency		DATE: February 2012
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 3: *Advanced Technology Development (ATD)*	R-1 ITEM NOMENCLATURE PE 0603712S: *Logistics Research and Development Technology (Log R&D)*	PROJECT 2: *Weapon System Sustainment (WSS)*

B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
Other new FY2012 projects in the planning process area will be initiated as a result of problem definition efforts undertaken with the planning process team in FY2011 and early FY2012. One of three projects completing in FY2012 will transition in FY2012. Technical/Quality Process Improvement: The PQDR Analysis Tool will be transitioned to full operation across the DLA enterprise as part of the product Data Reporting and Evaluation Program at NAVSEA Portsmouth, whose intention is to ultimately make it available throughout DoD. The projects to transition the Counterfeit Parts Strategic Roadmap and Product Verification Process improvements will be completed during the year. Efforts to support the Connectors Working Group and to demonstrate the feasibility of DMA marking to deter counterfeiting will continue through FY2012. New project starts will be defined and initiated in the T/Q interest of areas of modern technical data, supply chain risk and incorporation of green considerations in procurements by joint planning with the T/Q process owner, and activities initiated as appropriate. All of the three projects completing in FY2012 will transition in FY2012. Procurement Process Improvement: The Decision Support Pilot project to evaluate the capabilities of a number of commercially available tools to detect fraudulent practices early – before award if possible – and define requirements for a DLA-wide decision support capability will be continued through the year. Efforts will be made to work with J7 procurement policy personnel to identify additional projects for initiation in FY2012 and FY2013. No projects will complete in FY2012.			
FY 2013 Plans: Planning Process Improvement: Efforts to transition Peak Policy and Next Generation will be supported as required. The FY2012 Supplier Managed Inventory and FMS Prime Vendor projects, and any other new starts in FY2012, will be continued or concluded as appropriate. New projects for FY2013 will be initiated as a result of planning efforts joint with the Planning Process owner and his team in FY2012 and FY2013. Technical/Quality Process Improvement: The Connectors working Group and DNA Marking Feasibility will be completed, and any required follow-on efforts defined. New starts in FY2012 will be continued or concluded as appropriate. New projects for FY2013 will be initiated as a result of planning efforts joint with the T/Q Process owner and her team in FY2012 and FY2013. Procurement Process Improvement: The Decision Support Pilot project will be completed and any required follow-on efforts initiated. New starts in FY2012 will be continued or concluded as appropriate. Efforts will be made to work with J7 procurement policy personnel to identify additional projects for initiation in FY2013 and FY2014.			
Accomplishments/Planned Programs Subtotals	5.462	5.564	5.765

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency		DATE: February 2012
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 3: *Advanced Technology Development (ATD)*	R-1 ITEM NOMENCLATURE PE 0603712S: *Logistics Research and Development Technology (Log R&D)*	PROJECT 2: *Weapon System Sustainment (WSS)*

C. Other Program Funding Summary ($ in Millions)

N/A

D. Acquisition Strategy

N/A

E. Performance Metrics

The metric is percent of completing demonstration projects transitioning per year. In FY 2011, six of seven completed projects transitioned. In FY2012, 4 of 6 completing projects will transition.

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency			DATE: February 2012
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 3: *Advanced Technology Development (ATD)*	R-1 ITEM NOMENCLATURE PE 0603712S: *Logistics Research and Development Technology (Log R&D)*	PROJECT 3: *Supply Chain Management (SCM)*	

COST ($ in Millions)	FY 2011	FY 2012	FY 2013 Base	FY 2013 OCO	FY 2013 Total	FY 2014	FY 2015	FY 2016	FY 2017	Cost To Complete	Total Cost
3: *Supply Chain Management (SCM)*	3.868	3.443	3.811	-	3.811	3.360	3.344	3.386	3.435	Continuing	Continuing

A. Mission Description and Budget Item Justification

DLA operates in a very dynamic environment. To meet customer expectations DLA must be able to address problems in a timely manner and be able to respond to emerging opportunities. The Supply Chain Management Program within R&D provides the Agency with the resources needed to quickly take advantage of new ideas emerging from the Center Commanders, Process Owners, or Staff Directors.

B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
Title: Supply Chain Management Accomplishments/Plans	3.868	3.443	3.811
FY 2011 Accomplishments: During FY 11 the Supply Chain Management will be conducting a number of supply chain analyses to identify emerging strategies for achieving DLA goals. These analyses will be aimed at improving interface among DLA, DLA's customers, and the DLA supplier base. In particular, SCM will be examining the emerging technologies associated with engineering data capture, archiving, and discrimination.			
FY 2012 Plans: During FY 12 Supply Chain Management will invest in the technologies to implement advanced Supply Chain Management techniques into DLA's Supply Chains. DLA is expecting to reduce the Production Lead-time needed to produce critical DLA Land and Maritime items.			
FY 2013 Plans: During FY 13 Supply Chain Management will invest in the technologies to implement advanced Supply Chain Management techniques into DLA's Supply Chains. DLA is expecting to reduce the Production Lead-time needed to produce critical DLA Land and Maritime items.			
Accomplishments/Planned Programs Subtotals	3.868	3.443	3.811

C. Other Program Funding Summary ($ in Millions)

N/A

D. Acquisition Strategy

Competitive Broad Area Announcement.

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency		DATE: February 2012
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E. Performance Metrics

Implementation of advanced technologies into DLA's supply chain operations.

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency			DATE: February 2012
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COST ($ in Millions)	FY 2011	FY 2012	FY 2013 Base	FY 2013 OCO	FY 2013 Total	FY 2014	FY 2015	FY 2016	FY 2017	Cost To Complete	Total Cost
4: *Strategic Distribution & Reutilization (SDR)*	3.486	5.571	5.806	-	5.806	3.787	3.853	3.919	3.986	Continuing	Continuing

A. Mission Description and Budget Item Justification

This program, which through FY13 is completing improvements and extensions to DLA distribution and disposition capabilities—especially for deployed warfighters—will shift focus in FY14 to developing and implementing improvements to DLA Distribution and DLA Disposition Services in the Continental United States (CONUS). This will include technology enhancements to operations and processes in distribution centers and disposition offices. Transition organizations are DLA Distribution and DLA Disposition Services.

B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
Title: Strategic Distribution & Reutilization (SDR) Accomplishments / Planned Program	3.486	5.571	5.806
FY 2011 Accomplishments: Established and transitioned DLA Disposition Services Simulation Lab. Developed first phase of Stock Positioning Extended (SPX) improvements to the Integrated Consumable Item Support (ICIS) system to facilitate expeditionary stock planning. Developed and planned demonstration of distribution capabilities to support overseas disaster recovery missions. Conducted business case analysis of First-Destination Transportation & Packaging Initiative (FDTPI) concept in preparation for concept trials. Planned implementation of the Industrial Base Extension & Execution (IBex2) system.			
FY 2012 Plans: Complete, demonstrate, and assess SPX and humanitarian distribution capabilities. Begin initial trials of FDTPI. Begin development, demonstration, and transition of IBex2 capabilities. Support technology transition planning.			
FY 2013 Plans: Complete transition SPX, humanitarian distribution, and IBex2 capabilities. Complete FDTPI trials and transition successful practices into operations. Roadmap technology insertions in distribution and disposition operations.			
Accomplishments/Planned Programs Subtotals	3.486	5.571	5.806

C. Other Program Funding Summary ($ in Millions)

N/A

D. Acquisition Strategy

N/A

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency		DATE: February 2012
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E. Performance Metrics

N/A

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency			DATE: February 2012
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COST ($ in Millions)	FY 2011	FY 2012	FY 2013 Base	FY 2013 OCO	FY 2013 Total	FY 2014	FY 2015	FY 2016	FY 2017	Cost To Complete	Total Cost
5: *Energy Readiness Program (ERP)*	2.113	3.606	3.966	-	3.966	2.265	2.305	2.344	2.384	Continuing	Continuing

A. Mission Description and Budget Item Justification

Program Management Office Support (PMO) for developing program strategies and goals, preparing documentation for the program, and performing quick reaction studies, including Congressionally Mandated Studies (CMS), and analysis. Alternate Energy Development (AED) to include test and certification to support the addition of synthetic and alternative fuels to mobility fuel specifications and acquisition plan; renewable fuels studies and planning; continued study of directives related to the implementation of alternative fuels and renewable energy. Improving Class IIIB supply chain through Current Product Improvement (CPI) (e.g. the study and development of fuel additives; studies to increase sources of supply), and Infrastructure & Process Improvement (IPI) (e.g. the development of analytical tools).

B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
Title: Energy Readiness Program (ERP) Accomplishments/Plans	2.113	3.606	3.966
FY 2011 Accomplishments: In FY 5 projects were completed and 4 project transitioned (80%) Continued PMO support in program implementation and planning ($.329 PMO/CMS), Continued support of alternative/renewable energy solution study, test, and demonstration, and initiated study of alternative fuel feedstocks ($0.844 AED). Continued support of Aerospace Kerosene Qualification Model Development ($0.15 IPI). Continued support of testing and approval of additional +100 Thermal Stability Additives ($.300 CPI). Initiated collapsible nitrile fuel storage tank study ($.5 IPI).			
FY 2012 Plans: Continued PMO support in program implementation and planning ($.469 PMO/CMS), Continued support of alternative/renewable energy solution study, test, and demonstration ($.7 AED). Support of increased use of commercial specification fuel to increase sources of supply and reduce cost ($1.5 CPI). Continued support to developed improved petroleum quality surveillance processes by testing equipment to monitor quality of biodiesel, and aviation fuel ($1 IPI).			
FY 2013 Plans: Continued PMO support in program implementation and planning ($.566 PMO/CMS). Continued support of alternative/ renewable energy solution study, test, and demonstration ($1. AED). Continued support Class IIIB supply chain through product improvement to increase sources, improve quality, and reduce cost. ($1.4 CPI). Continue to support infrastructure & process improvements ($1 IPI).			
Accomplishments/Planned Programs Subtotals	2.113	3.606	3.966

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency		DATE: February 2012
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C. Other Program Funding Summary ($ in Millions)

N/A

D. Acquisition Strategy

N//A

E. Performance Metrics

FY12 – Transition of 30% of completed demonstration programs.
FY13 - Transition of 30% of completed demonstration programs.

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency			DATE: February 2012
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 3: *Advanced Technology Development (ATD)*	R-1 ITEM NOMENCLATURE PE 0603712S: *Logistics Research and Development Technology (Log R&D)*	PROJECT 6 : *Defense Logistics Information Research (DLIR)*	

COST ($ in Millions)	FY 2011	FY 2012	FY 2013 Base	FY 2013 OCO	FY 2013 Total	FY 2014	FY 2015	FY 2016	FY 2017	Cost To Complete	Total Cost
6 : *Defense Logistics Information Research (DLIR)*	2.237	2.280	2.357	-	2.357	2.396	2.438	2.480	2.522	Continuing	Continuing

A. Mission Description and Budget Item Justification

The Defense Logistics Information Research (DLIR) program objective is to research, identify, and implement potential or existing technologies using high-risk, high-payoff tools, methods, techniques, and products. The DLIR program partners with commercial industry to perform short-term projects (STPs) in various logistics business areas which align with the Defense Logistics Agency's (DLA's) strategic vision. DLIR improves functional and business processes using the latest technologies available, which support the nation's warfighter. The technical areas of interest are:

1.) Development of Logistics Data Interoperability & Availability. Enhances the functionality and compatibility of data in a complex data environment using supply chain relationships and lifecycle management to allow flexible visibility. 2.) Next Generation Automated Electronic Commerce and Sourcing. The Next Generation Automated Electronic Commerce and Sourcing technical area of interest focuses on employing the best of breed processes, practices, and technology to enable and/or streamline electronic commerce from the customer's point-of-need to point-of-satisfaction.

DLIR is working several short term projects in the first area of interest only.

B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
Title: Defense Logistics Information Research (DLIR) Accomplishments/Plans	2.237	2.280	2.357
FY 2011 Accomplishments: DLIR successfully completed a large portion of exchanging Model Based (3D) technical data on the A-10 wing replacement project. This effort relates to Technical Data Package (TDP) business process improvement and enabling Logistical Product Data to be automatically extracted from Model Based tech data being delivered by Original Equipment Manufacturers. The intent is to move away from paper-based technical data and move to computer-based models to obtain data. This will allow DLA to obtain more and better quality data. DLIR successfully developed a web based contractor hosted Parametric search tool that allows DLA the opportunity to enhance Parts Management. These tools are being pursued in order to provide Defense Logistics Information Service with more productive and efficient technologies by enhancing the use of information technology and reducing the human footprint required. Using advanced technologies to capture technical data and identifying what technical data is needed for logistics will improve the quantity and quality of logistics information. This will enable DLA Logistics Information Service to manage its resources better and provide more			

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency		DATE: February 2012
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 3: *Advanced Technology Development (ATD)*	R-1 ITEM NOMENCLATURE PE 0603712S: *Logistics Research and Development Technology (Log R&D)*	PROJECT 6 : *Defense Logistics Information Research (DLIR)*

B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
services by reducing costs and improving productivity. It will also reduce costs by improving the quality and quantity of logistics information. ***FY 2012 Plans:*** DLIR plans to enhance the Model Based effort mentioned above to become more robust and scalable. Additionally, we will work to establish an enterprise wide technology and requirements roadmap so DLA may be able to take advantage of this new data paradigm. For the Parametric search tool, DLIR is developing a Functional Requirements Document that will capture requirements from all functional users and enable portions of the technology and application to reside behind the DLA firewall. ***FY 2013 Plans:*** Continue to work on automated tools and processes that allow DLA to extract data from multiple sources seamlessly			
Accomplishments/Planned Programs Subtotals	2.237	2.280	2.357

C. Other Program Funding Summary ($ in Millions)

N/A

D. Acquisition Strategy

N/A

E. Performance Metrics

Improved quality of logistics data.

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency			DATE: February 2012
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 3: *Advanced Technology Development (ATD)*	R-1 ITEM NOMENCLATURE PE 0603712S: *Logistics Research and Development Technology (Log R&D)*	PROJECT 7: *Tent Network for Technology Implementation (TENTNET)*	

COST ($ in Millions)	FY 2011	FY 2012	FY 2013 Base	FY 2013 OCO	FY 2013 Total	FY 2014	FY 2015	FY 2016	FY 2017	Cost To Complete	Total Cost
7: *Tent Network for Technology Implementation (TENTNET)*	-	-	-	-	-	-	-	-	-	Continuing	Continuing

A. Mission Description and Budget Item Justification

The purpose of the TENTNET program is to significantly improve supply chain surge capabilities for military tent requirements. The program is building a community of practice amongst DLA, academia, and industry to help identify supply chain bottlenecks and structure short term R&D projects to address these bottlenecks.

B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
Title: TENTNET Accomplishments/Plans	-	-	-
Description: E-Mall Access for TENTNET: This project will make it possible for MilSpec Tent information to be available to all EMALL users. It will expand the number of tent and shelter products that have rich technical and performance information available on DOD EMALL. The project is structured to benefit the entire tent manufacturing community by making their product more visible and, more importantly, it will improve the quality of product information available to the warfighter. Plans include completing data collection and web design for three additional MILSPEC tents, complete modifications, and develop web-based training capability. Extension of Supply Chain Simulation project: This represents additional tasking for an existing project. The project will simulate the capability of the tent supply chain to surge production under varying conditions and requirements. We expect this project to produce an effective decision making tool for DLA's Industrial Capabilities Programs allowing program management to evaluate the effect of placing buffer stocks at various levels within the supply chain. Anticipate completion by Sept 2011. ***FY 2011 Accomplishments:*** Funds realigned to SCM.			
Accomplishments/Planned Programs Subtotals	-	-	-

C. Other Program Funding Summary ($ in Millions)

N/A

D. Acquisition Strategy

N/A

Exhibit R-2A, RDT&E Project Justification: PB 2013 Defense Logistics Agency		DATE: February 2012
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 3: *Advanced Technology Development (ATD)*	R-1 ITEM NOMENCLATURE PE 0603712S: *Logistics Research and Development Technology (Log R&D)*	PROJECT 7: *Tent Network for Technology Implementation (TENTNET)*

E. Performance Metrics

The goal of the program is to transition positive project results to industry, assuming there is a credible business case to do so. With this goal in mind, each STP team will develop a set of key performance parameters (KPPs) at the onset of the project – the KPPs will be used to measure the success of the technology or process improvement involved.