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Exhibit R-2, RDT&E Budget Item Justification: PB 2014 Air Force	DATE: April 2013
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APPROPRIATION/BUDGET ACTIVITY 3600: <i>Research, Development, Test & Evaluation, Air Force</i> BA 7: <i>Operational Systems Development</i>	R-1 ITEM NOMENCLATURE PE 0305145F: <i>Arms Control Implementation</i>
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COST (\$ in Millions)	All Prior Years	FY 2012	FY 2013 [#]	FY 2014 Base	FY 2014 OCO ^{##}	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	Cost To Complete	Total Cost
Total Program Element	-	0.000	4.000	1.430	-	1.430	15.100	7.640	0.760	0.000	Continuing	Continuing
675039: <i>B-52 Modernization</i>	-	0.000	4.000	0.000	-	0.000	0.000	0.000	0.000	0.000	Continuing	Continuing
675063: <i>Open Skies Sensors</i>	-	0.000	0.000	1.430	-	1.430	15.100	7.640	0.760	0.000	Continuing	Continuing

[#] FY 2013 Program is from the FY 2013 President's Budget, submitted February 2012

^{##} The FY 2014 OCO Request will be submitted at a later date

Note

New Start Effort:

In FY14 675063, Open Skies Sensors includes new start efforts.

In FY14 funding totals include \$1.430M.

The Open Skies Sensor program is per the direction of the Presidential Policy Directive-15 (PPD-15).

A. Mission Description and Budget Item Justification

BA7 - These programs are in Budget Activity 7, Operational System Development because this budget activity includes development efforts to upgrade systems that have been fielded or have recieved approval for full rate production and anticipate production funding in the current or subsequent fiscal year.

Strategic Plans & Policy Division (A5XP) Mission - Develops future national security strategy concepts including those involving space systems, nuclear weapons and other strategic and high consequence capabilities. Directs, integrates and synchronizes advances in USAF capability to combat Weapons of Mass Destruction. Focal point for USAF arms control policy, implementation and compliance with international treaties and agreements, diplomatic clearances and airspace/aircraft sovereignty issues. Defines and defends the USAF role in ballistic missile defense. Represents USAF in international, interagency, DoD, Joint, inter-Service, COCOM and MAJCOM forums and implementation groups on matters involving national security policy and strategy.

Open Skies Sensors - This program addresses the requirements in the Presidential Policy Directive-15 (PPD-15). The Open Skies Treaty allows signatories to conduct observation flights over each other's territory using fixed-wing, unarmed observation aircraft. The aircraft can use optical cameras, video cameras, sideways-looking synthetic aperture radar, and infrared line scanning devices. There are 34 participating states to the Open Skies Treaty. The Air Force is required to allow overflight of USAF bases per multilateral request; to acquire, operate, and maintain the aircraft and equipment utilized during overflights of partner countries; to provide required sensor media and initial media processing; and to provide airfield servicing, logistics, and maintenance for foreign overflights of the US.

Open Skies Sensors - The OC-135B aircraft supports the implementation of the United States Government (USG) Open Skies Treaty. Mission equipment on the OC-135B includes wet film optical framing and panoramic cameras. The installed cameras are nearly obsolete, frequently unreliable, hard and increasingly expensive to maintain, and repair parts must be individually manufactured. The wet film manufacturers are discontinuing production of the film stock. And, the ultimate imagery

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product customer desires digital format products. This camera replacement program will replace the wet film cameras with modern, digital cameras. Modern, digital cameras will be more reliable, maintainable and cost effective. The customer will be able to more readily use the imagery products. Equipment service life will be extended significantly.

B. Program Change Summary (\$ in Millions)	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014 Base</u>	<u>FY 2014 OCO</u>	<u>FY 2014 Total</u>
Previous President's Budget	0.000	4.000	0.000	-	0.000
Current President's Budget	0.000	4.000	1.430	-	1.430
Total Adjustments	0.000	0.000	1.430	-	1.430
• 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	0.000	0.000	1.430	-	1.430

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Exhibit R-2A, RDT&E Project Justification: PB 2014 Air Force										DATE: April 2013		
APPROPRIATION/BUDGET ACTIVITY 3600: Research, Development, Test & Evaluation, Air Force BA 7: Operational Systems Development					R-1 ITEM NOMENCLATURE PE 0305145F: Arms Control Implementation				PROJECT 675039: B-52 Modernization			
COST (\$ in Millions)	All Prior Years	FY 2012	FY 2013 [#]	FY 2014 Base	FY 2014 OCO ^{##}	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	Cost To Complete	Total Cost
675039: B-52 Modernization	-	0.000	4.000	0.000	-	0.000	0.000	0.000	0.000	0.000	Continuing	Continuing
Quantity of RDT&E Articles		0	0	0		0	0	0	0	0		
# FY 2013 Program is from the FY 2013 President's Budget, submitted February 2012												
## The FY 2014 OCO Request will be submitted at a later date												
A. Mission Description and Budget Item Justification												
Arms Control Activities activation under the New Start Treaty drives the need to modify approximately 28 B-52s to a conventional only role by removing the Nuclear Code Enable Switch and associated equipment. This requires a complete design to remove the equipment from the aircraft and install metal plates prohibiting reinstallation of removed equipment to comply with treaty protocols.												
This program is in Budget Activity 7, Operational System Development because this budget activity includes development efforts to upgrade systems that have been fielded or have received approval for full rate production and anticipate production funding in the current or subsequent fiscal year.												
B. Accomplishments/Planned Programs (\$ in Millions)									FY 2012	FY 2013	FY 2014	
Title: Arms Control Activities									0.000	4.000	0.000	
Description: Develops and validates modification to remove nuclear capability												
FY 2012 Accomplishments: N/A												
FY 2013 Plans: Develop hardware kit to de-mod B-52 aircraft removing the Nuclear Code Enable Switch including technical data.												
FY 2014 Plans: N/A												
Accomplishments/Planned Programs Subtotals									0.000	4.000	0.000	
C. Other Program Funding Summary (\$ in Millions)												
Line Item	FY 2012	FY 2013	FY 2014 Base	FY 2014 OCO	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	Cost To Complete	Total Cost	
• APAF: BA05: Line Item #	0.000	0.000	0.500		0.500	0.200	0.100	0.200	0.000	0.000	1.000	
B05200: B-52												

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Exhibit R-2A, RDT&E Project Justification: PB 2014 Air Force										DATE: April 2013	
APPROPRIATION/BUDGET ACTIVITY 3600: <i>Research, Development, Test & Evaluation, Air Force</i> BA 7: <i>Operational Systems Development</i>					R-1 ITEM NOMENCLATURE PE 0305145F: <i>Arms Control Implementation</i>			PROJECT 675039: <i>B-52 Modernization</i>			
C. Other Program Funding Summary (\$ in Millions)											
			<u>FY 2014</u>	<u>FY 2014</u>	<u>FY 2014</u>					<u>Cost To</u>	
<u>Line Item</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Base</u>	<u>OCO</u>	<u>Total</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Complete</u>	<u>Total Cost</u>
Remarks											
D. Acquisition Strategy											
Arms Control Activities will be Sole Source to Boeing on the Engineering Sustainment Program (ESP) Contract											
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 2014 Air Force													DATE: April 2013		
APPROPRIATION/BUDGET ACTIVITY 3600: Research, Development, Test & Evaluation, Air Force BA 7: Operational Systems Development							R-1 ITEM NOMENCLATURE PE 0305145F: Arms Control Implementation				PROJECT 675039: B-52 Modernization				
Product Development (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Arms Control, New Start Treaty	SS/CPFF	Boeing:Wichita, KS	-	0.000		4.000	Jan 2013	0.000		-		0.000	0.000	4.000	4.000
Subtotal			0.000	0.000		4.000		0.000		0.000		0.000	0.000	4.000	4.000
Support (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Subtotal			0.000	0.000		0.000		0.000		0.000		0.000	0.000	0.000	0.000
Test and Evaluation (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Subtotal			0.000	0.000		0.000		0.000		0.000		0.000	0.000	0.000	0.000
Management Services (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Subtotal			0.000	0.000		0.000		0.000		0.000		0.000	0.000	0.000	0.000
			All Prior Years	FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals			0.000	0.000		4.000		0.000		0.000		0.000	0.000	4.000	4.000
Remarks															

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Exhibit R-4, RDT&E Schedule Profile: PB 2014 Air Force		DATE: April 2013
APPROPRIATION/BUDGET ACTIVITY 3600: <i>Research, Development, Test & Evaluation, Air Force</i> BA 7: <i>Operational Systems Development</i>	R-1 ITEM NOMENCLATURE PE 0305145F: <i>Arms Control Implementation</i>	PROJECT 675039: <i>B-52 Modernization</i>

Arms Control Activities, New Start Treaty

	FY11	FY12	FY13	FY14	FY15	FY16	FY17
B-52 Kit Development							

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Exhibit R-4A, RDT&E Schedule Details: PB 2014 Air Force		DATE: April 2013
APPROPRIATION/BUDGET ACTIVITY 3600: <i>Research, Development, Test & Evaluation, Air Force</i> BA 7: <i>Operational Systems Development</i>	R-1 ITEM NOMENCLATURE PE 0305145F: <i>Arms Control Implementation</i>	PROJECT 675039: <i>B-52 Modernization</i>

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
Kit Development	1	2013	4	2013

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Exhibit R-2A, RDT&E Project Justification: PB 2014 Air Force										DATE: April 2013		
APPROPRIATION/BUDGET ACTIVITY 3600: Research, Development, Test & Evaluation, Air Force BA 7: Operational Systems Development					R-1 ITEM NOMENCLATURE PE 0305145F: Arms Control Implementation				PROJECT 675063: Open Skies Sensors			
COST (\$ in Millions)	All Prior Years	FY 2012	FY 2013 [#]	FY 2014 Base	FY 2014 OCO ^{##}	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	Cost To Complete	Total Cost
675063: Open Skies Sensors	-	0.000	0.000	1.430	-	1.430	15.100	7.640	0.760	0.000	Continuing	Continuing
Quantity of RDT&E Articles		0	0	0		0	0	0	0	0		
# FY 2013 Program is from the FY 2013 President's Budget, submitted February 2012												
## The FY 2014 OCO Request will be submitted at a later date												
Note												
In FY14 675063, Open Skies Sensors includes new start efforts.												
In FY14 funding totals include \$1.430M per the direction of the Presidential Policy Directive-15 (PPD-15).												
A. Mission Description and Budget Item Justification												
The OC-135B Support implementation of the United States Government (USG) Open Skies Treaty commitment. Mission equipment includes wet film optical framing and panoramic cameras. Installed cameras are nearly obsolete, frequently unreliable, hard and increasingly expensive to maintain, and repair parts must be individually manufactured. In addition, the web film manufacturers are discontinuing production of the film stock. And, the ultimate imagery product customer desires digital format products. This camera replacement program will replace the wet film cameras with modern, digital cameras. This program will result in modern, digital cameras with higher reliability, maintainability and cost effective. The customer of the imagery will be able to more readily use the imagery products. Equipment service life will be extended significantly.												
Open Skies Sensors - This program addresses the requirements in the Presidential Policy Directive-15 (PPD-15). The Open Skies Treaty allows signatories to conduct observation flights over each other's territory using fixed-wing, unarmed observation aircraft. The aircraft can use optical cameras, video cameras, sideways-looking synthetic aperture radar, and infrared line scanning devices. There are 34 participating states to the Open Skies Treaty. The Air Force is required to allow over flight of USAF bases per multilateral request; to acquire, operate, and maintain the aircraft and equipment utilized during over flights of partner countries; to provide required sensor media and initial media processing; and to provide airfield servicing, logistics, and maintenance for foreign over flights of the US.												
Open Skies Sensors - The OC-135B aircraft supports the implementation of the United States Government (USG) Open Skies Treaty. Mission equipment on the OC-135B includes wet film optical framing and panoramic cameras. The installed cameras are nearly obsolete, frequently unreliable, hard and increasingly expensive to maintain, and repair parts must be individually manufactured. The wet film manufacturers are discontinuing production of the film stock. And, the ultimate imagery product customer desires digital format products. This camera replacement program will replace the wet film cameras with modern, digital cameras. Modern, digital cameras will be more reliable, maintainable and cost effective. The customer will be able to more readily use the imagery products. Equipment service life will be extended significantly.												
B. Accomplishments/Planned Programs (\$ in Millions)										FY 2012	FY 2013	FY 2014
Title: Open Skies Sensors										0.000	0.000	1.430

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Exhibit R-2A, RDT&E Project Justification: PB 2014 Air Force								DATE: April 2013			
APPROPRIATION/BUDGET ACTIVITY 3600: <i>Research, Development, Test & Evaluation, Air Force</i> BA 7: <i>Operational Systems Development</i>				R-1 ITEM NOMENCLATURE PE 0305145F: <i>Arms Control Implementation</i>				PROJECT 675063: <i>Open Skies Sensors</i>			
B. Accomplishments/Planned Programs (\$ in Millions)								FY 2012	FY 2013	FY 2014	
Description: Replace existing Open Skies aircraft with digital cameras.											
FY 2014 Plans: Conduct research supporting design and intergration of the new digital cameras.											
Accomplishments/Planned Programs Subtotals								0.000	0.000	1.430	
C. Other Program Funding Summary (\$ in Millions)											
<u>Line Item</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u> <u>Base</u>	<u>FY 2014</u> <u>OCO</u>	<u>FY 2014</u> <u>Total</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
• RDTE: BA07: PE0305145F: <i>Open Skies Sensors</i>	0.000	0.000	0.000		0.000	0.000	3.684	8.100	5.045	Continuing	Continuing
Remarks											
D. Acquisition Strategy Open Skies Sensors - The strategy is a full and open competition contract to accomplish the task of performing analysis, testing, software development, prototypes, documentation of source data, and integrating a new digital camera system on the OC-135B and updating the Open Skies Medial Processing Facility (OSMPF). Undetermined industry provider will be responsible for acquiring the necessary information and personnel to integrate each item stated above into the OC-135B legacy systems and for developing and subcontracting the components.											
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 2014 Air Force												DATE: April 2013			
APPROPRIATION/BUDGET ACTIVITY						R-1 ITEM NOMENCLATURE				PROJECT					
3600: Research, Development, Test & Evaluation, Air Force BA 7: Operational Systems Development						PE 0305145F: Arms Control Implementation				675063: Open Skies Sensors					
Product Development (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Open Skies Sensors - NRE, Engineering, Development and Prototype Subtotal Product Development	C/FFP	Various:Various,	-	0.000		0.000		0.500	May 2014	-		0.500	Continuing	Continuing	15.500
Subtotal			0.000	0.000		0.000		0.500		0.000		0.500			15.500
Support (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Sub Total Support	Various	Various:Various,	-	0.000		0.000		0.430	Apr 2014	-		0.430	Continuing	Continuing	1.900
Subtotal			0.000	0.000		0.000		0.430		0.000		0.430			1.900
Test and Evaluation (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Open Skies Sensor development ground and flight testing for imagery collection	PO	Various:Various,	-	0.000		0.000		0.000		-		0.000	Continuing	Continuing	2.500
Subtotal			0.000	0.000		0.000		0.000		0.000		0.000			2.500
Management Services (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Open Skies Sensors TDY (PMA) SubTotal Management Services	Various	Various:Various,	-	0.000		0.000		0.500	Mar 2014	-		0.500	Continuing	Continuing	1.550

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Management Services (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Subtotal			0.000	0.000		0.000		0.500		0.000		0.500			1.550

	All Prior Years	FY 2012	FY 2013	FY 2014 Base	FY 2014 OCO	FY 2014 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals	0.000	0.000	0.000	1.430	0.000	1.430			21.450

Remarks