

# UNCLASSIFIED

Exhibit R-2, RDT&E Budget Item Justification: FY 2018 Air Force										Date: May 2017		
Appropriation/Budget Activity 3600: Research, Development, Test & Evaluation, Air Force I BA 7: Operational Systems Development					R-1 Program Element (Number/Name) PE 0304310F I Commercial Economic Analysis							
COST (\$ in Millions)	Prior Years	FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total	FY 2019	FY 2020	FY 2021	FY 2022	Cost To Complete	Total Cost
Total Program Element	-	0.000	0.000	3.544	0.000	3.544	3.498	3.778	4.079	4.416	Continuing	Continuing
675896: Commercial Economic Analysis	-	0.000	0.000	3.544	0.000	3.544	3.498	3.778	4.079	4.416	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

## Note

This program, BA 07 PE 0304310F, project 675896, Commercial Economic Analysis, is a new start.

## A. Mission Description and Budget Item Justification

The Office of Commercial Economic Analysis (OCEA) will produce in-depth analytical assessments and advanced risk mitigation strategies based on commercially available industry, market and economic information. These assessments and strategies will support the decision making efforts of Service, Department of Defense, and Whole of Government to protect Defense Industrial Base (DIB) equities and sustain the U.S. competitive advantage.

The funding request provides for an enterprise Information Technology (IT) platform providing a technical prototype which will aggregate risk data and produce mitigation strategies and impact analysis products. The funding also supports continuous assessment of the commercially available information to ensure it is accurate, current, and relevant.

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. Program Change Summary (\$ in Millions)	FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total
Previous President's Budget	0.000	0.000	0.000	0.000	0.000
Current President's Budget	0.000	0.000	3.544	0.000	3.544
Total Adjustments	0.000	0.000	3.544	0.000	3.544
• Congressional General Reductions	0.000	0.000			
• Congressional Directed Reductions	0.000	0.000			
• Congressional Rescissions	0.000	0.000			
• Congressional Adds	0.000	0.000			
• Congressional Directed Transfers	0.000	0.000			
• Reprogrammings	0.000	0.000			
• SBIR/STTR Transfer	0.000	0.000			
• Other Adjustments	0.000	0.000	3.544	0.000	3.544

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<p><b>Change Summary Explanation</b></p> <p>FY 2018: The Commercial Economic Analysis (CEA) program is a new start activity.</p>											
<b>C. Accomplishments/Planned Programs (\$ in Millions)</b>								<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	
<p><b>Title:</b> Commercial Economic Analysis</p> <p><b>Description:</b> Develop solutions to help protect the Defense Industrial Base from adversary information attacks and protect the U.S. technological advantage. Research, develop, test and evaluate Commercial Economic Analysis capabilities, systems, tools, products and services through a disciplined, yet agile, process that ensures commercial economic modeling pilots, risk management construct, decision support tools, and continuous monitoring capabilities are available for Air Force sectors and segments of the Defense Industrial Base.</p> <p><b>FY 2016 Accomplishments:</b> N/A</p> <p><b>FY 2017 Plans:</b> N/A</p> <p><b>FY 2018 Plans:</b> Utilize existing contracts for four modular components that will expand classified commercial economic analyses and establish an initial operational capability in FY18. The four components include: CEA Enterprise Architecture and Design; Ontological Discovery/Vector Analysis of Classified Information for Risk Management Construct; Machine Learning for Continuous Assessment; and Assessment, Analysis, and Fusion Tool Integration.</p>								0.000	0.000	3.544	
<b>Accomplishments/Planned Programs Subtotals</b>								0.000	0.000	3.544	
<b>D. Other Program Funding Summary (\$ in Millions)</b>											
<u>Line Item</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u> <u>Base</u>	<u>FY 2018</u> <u>OCO</u>	<u>FY 2018</u> <u>Total</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>Cost To Complete</u>	<u>Total Cost</u>
• N/A: N/A	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-	-
<b>Remarks</b>											
<p><b>E. Acquisition Strategy</b></p> <p>Competitively award a contract around July 2017, using Operation and Maintenance, Air Force funding, for the purchase of commercially available data. This contract will have an option that can be exercised upon receipt of FY 2018 appropriations to develop the prototype system upon which the data will run. Will also use a previously competed, existing contract for the other software modules.</p>											

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<b>F. Performance Metrics</b> 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.		