

UNCLASSIFIED

Exhibit R-2, RDT&E Budget Item Justification: PB 2016 Air Force										Date: February 2015		
Appropriation/Budget Activity 3600: Research, Development, Test & Evaluation, Air Force I BA 7: Operational Systems Development					R-1 Program Element (Number/Name) PE 0305202F I Dragon U-2							
COST (\$ in Millions)	Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total	FY 2017	FY 2018	FY 2019	FY 2020	Cost To Complete	Total Cost
Total Program Element	-	13.700	5.511	34.471	-	34.471	17.414	6.942	1.487	-	-	79.525
674820: Sensor Development	-	13.700	5.511	34.471	-	34.471	17.414	6.942	1.487	-	-	79.525
Quantity of RDT&E Articles	-	-	-	-	-	-	1	-	-	-		

A. Mission Description and Budget Item Justification

In the 2013 PB, the Air Force decided to retain the U-2 weapon system instead of retiring it. At that time sustainment efforts and capability upgrades to the platform and sensors were pursued to support National and Combatant Commander requirements.

In the 2015 PB, the Air Force decided to retire the U-2 in 2016. In accordance with 10 U.S.C. 2244a, the U-2 weapon system is identified as Equipment Scheduled For Retirement Or Disposal: Limitation On Expenditures For Modifications, stating that modification to any aircraft (i.e., a given tail number, weapon, or item of equipment that the SECAF plans to retire or otherwise dispose of within 5 years after the date on which the modification would be completed) are prohibited.

In the 2016 PB, the Air Force re-phases U-2 divestiture to begin in FY2019 and to complete no later than FY2020. In accordance with 10 U.S.C. 2244a, the Secretary of the Air Force may waive the prohibition on modifications if the Secretary determines that carrying out the modification is in the national security interest of the United States. Therefore, modifications required to address sustainment issues (diminishing manufacturing sources, vanishing vendor items) or operational utility may be submitted to the Secretary for approval to ensure operational effectiveness and to comply with guidance received in previous and current NDAA's for the timeframe of phased divestiture.

The U-2 Program will continue to address reliability, maintainability, sustainability, and safety issues and support U-2 integration of payloads and capabilities by taking prudent acquisition actions to meet operational requirements, comply with previous NDAA guidance, and IAW 10 U.S.C. Prudent acquisition activities also include trade studies, analyses, preliminary systems engineering, system and subsystem level testing in accordance with DoD and military standards, and specification development in support of both current program planning and execution as well as studies supporting analysis and investment in future U-2 program planning. 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.

UNCLASSIFIED

Exhibit R-2, RDT&E Budget Item Justification: PB 2016 Air Force				Date: February 2015		
Appropriation/Budget Activity 3600: Research, Development, Test & Evaluation, Air Force I BA 7: Operational Systems Development		R-1 Program Element (Number/Name) PE 0305202F I Dragon U-2				
B. Program Change Summary (\$ in Millions)		FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total
Previous President's Budget		13.700	5.511	-	-	-
Current President's Budget		13.700	5.511	34.471	-	34.471
Total Adjustments		-	-	34.471	-	34.471
• Congressional General Reductions		-	-			
• Congressional Directed Reductions		-	-			
• Congressional Rescissions		-	-			
• Congressional Adds		-	-			
• Congressional Directed Transfers		-	-			
• Reprogrammings		-	-			
• SBIR/STTR Transfer		-	-			
• Other Adjustments		-	-	34.471	-	34.471
Change Summary Explanation						
FY16 increase due to AF decision to rephrase U-2 divestiture to FY19						
C. Accomplishments/Planned Programs (\$ in Millions)				FY 2014	FY 2015	FY 2016
Title: U-2 Aircraft Update Block 20.1				4.725	5.011	-
Description: Aircraft sustainment and/or enhancement development includes activities such as, but not limited to, trade studies, analysis, preliminary system engineering, system and subsystem testing or demonstrations, sensor specification development, Avionics Processor (AVP) upgrades, mission planning Joint Mission Planning System (JMPS) migration, Inertial Navigation System (INS) / Global Positioning System (GPS) stellar tracker initiatives, GPS tech Refresh, and tactical data link (L-16, IBS, IFDL, MADL, etc.) design and integration.						
FY 2014 Accomplishments: FY14 Supported aircraft and sensor sustainment efforts such as, sensor designs through critical design review and airframe/ systems sustainment plans, designs, and demonstrations of aircraft avionics, mission planning systems, and airframe sensors.						
FY 2015 Plans: FY15 Supports aircraft sustainment activities such as, but not limited to, sensor sustainment and/or enhancements, avionics, mission planning, and airframe sustainment.						
FY 2016 Plans: No efforts are planned.						
Title: U-2 Payload Update Block 20.1				8.975	0.500	34.471

UNCLASSIFIED

Exhibit R-2, RDT&E Budget Item Justification: PB 2016 Air Force										Date: February 2015		
Appropriation/Budget Activity 3600: <i>Research, Development, Test & Evaluation, Air Force I BA 7: Operational Systems Development</i>					R-1 Program Element (Number/Name) PE 0305202F / <i>Dragon U-2</i>							
C. Accomplishments/Planned Programs (\$ in Millions)										FY 2014	FY 2015	FY 2016
Description: Aircraft payload development supports sustainment and/or enhancement development includes activities such as, but not limited to, trade studies, analysis, preliminary system engineering, system and subsystem testing or demonstrations, sensor specification development, Advanced Synthetic Aperture Radar System (ASARS) development, integration and test, defensive systems, strategic and tactical data link (L-16, IBS, IFDL, MADL, etc.) design and integration. FY 2014 Accomplishments: FY14 supported aircraft and sensors sustainment and/or enhancement activities such as, but not limited to, Advanced Synthetic Aperture Radar System (ASARS) design and development, Avionics Processor (AVP), mission planning Joint Mission Planning System (JMPS) migration, and airframe sustainment. FY 2015 Plans: FY15 supports aircraft and sensors sustainment and/or enhancement activities such as, but not limited to, Advanced Synthetic Aperture Radar System (ASARS) design and development, Avionics Processor (AVP), mission planning Joint Mission Planning System (JMPS) migration, and airframe sustainment. FY 2016 Plans: FY16 will support sensor sustainment and/or enhancement activities such as, but not limited to, Advanced Synthetic Aperture Radar System (ASARS) development, integration and test, defensive systems, and datalinks.												
Accomplishments/Planned Programs Subtotals										13.700	5.511	34.471
D. Other Program Funding Summary (\$ in Millions)												
Line Item	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total	FY 2017	FY 2018	FY 2019	FY 2020	Cost To Complete	Total Cost	
• APAF: BA05: Line Item # 11U200: <i>U-2 Mods</i>	49.547	-	22.095	-	22.095	36.396	26.803	7.535	-	Continuing	Continuing	
• OPAF: BA02: Line Item # 821800: <i>Passenger Carrying Vehicles</i>	0.126	0.064	-	-	-	-	-	-	-	-	0.313	
• RDT&E: BA07: 0305206F: <i>Airborne Reconnaissance Systems</i>	9.739	20.172	19.450	-	19.450	15.769	15.730	14.007	14.257	Continuing	Continuing	
Remarks A portion of funds in Airborne Reconnaissance Systems will be used to support sensor refurbishment and development.												

UNCLASSIFIED

Exhibit R-2, RDT&E Budget Item Justification: PB 2016 Air Force		Date: February 2015
Appropriation/Budget Activity 3600: <i>Research, Development, Test & Evaluation, Air Force I BA 7: Operational Systems Development</i>	R-1 Program Element (Number/Name) PE 0305202F / <i>Dragon U-2</i>	
<u>E. Acquisition Strategy</u> Modifications to existing platform and associated ground control equipment via Engineering Change Proposals (ECPs)/Task Orders on existing USAF contracts. There is associated procurement funding tied to this development activity.		
<u>F. Performance Metrics</u> 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.		

UNCLASSIFIED

Exhibit R-3, RDT&E Project Cost Analysis: PB 2016 Air Force												Date: February 2015			
Appropriation/Budget Activity 3600 / 7						R-1 Program Element (Number/Name) PE 0305202F / Dragon U-2				Project (Number/Name) 674820 / Sensor Development					
Product Development (\$ in Millions)				FY 2014		FY 2015		FY 2016 Base		FY 2016 OCO		FY 2016 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
ASARS	SS/CPFF	Raytheon/Lockheed Martin : El Sugunda, CA	-	8.975	Aug 2014	0.500		34.471		-		34.471	Continuing	Continuing	TBD
Mission Planning System (JMPS)	SS/CPFF	Lockheed Martin Aeronautics : Palmdale, CA	-	0.200	Jun 2014	-		-		-		-	Continuing	Continuing	TBD
Avionics AVP Upgrade/ OMS Analysis	SS/CPFF	Lockheed Martin Aeronautics : Palmdale, CA	-	4.525	Jul 2014	-		-		-		-	-	4.525	TBD
Airframe Sustainment Sensors (LESS)	SS/CPFF	Lockheed Martin Aeronautics : Palmdale, CA	-	-		5.011		-		-		-	-	5.011	TBD
Subtotal			-	13.700		5.511		34.471		-		34.471	-	-	-
Support (\$ in Millions)				FY 2014		FY 2015		FY 2016 Base		FY 2016 OCO		FY 2016 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	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			-	-		-		-		-		-	-	-	-
Test and Evaluation (\$ in Millions)				FY 2014		FY 2015		FY 2016 Base		FY 2016 OCO		FY 2016 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	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			-	-		-		-		-		-	-	-	-
Management Services (\$ in Millions)				FY 2014		FY 2015		FY 2016 Base		FY 2016 OCO		FY 2016 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
PMA: Other Gov't Cost	SS/T&M	Spectrum : Warner Robins, GA	-	-		-		-		-		-	-	-	-

UNCLASSIFIED

Exhibit R-3, RDT&E Project Cost Analysis: PB 2016 Air Force												Date: February 2015		
Appropriation/Budget Activity 3600 / 7					R-1 Program Element (Number/Name) PE 0305202F / <i>Dragon U-2</i>					Project (Number/Name) 674820 / <i>Sensor Development</i>				

Management Services (\$ in Millions)				FY 2014		FY 2015		FY 2016 Base		FY 2016 OCO		FY 2016 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	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			-	-		-		-		-		-	-	-	-

	Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals	-	13.700	5.511	34.471	-	34.471	-	-	-

Remarks

UNCLASSIFIED

Exhibit R-4, RDT&E Schedule Profile: PB 2016 Air Force										Date: February 2015			
Appropriation/Budget Activity					R-1 Program Element (Number/Name)					Project (Number/Name)			
3600 / 7					PE 0305202F / Dragon U-2					674820 / Sensor Development			

	FY 2014				FY 2015				FY 2016				FY 2017				FY 2018				FY 2019				FY 2020			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Advanced Synthetic Aperture Radars System (ASARS)																												
Mission Planning																												

UNCLASSIFIED

Exhibit R-4A, RDT&E Schedule Details: PB 2016 Air Force		Date: February 2015
Appropriation/Budget Activity 3600 / 7	R-1 Program Element (Number/Name) PE 0305202F / <i>Dragon U-2</i>	Project (Number/Name) 674820 / <i>Sensor Development</i>

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
Advanced Synthetic Aperture Radars System (ASARS)	1	2014	4	2018
Mission Planning	1	2014	4	2018