

Missile Defense Program Update For The National Defense Industrial Association



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Overview

- **Current Program Status**
- **FY 2009 President's Budget (PB09) Overview**
- **Special Topics**
 - **European Site Initiative**
 - **MDA Roles and Missions**
 - **Transition and Transfer to Services**
 - **Enhanced Oversight of MDA**
 - **Base Realignment and Closure (BRAC) Update**
 - **Missile Defense Agency Engineering And Support Services (MiDAESS)**



Strategic Overview

- **Fielded an initial capability to defend the U.S. and our allies against ballistic missile attacks which we will expand to meet warfighter needs and future uncertainties**
- **Successfully tested the system in operationally realistic conditions which we will make more challenging as we mature**
- **Building a layered, integrated system consisting of land, sea, and space-based elements in an innovative acquisition approach using “knowledge points”**
- **Addressing the threats working with our allies worldwide and are on track to reach agreements with the Polish and Czech governments for European sites**
- **Managing the prudent investment in missile defense in a very cost-effective way and enjoy the bipartisan support of Congress**

Missile Defense Is An Integral Part Of The Spectrum Of Deterrence



Integrated Ballistic Missile Defense System

Sensors



Defense Support Program



Space Tracking and Surveillance System



Sea-Based Radars



Forward-Based Radar With Adjunct Sensor



Midcourse X-Band Radar



Early Warning Radar



Airborne Laser



Kinetic Energy Interceptor



Aegis Ballistic Missile Defense / Standard Missile-3



Multiple Kill Vehicle



Ground-Based Midcourse Defense



Terminal High Altitude Area Defense



Sea-Based Terminal



Patriot Advanced Capability-3

Command, Control, Battle Management & Communications



NMCC USSTRATCOM USNORTHCOM USPACOM USEUCOM USCENTCOM

Designated Lead Service:

Army

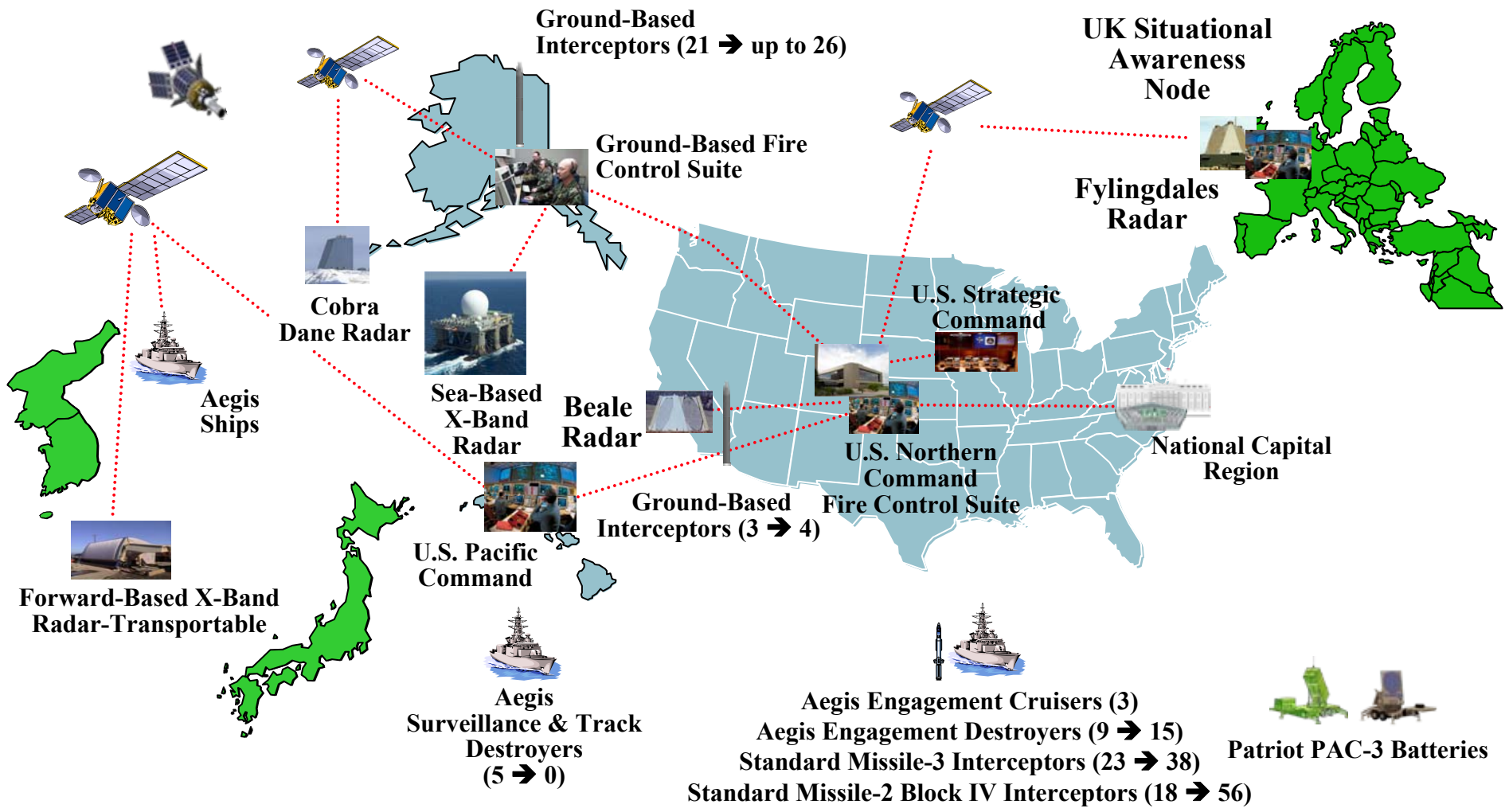
Navy

Air Force

TBD



System Configuration February → End 2008



None Of This BMD Capability Existed In June 2004



Missile Defense Flight Tests

- **34 of 42 Terminal and Midcourse Hit-to-Kill intercepts in the atmosphere and space since 2001**
- **MDA achieved 26 test successes in last 27 flight tests (not including two no-tests), since September 2005**
 - **Since February 2007**
 - **Successful long-range ground-based intercept (September)**
 - **Aegis Standard Missile-3 intercepts of separating and unitary targets (April, June, August, November, December)**
 - **Successful Terminal High Altitude Area Defense (THAAD) intercepts of unitary targets (April, October) and successful controlled test flight (June)**
- **Upcoming tests through June 2008**
 - **One Aegis Standard Missile-2, Block 4 intercept test (Sea-based Terminal)**
 - **One Terminal High Altitude Area Defense intercept against a medium-range (separating) target**
 - **One intercept test of long-range ground-based interceptor**



Summary Of Congressional Action

- **All four Congressional Defense Committees strongly supported MDA's baseline program**
 - **FY08 Appropriations Bill provides \$8.7B out of \$8.9B request for ballistic missile defense activities**
- **The Committees emphasized near-term fielding as a funding priority**
 - **Added funding for Terminal and Aegis BMD capabilities**
 - **Reduced funding for ABL, STSS, Space Test Bed, Special Programs**
- **Additional Areas of Interest**
 - **Construction activities for European Interceptor and Radar Sites**
 - **Acquisition or deployment of operational missiles intended for Europe**
 - **Transition to multiple appropriations beginning in FY09**
 - **Review of MDA's future roles and missions and challenges associated with transition and transfer of BMDS components to the Services**

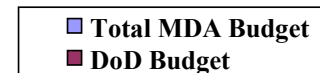
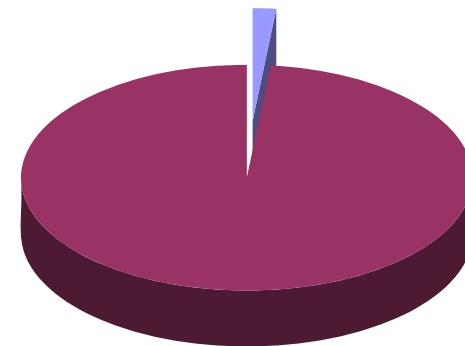


MDA PB09 Budget Overview

- **PB09 continues to field the same capabilities programmed in PB08**
 - **Delivery of some capabilities delayed as necessary to address both Congressional marks and program adjustments**
- **Overall budgetary flexibility is limited by fielding and sustainment commitments and increasing test program complexity**
 - **Fielding and sustainment is \$2.5B in FY09 and \$3.1B in FY10**
 - **Test and test related activities account for \approx \$2.0B a year**
- **Focus is on near-term development and fielding (\$7.0B of \$9.3B in FY09 or 75%)**
- **Responds to identified warfighter requirements and to the Department of Defense Transformation Priorities**

**Total FY09
DoD Budget – \$515.4B**

MDA, \$9.3B, 1.8%





Multiple Appropriations

- **Section 223(b)(2) of the FY08 NDAA requires the FY09 President's Budget for MDA to separately set forth amounts requested for**
 - **Research, development, test, and evaluation (RDT&E)**
 - **Procurement or advance procurement of long lead items, including for THAAD Fire Units 3 and 4 and for Standard Missile-3 (SM-3) Block 1A interceptors**
 - **Military construction (MILCON)**
- **MDA PB09 budget request differs**
 - **FY09 includes RDT&E and MILCON, but no Procurement**
 - **SM-3 Block 1A procurement is RDT&E**
 - **No THAAD Fire Units 3 and 4 Procurement required in FY09**
 - **PB10 to include multiple appropriations (RDT&E, MILCON, Procurement, O&M)**
- **Transition plan to be submitted to Congress NLT 1 MAR 08**



PB09 Uses New Block Structure

- **Past approach**

- A block is a biennial increment of the BMDS that provides an integrated set of capabilities that has been tested as part of the BMDS and assessed to adequately characterize its military utility

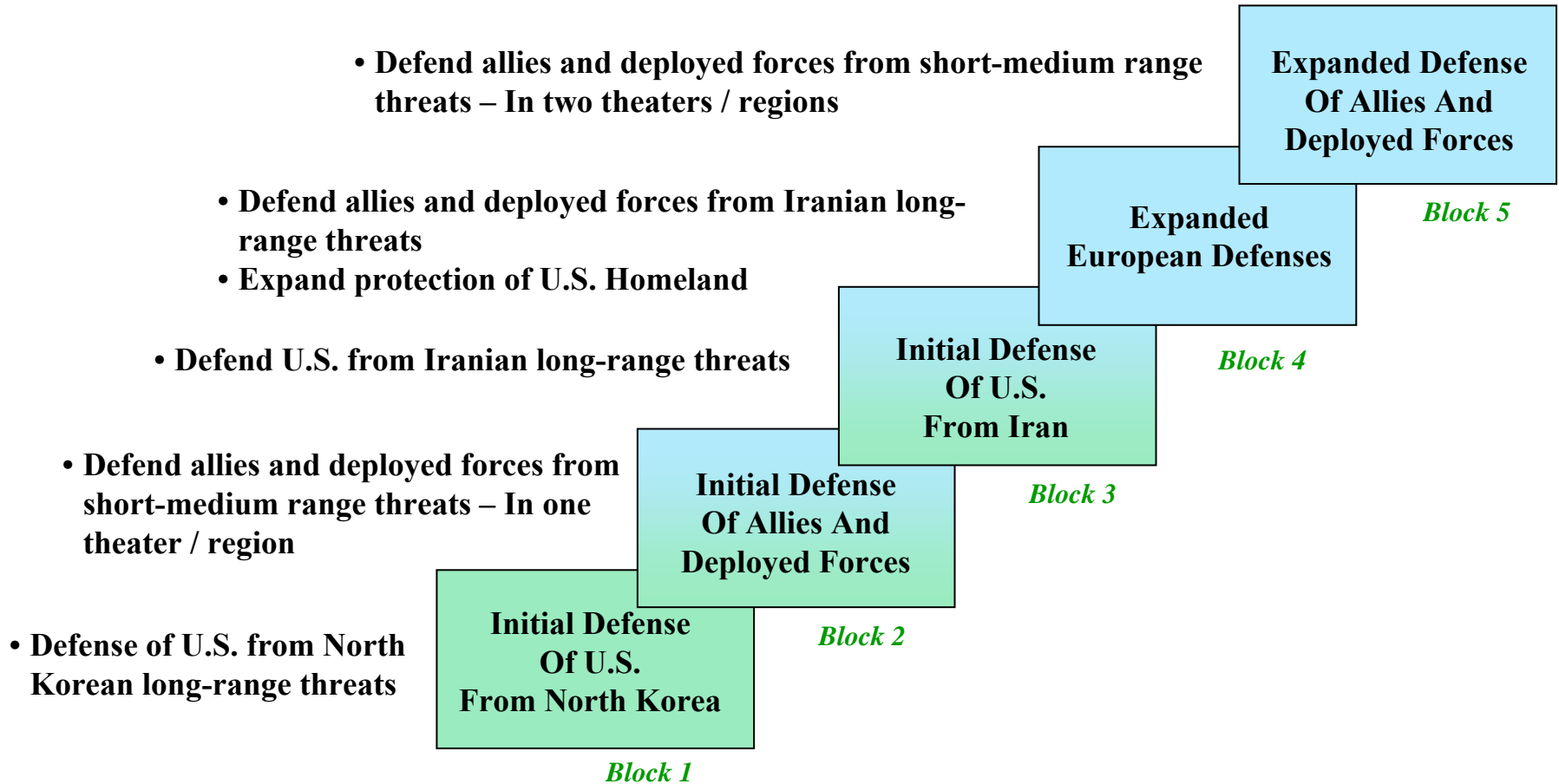
- **New approach**

- Blocks are based on fielded capabilities – not on biennial time periods – that address particular threats
- When MDA believes a firm commitment can be made to the Congress, blocks will have schedule, budget and performance baselines
- Capability development programs such as Airborne Laser (ABL) and Multiple Kill Vehicle (MKV) are excluded from the blocks until they are ready for fielding

- **Designed to address GAO and Congressional concerns about transparency, accountability, and oversight**



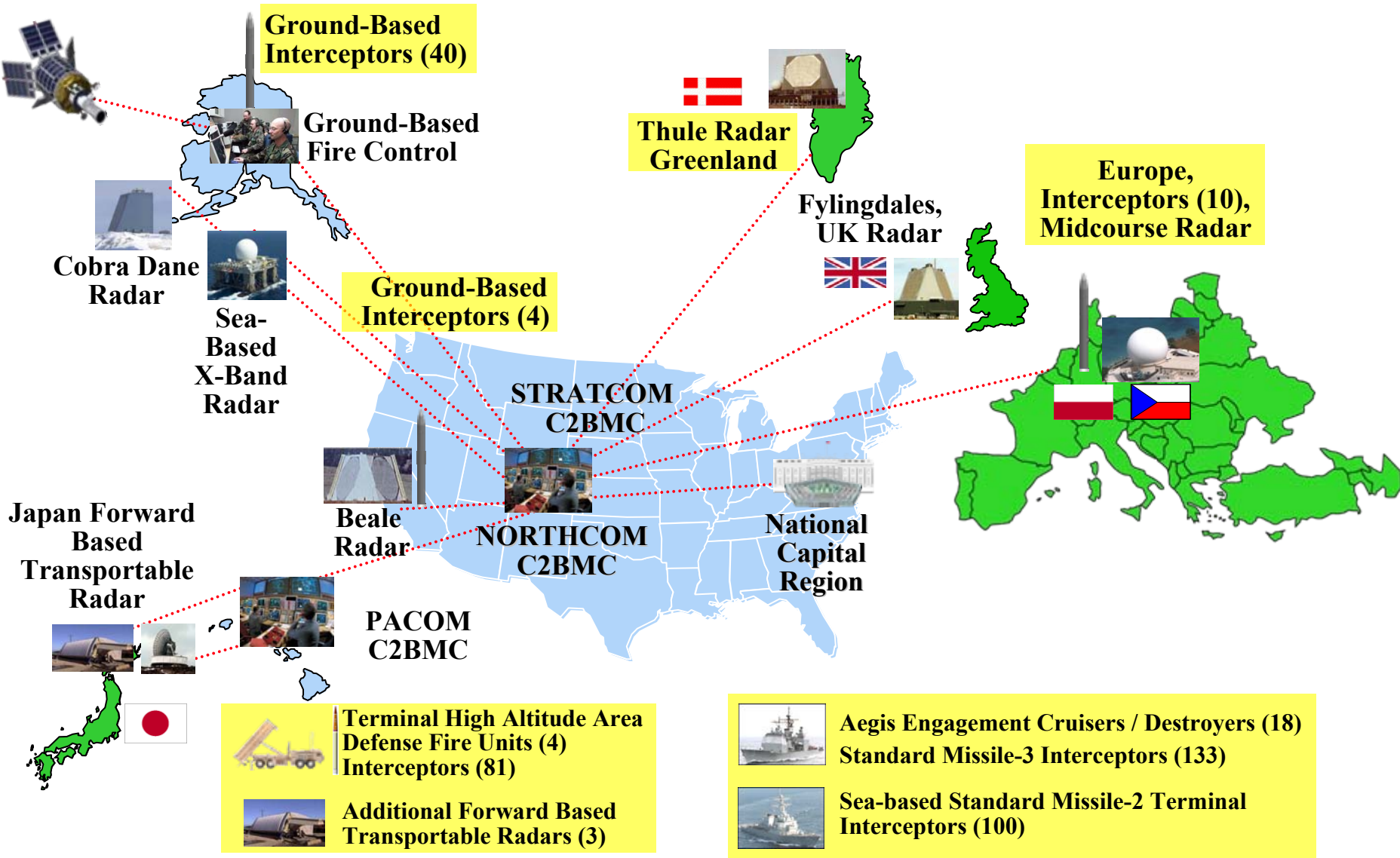
New BMDS Blocks



Delivering BMD Capabilities By Block



BMDS Block Fielding – 2013



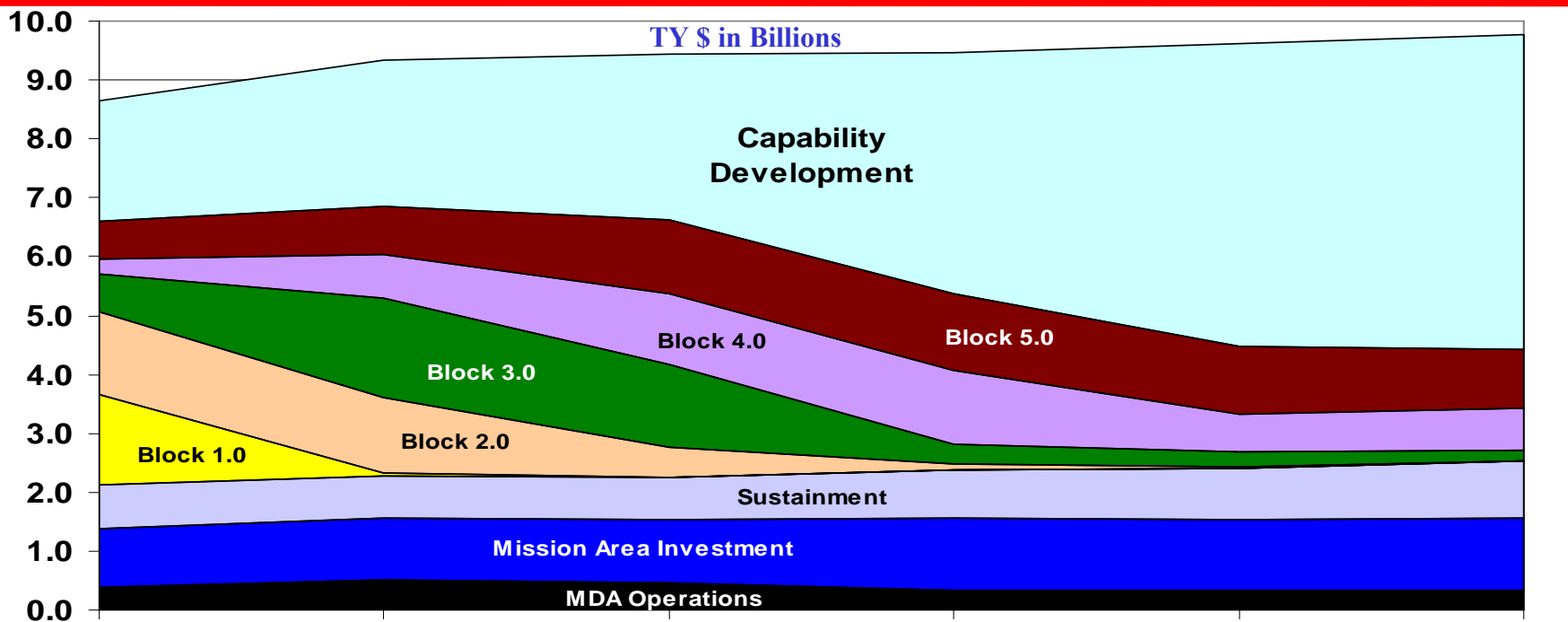


Capability Development

- **Countermeasure – Multiple Kill Vehicle**
 - **Develops land- and sea-based volume kill capability with two parallel contractors beginning in FY08**
 - **Flight test in 2015 with initial capability in 2017**
- **Boost Phase Kill Programs**
 - **Airborne Laser – maintains development program with lethal shoot down in 2009**
 - **Kinetic Energy Interceptor – continues focus on booster vehicle development and weapon system engineering; first booster flight in early 2009**
- **Mobile midcourse – Standard Missile-3 Block IIA**
 - **Cooperative development program with Japan; agreement signed in 2006**
 - **First flight in 2014 with operational availability in 2015**
- **Sea-Based Terminal – Far-term program definition in work**
- **Space Tracking and Surveillance System**
 - **2 demonstration satellites to be launched in 2008; operational constellation concept being refined – focused on affordability and shorter development cycle**



MDA Budget FY 2008-2013



	FY08	FY09	FY10	FY11	FY12	FY13	Total FY08-13
Block 1.0	1.535	0.059	0.000	0.000	0.000	0.000	1.593
Block 2.0	1.408	1.284	0.496	0.099	0.021	0.013	3.321
Block 3.0	0.650	1.698	1.416	0.324	0.244	0.173	4.506
Block 4.0	0.243	0.720	1.204	1.253	0.633	0.730	4.782
Block 5.0	0.654	0.836	1.263	1.310	1.163	0.988	6.213
Capability Development	2.054	2.474	2.810	4.091	5.147	5.354	21.930
Sustainment	0.736	0.715	0.727	0.824	0.877	0.956	4.835
Mission Area Investment	0.984	1.048	1.080	1.219	1.207	1.224	6.760
MDA Operations	0.392	0.503	0.452	0.339	0.331	0.341	2.356
Totals	8.655	9.336	9.447	9.459	9.623	9.778	56.298



Major Changes From PB08 To PB09

- **Incorporates new Block structure**
- **Transfers RDT&E construction for European Site Initiative to MILCON**
- **Consolidates all radars (except Aegis AN/SPY-1) in BMD Sensors Program Element**
- **Space Tracking and Surveillance System funding re-phased to reflect refined operational constellation concept**
- **Increases FY09 funding for Short-Range Ballistic Missile Defense (David's Sling) from \$9M to \$45M**
- **Some program adjustments to meet budget pressures / fact of life changes**
 - **Aegis BMD – still delivers 147 SM-3s, 18 ship installs**
 - **Delays development of SM-3 Block IB missiles by 1 year; now buys 94 SM-3 Block I / IA missiles vice 75 in PB08**
 - **Ground-based Midcourse Defense – still maintains 54 emplacements by 2013**
 - **Delays Fort Greely missile field #2 completion 6 months (February to August 2011); slows EKV manufacturing to match booster deliveries and missile field completion**
 - **THAAD – delays delivery of Fire Unit 2 interceptors by 6 months and Fire Units 3 and 4 delivery by one year**



Special Topics

- **European Site Initiative**
- **MDA Roles and Missions**
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European Site Initiative

Proposed Long-Range Missile Defense Elements In Europe



(2012)

Construction Start 3QFY09
Integration Start 2QFY11
Operational Capability 1QFY12



(2013)

Construction Start 3QFY09
Integration Start 2QFY12
Operational Capability 2QFY12
(FCD 2QFY13)



(TBD)



Why Poland and Czech Republic

- Azimuthal range
- Range from Iran



MDA Roles And Missions

- **FY08 National Defense Authorization Act requires an independent study of the Missile Defense Agency to include**
 - **Structure, roles, and missions**
 - **Relationships with other DoD entities**
 - **Operations and sustainment of missile defenses**
 - **Acquisition process for missile defense**
 - **Requirements process for missile defense**
 - **Transition and transfer of missile defense capabilities**
- **OSD has selected the Institute for Defense Analysis (IDA) to carry out this independent study**
- **Report due to Congress no later than 1 SEP 08**



Transition & Transfer Accomplishments

- **September 2006 – USD (AT&L) signed 2006 Transition & Transfer Plan; 2007 Transition & Transfer Plan currently in OSD coordination**
- **11 of 13 elements have Lead Military Department designation**
 - **PAC-3 / MEADS, THAAD, AN / TPY-2, and GBI-GFC to Army**
 - **SBIRS, ABL, STSS, Cobra Dane, UEWR, and EMR to Air Force**
 - **Aegis BMD to Navy**
- **October 2007 – Aegis Block 04 entered into the Transition phase**
- **MDA / D received letter from Navy CNO concerning Lead Military Department for SBX**
 - **MDA and Navy are developing an MOA for transfer of SBX to the Navy**
 - **Action Memo in OSD staffing designating Navy as the lead service for SBX**
- **Action memo in OSD staffing to formalize transition of UEWRs to USAF**
- **Next Step**
 - **Missile Defense Executive Board preparing business rules for Service transfer for DEPSECDEF approval**



Transparency, Accountability, And Oversight

- **MDA is taking the following steps to enhance transparency, accountability, and oversight**
 - **New Block structure: Based on defined capabilities; blocks will have schedule, budget and performance baselines**
 - **Unit cost reporting: Will establish unit cost baseline estimates across all years for major BMDS components**
 - **Independent cost estimating: CAIG to review unit cost baseline estimates**
 - **Variiances against baselines and / or significant unit cost growth will be reported in the annual BMDS Block Baselines and Goals document and Selected Acquisition Report**
- **Missile Defense Executive Board (MDEB) provides departmental requirements, acquisition, and budget oversight and guidance**



BRAC Progress

- **Redstone Arsenal**

- **Von Braun II (non-BRAC facility) completed Summer 2007 and has been leveraged to facilitate early NCR realignments**
- **Design-Build contract for Von Braun III (BRAC facility) awarded on 14 DEC 07 with construction expected to begin Spring 2008**
- **Building will accommodate 2,649 positions (2,248 MDA NCR, 240 MDA HSV and 161 SMDC NCR) with phased occupancy to support NCR realignments during the Summer of 2010 and 2011**

- **Fort Belvoir**

- **MDA accelerated funding from FY09 to FY08 to facilitate Headquarters Command Center completion in summer 2010**
- **RFP is under development with an expected release in March 2008**
- **Design-Build contract award planned for June 2008**
- **Facility completion projected during the Summer 2010 with occupancy expected late October 2010**



MiDAESS

- **Purpose**

- **Develop a more efficient support contracts management program**
- **Eliminate duplicative functions, consolidate services**
- **Provide more responsible accountability of federal contract and procurement expenditures**
- **Create capability to acquire centralized contract support services, thus achieve new economies of scale and efficiencies**
- **Establish centralized resource reporting, opportunities to combine support services**

- **Implementation status**

- **MiDAESS program office approved in December 2007 – now operational**
- **Draft RFP released 30 JAN 08 to secure industry feedback**
 - **Provides the basic construct for converting BMDS engineering services support to the functional managers**
- **Will conduct series of procurements over the next two years**
- **Industry feedback will be needed to ensure broad range of success**



Summary

- **The BMD system we are fielding works and is having a positive impact – due to our dedicated Government / contractor teams**
- **Carefully balancing program priorities to accommodate fiscal controls, but fielding plans and development programs are being affected**
- **We must focus on continuous improvement and retaining needed program flexibilities while remaining both transparent and accountable**
- **Our future success will depend on us continuing to deliver quality systems to the warfighter on time and on budget**

