



U.S. AIR FORCE

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**USAF Liaison
Report**

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AGENDA

- Near-Term AF ATE opportunities/Contract Vehicles
- USAF ATS/PGM updates
- Logistics Transformation updates
- AF News
 - 2011 Budget Final
 - 2012 Budget Outlook and beyond
 - AF Specifics
 - Top AF programs - New priorities
 - AF AC news

Near-Term ATE opportunities/Contract vehicles

■ B-1B ARTS REW Replacement

- Performance Based Spec
- Total package Hardware and software
- (23) Stations, (32) TPS
- Funded program FY11 dollars, Initial Stations and TPSs
- Sol.# updated DRFP 1 April
- RFP 3-4thQtr FY11
- Award expected 3-4th Qtr FY12

■ Hill AFB DESPIII RFI

- IDIQ Eng, Tech, Support Services
- Can be utilized by ALL DoD agencies
- OSD review
- Award Oct 2011

■ Cruise Missile Tester Modifications

- Modify existing ATE and associated equipment, Tech Data
- (33) stations and (22) Air Data Test Sets.
- Want minimal impact to preserve Nuke certification
- Potential FY 2012 opportunity

Near-Term ATE opportunities/Contract vehicles

■ A-10 Combined Armament Tester (CATS)

- One of the 3 A-10 TLPS Primes selected to perform PoC.
- Proof of Concept- Study/analysis only -independent of production
- Competitive production contract to follow –opportunity FY12
 - Based on Performance based spec
 - Follow-on TPS demo
 - Production FY12 - FY14

■ VDATS PBA

- PBA (BTP, new builds, Parts Availability)
- Small Business Competitive Set-aside, (Size factor **500**)
- IDIQ 5 year contract (3+2)
- ~15 Systems to be built yearly for new opportunities
- Challenged - Path forward inwork

■ BRAT PBL

- 5 year contract
- Procurement plan
 - RFP 7 Jan for ICS pending PBL solicitation
 - RFP for PBL expected 4th Qtr FY11

■ CASS/eCASS/VDATS Hybrid Interface

- Analysis phase. Strictly focused on Interface between CASS/eCASS/VDATS
 - Identify differences between CASS/eCASS and VDATS
 - ID UUTs to provide tester capability focus
 - Consolidate a list of incompatibilities
 - Consolidate all of the above into a design solution
 - Want a 2-way interface
- Engineering analysis to be conducted by NADEP-JAX
- Output will be a performance based Spec
- Next Phase Prototyping and Testing
- Development effort FY13

ATS PGM update

■ VDATS Progress

- (50) VDATS currently fielded
- (156) TPSs developed
 - 135 rehosted and used at Depot.
- (275+) more TPSs planned.
 - 8 Projects with 20+ TPSs each
 - 35 New workload TPS in development

- Plan to go to Industry for future Rehost efforts
- VDATS on 9 new weapon Systems starting in FY11

**NOTE: If AF has TPS data, Industry can expect a FFP effort.
If AF does not have data, AF will retain in house**

■ Col. Mike Senseney new USAF ATS/PGM role

- Wendy to deputy position

Logistics Transformation - News

- **ECSS will enable a single data entry for Logistics info. (Will replace over 240 existing Mx and Logistics databases)**
 - Pilot roll out in 2010 Hanscom AFB, 12-18 Month pilot with FOC planned 2014

- **RE 21 Repair Enterprise (Regional Repair Centers and ALC - field to depot repair support).**
 - Ultimately USAF to stand up (10) CONUS CIRFs (5) Active, (1) ANG and (4) Integrated
 - Repair Network Integration (RNI) delayed but still planned
 - Phased Implementation for Commodities and Weapons Systems
 - Multi-year journey- Working Enterprise Management activities and Standardization processes first
 - Shape and size Network next (CRFs)
 - **Back Burner at this time**

- **USAF going to one major Network “AFNet” to better control Cyber Security.**
 - USAF wide by end of this FY

ECSS Update

- ECSS replaces 240 Legacy information systems.
- Total investment of \$3.0B over life of system, with expected cost savings avoidance of \$12.0B over life of system.
- Designed to improve Supply Chain Management and enable total asset Visibility
- Will enable AF to Centrally Plan and locally execute support of daily flying mission.
- Will impact every technician and every AF system.
- Program Managed by CSC. Utilizing Oracle commercial software tools.
- 4 Major releases for implementation via live Pilots. Fielding incrementally from 2012 -2017
 - **Tools/Equipment, vehicle management**
 - Pilot being done at Hanscom.
 - IOT&E Ellsworth and MacDill
 - Expect first Release to 186 MOBs in 2012-2013
 - **Enterprise Planning and Material Management** (ALCs, AFMC, GLSC)
 - **Heavy Depot Maintenance and planning** (ALCs, etc)
 - **Flight line Maintenance and Munitions Management** (MOBs etc.)

FY 12 Budget

- **FY-11 Defense Budget approved 14 April \$708B, \$548B Core, \$159B War effort**
- **DoD FY12 \$649B Core \$530B House Appropriations 31 May**
 - \$115 Procurements
 - \$75B R&D (more focused)
 - \$171B O&M
 - \$119B War effort
 - Bal. Personnel cost/Construction
- **HASC asking for \$9.0B+ cuts in FY12**
- **AF \$166.2 (Includes AF portion of war budget)**
 - R&D \$19B
- **Next step must be resolved with Senate**
- **New Acquisitions**
 - New Long Range Strike Family
 - New Tanker
 - Replacement for T-38
 - New Light Attack Aerial Recon AC
- **On going Procurements**
 - MQ-9 Reaper (48)
 - Global Hawks (3) Total (11)
 - F-35 (19) in FY12 (23) in FY11(FY12 32 total Aircraft)
 - C-27 (9)
 - C-130 Variants (11) - CV-22 (6) - H-60G (4)
 - Modernization F-22, F-15, C-17, C-130 and C-5
 - New stabilizing effort for Space Launch to reduce costs

DOD Budget Impacts

- **Current spending plans and projected cuts not filling future threat environment**
- **Expect a smaller less robust Defense Industry base by end of this decade.**
 - Core Budgets to drop to the \$480B range
 - DoD Budget expected to decline from 4.8% of GDP to 3.9% by 2015
- **Bi-Partisan Debt Panel recommendations**
 - Cut force by 275K
 - Freeze DoD Budget at FY11 levels for 5 years
 - All \$154B of DoD savings to date to be plowed back into Debt reduction no reinvestment.
- **20 year look ahead**
 - Manned Fighters to decline by 10% 2010-2020
 - UAVS to be quadrupled during same period
- **US cannot assume USAF Air Dominance going forward without modernization efforts.**
- **A. Carter feels Aerospace companies in excellent shape**
 - 11% growth over 5 years- Lots of Cash

DoD Saving Initiatives

- **Admin tasks DoD to find an additional \$400B in savings over next 12 yrs by 2023**
 - Review of Roles and mission and Industrial Base in work
 - Will dictate # of programs and amount of equipment purchased
 - 4 Areas for review
 - Cost saving, policy/process review, entitlements, eliminate marginal missions, Modify QDR
 - Over an above current challenges to assist in Deficit reduction plan
 - Gates indicates will require scaled back Force structure Missions and capability
 - “Not a math exercise”
 - DoD was not part of the initial \$400B deliberations.
- **NOTE:** Gates to retire end of June 2011

- **Programs//Manning impacts next 5 years AF and DoD**
 - F-35 STOVL on 2 year probation “Fix or die”
 - Cut size of support contractors by 10% for 3years, upwards of 10000 positions
 - Cut size of Civilian workforce and redistribute workloads upwards of 110K
 - Government wage freezes
 - Eliminate (209) SES and General Officers billets
 - Realign and consolidate commands, Number AFs and redundancy
 - \$28B deferred from savings to cover high operating and entitlement and base/flying needs.
 - 25% of DoD Budget goes to Personnel costs
- **Programs to receive reinvested dollars**
 - More Reapers MQ-9, missile defense, ISR
 - Increase EELVs Launch vehicles for access to space
 - Modernization of F-15 Radar and sustainment efforts on Legacy fleet until F-35 is fielded.
 - Long Range Bomber with Nuclear capability built on proven technology.
- **DoD expects top line decreases 2013-2014 and flatline 2015-2016**
- **DoD - Any deeper cuts will impact national security**
- **Beyond 5 years, overhead efficiencies/manning savings exhausted. Cuts after 2016 could impact force structure and possibly impact national security.**

AF Budget News Specifics

- 20 year Average AF budget is \$103.1B Core
 - FY 10 was \$130.3B
 - FY11 at ~\$119.6B

- Contractor service contracts and people to be cut by 10% a year for 3 years.
 - More organic capability better eval of performance
- Civil Servant positions also under pressure

- Major concerns that AF/Army and Navy have too much duplication in infrastructure I.e depot capability.
 - Need to consolidate/eliminate and do more joint depots.
 - More Joint basing being evaluated
 - Need to improve depot/Supply chain processes to reduce readiness cost.
- Financially – “AF Budgets going to get worse before they get better”
- AF Does not see Gate’s efforts as a Cuts drill
 - AF will not grow, but will realign to meet mission.
 - There will be less procurement.
 - Infrastructure is on the table
- AF may reduce it’s footprint in Europe and agrees with some AF base closures.
- Need to shed overhead, shrink manpower where possible/wise.
- Centralization of some acquisition functions
- Nation is at an inflection point. I.e. Threats from adversaries are outpacing our ability to deter. Only thru modernization of Force can we stay ahead of the bad guys.
 - National will is the big question.
- Expect Fiscal constraints for next 10 years

AF Initiatives to Save Dollars

- Reduce redundant flight Test and other testing on new Wpn systems
- Expect more FFP incentive fee contracts going forward
 - Fewer Cost Plus on development programs.
- DoD pushing Industry for more affordability
 - More focus on Price under plan called Better Buying Power
- Pushing 80% solutions now with growth over time to insure timely and affordable fielding of new weapon systems
 - Proven technologies versa development efforts
 - Key factor mission assurance
- Want more real competition.
- Looking for COTS, open systems
- New rules for AF acquiring Data rights from Industry products.
- AF to eliminate duplication of efforts internally, lower overhead, and more fiscal responsibility.
- Government to tell Industry what something “should cost” versa having Industry tell Gov.what it “will cost”
 - DCMA adding 300 Pricing analyst to assist in negotiations

AF Key Programs

■ Top 5 USAF Requirements:

■ F-35

- DoD focusing on more affordability. Operational Cost rising
 - Reduce cost and schedule growth on F-35 program.
- Flight testing back on track, but IOC could move to the right(2018?)
- Lot#5 from 43 to 32 AC now a FFP contract, negotiations this year
- AF accepts first 2 Production F-35s Edward/Eglin
- Next focus sustainment strategy
- Second engine terminated, but GE/RR self funding development

■ KC-46A Tanker

- Keep this program on Track

■ CSAR-X – Back on the table for analysis

- Gates directed Study to determine if Joint potential
- Looking at Options - CV-22, Others
- AF to retain a CSAR mission

■ Satellites for Early Warning/Com –

- Refocused to proven lower cost options

■ NGLRS (ABSD) Airborne Strategic Deterrence –LRS Family

- Budget reduced but still moving forward
- Expect LRS AC by 2020s with RFPs to start effort as early as FY14-15 time frame.
- \$197M in FY 12 Budget
- Proven technologies
- LRS Family of Systems.
 - It's a platform
 - Standoff missile
 - Prompt Global strike with ICBMs? Or new Hypersonic technology.
- Currently defining the LRS requirements.

Other AF Priorities

- **Nuclear Enterprise**
 - Sustain and Strengthen
 - Invest in and replace legacy systems and associated Test
- **Joint Partnerships - New Nat's Military Strategy**
- **Cyber Protection**
 - Moving to one AF network **AFNet** to help deter Cyber attacks
- **Recapitalization of AF fleet**
 - Minimum investment in keeping legacy fleet operational
 - Does not want to invest in 4th Gen AC
- **ISR Enhancements**
- **New Bomber and LRS Family**
- **Space Systems**
 - Need lower cost launch capability
 - Block buys of satellites
 - Stabilize and grow Launch industry
- **Improve and grow Acquisition capability and process**

National Military Strategy

Air-Sea Battle Plan

- Ability of US to operate and penetrate Anti-Access and denial areas
- Partnership between AF, Navy and USMC
- Will include (joint) current and future Weapon Systems efforts
 - Integrating acquisition strategies
 - Interoperability of Services
 - Shared Infrastructure
 - Shared IR&D to reduce cost and redundancy
- Plan to roll out over next 5 years

Aircraft-News

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- **New USAF X-37B**
 - Landed safely 6 Dec after 244 days in orbit.
 - Second AC launched March 2011
- **Boeing Waverider X-51 (Mach 5+ Capability)**
 - Testing continues
- **Phantom Ray first flight May 2011**
- **DoD terminates second F-35 Engine**
 - HASC trying to resurrect
 - GE and RR self funding balance of development
- **Thunderbirds performed in May with Syn fuel**
- **MC-12 Basing to Beale AFB, CA**
- **Last (28) F-22 in final production**, exit factory Aug 2011 AF - Feb 2012
 - Tooling to be retained
 - More F-22s?? J-20-PAK
- **F-22**
 - Funding cut for Air to Air Sharing capability
 - Limits AC ability to talk to other AC via Link 16
 - Grounded for O2 issues
 - Upgrade \$ under pressure
- **First production F-35A flew 28 Feb**
 - AF Flight training to begin Eglin end of 2011
 - First operational KC-135 refueling April 2011
- **AF consolidating Avionics AFSC into 3 AFSC to cover all MDS**

Aircraft News

- Last of 268 Predators delivered to USAF in March
- Fatigue testing for B-1B in effort to extend life to 2040
- New Bomber Program Standing up Program Office
- New MC-130 first flight April 2011 - (37)
- Boeing moving entire B-1B and C-130 AMP programs to OKC
 - In effort to drive down cost of doing business
- Competition for New AF Helos - UH-1N and HH-60
- Potential compromised technologies - the cost of war

NOTE: 50 years ago May 5 first US man in space



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