



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
- AFMC Realignment and ATS impact
- AF News
 - Budget Impacts for USAF
 - Top AF programs
 - AF AC news

Near-Term ATE opportunities/Contract vehicles

- **B-1B ARTS REW Replacement**
 - Performance Based Spec
 - Total package Hardware and software
 - (23) Stations, (25) TPS
 - IDIQ 6 Year FFP
 - RFP 30 Nov, Response 24 Jan 12
 - Award 3-4th Qtr FY12
- **Hill AFB DESPIII RFI**
 - IDIQ Eng, Tech, Support Services
 - Can be utilized by ALL DoD agencies
 - Award moving to right Feb 12
- **Cruise Missile Tester Modifications**
 - Modify existing ATE and associated equipment, Tech Data
 - 3 Areas of station to be modified
 - ESTS (62+), MRATA (68), PATEC (29)
 - Want minimal impact to preserve Nuke certification
 - OC-ALC lead (WR) on Engineering analysis
 - RFP May 2012 Award Oct 12

Armament Testers

- **F-22 Armament Back Shop**
 - Replacing COLT with an existing Backshop tester to minimize Proliferation
 - Effort planned to be sole Source
 - Point decision to fix immediate need
 - In the FY-13 Budget submission
- **B-2 Armament Back Shop**
 - Replacing COLT
 - AF wants to incorporate COLT capabilities into existing Mustang.
 - Deliverables: Tech Data, Mx Data, Nuke Cert and applicable training.
 - Planned to be full and open competition
 - RFP May 2012, Award Dec 2012

Near-Term ATE opportunities/Contract vehicles

- **A-10 Combined Armament Tester (CAT)**
 - Proof of Concept complete - independent of production
 - PoC to ID additional requirements for Spec- NOT a final solution
 - Competitive production contract to follow
 - Opportunity FY14
 - Based on Performance based spec
 - Possible Stand alone solution for A-10 or notional Common Armament Tester
- **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-Contested-Resolution by Dec 11
- **BRAT PBL**
 - 5 year contract
 - Address DMS and upgrade 19 RF BRATS
 - ICS Sustainment contract expires June2012
 - RFP 1st Qtr 12 Award June 2012
 - SB competitive **500**
- **CASS/eCASS/VDATS Hybrid Interface**
 - Analysis phase. Strictly focused on Interface between CASS/eCASS/VDATS
 - Identify differences between CASS eCASS and VDATS
 - Consolidate a list of incompatibilities
 - Consolidate all of the above into a design solution. (AF to retain Design authority)
 - Want a 2-way interface
 - Engineering analysis by JAX-Lakehurst-WR, complete in Oct 2012
 - Output will be a performance based Spec
 - Market Survey 1stQtr 13
 - Next Phase Prototyping and Testing
 - Likely in-house Gov effort between services - Possible BTP Competition.

Opportunities Cont.

■ O-Level Tester

- Goal to have a Standardized Armament tester across Fighter and Bombers
- Goal to have a Standardized Cargo AC tester designed with Functional test categories
- 2 separate efforts or leverage as one with additives.
- Testers being considered: SST, Mustang and winner of the A-10 CATS, Other viable sources
- Industry day in CY12 to get ideas

■ Mobile VDATS

- Want an I-level ruggedized back shop tester that is modular, using less power, to deploy forward and reduce RTOK.
- First choice is to modify an existing Legacy tester.
 - Mobile VDATS based on new technology..
- Engineering evaluation to start in FY13
 - 3 years RDT&E effort to develop 2 Prototypes..
- Tester will need to meet Family member criteria.
- Tester to be used on F-15, F-16, Global Hawk and U2.
- Planned contract:
 - Build Organic by AF
 - Use VDATS PBA
 - Competitive
- No funding at this point

ATS PGM update

■ VDATS Progress

- (54) VDATS currently fielded
- (238) Legacy TPSs rehosted and used at depot
- (~1500+) more TPSs planned.
 - 136 Projects defined with between 5-90TPSs each
 - Primarily CPP funded and managed by MXWs
 - ATS PGM supplements funding to retire legacy Testers
 - 35 New workload TPS in development
- Plan to go to Industry for future Rehost efforts
 - Onsite Labor Support.
- VDATS on 9 new weapon Systems starting in FY11
 - FMS requests and UAV

■ ATS PGM

- Wendy Johnston moved to WR/XP
- New Deputy Jim Bailey C-17

■ ATS PEM AF

- LTC Rob Charlesworth A4(Chief of Readiness Branch)
- Program Element funds already established
 - Minimal FY12
 - INW on FY13
- Majority of Requirements have funded line in FY14
- Estimated AF ATS funding line FY12 ~\$35-\$50M
 - Beyond FY12 TBD

Logistics Transformation - News

■ ELog21

- A multitude of logistics system to improve the logistics Enterprise
- Includes ECSS, RNI,, and AMT Asset Marking and Tracking (New marking system for parts over \$5K)

■ 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
- ECSS the Mx Data collection system being developed by CSC and Oracle
- 6month behind schedule and on a 90-day hold due to performance issues tied to Software and other Firmware issues.
- Whole program was to be reevaluated on 15 Nov All alternatives and options on the table.
- Likely be a hybrid system utilizing the best of ECSS successes folded in on other services systems.

■ RNI Repair Network Integration POC Col. Tom Miller OO/CV.

- A SAF initiative - to create an Enterprise wide Repair capability managed by a single process owner and provide integrated support to war fighter.
- AFGLSC will likely be the Network integrator
- Will include all available repair sources Active Duty, ANG, AFRC
- Includes 10 commodities
 - Current effort or spiral is at Tinker for Propulsion
- Avionics and Armament repair is coming in Spiral 3, which will kick off in FY12
 - 18–24month effort.
 - Planned IOC late FY 13
- Will incorporate repair capability from Depots, MOBs, and current CIRFs to regional locations
- Ultimate goal is to identify a bad LRU at base level and go to nearest repair center for repair.
- Currently looking at Organic delivery capability only, but will do cost analysis to see if FED-EX more cost effective.

■ DLO

- Merging of DLA, USTRANSCOM and AFMC repair facilities (Dead)

AFMC Realignment

- AFMC to cut number of centers from 12 to five, reduce overhead costs and eliminate redundant layers of staff.
 - will save \$109 million annually while improving the command's overall management and lines of communication.
 - The actions will be implemented Oct. 1, 2012
- The Air Logistics Center headquarters OO and WR will stand down and 2-Star positions will be eliminated and replaced by a one-star Brigadier General
- The combined workforce will report to a new Air Force Sustainment Center to be located at Tinker Air Force Base, Okla.
 - The new AFSC will consolidate oversight of most maintenance and supply missions now performed air logistics centers at Robins; Hill Air Force Base, Utah; and Tinker AFB.
- ALCs will be titled the Hill/Warner Robins/Tinker Air Logistics Complex.
- 402nd Maintenance Wing at Robins will stand down and all subordinate groups will report directly to the Warner Robins Air Logistics Complex.
- The WR Aerospace Sustainment Directorate will become a division and will become a division under AF Life Cycle Management Center WPAFB
- The Aerospace Sustainment Directorate program offices at Robins will align under Program Executive Officer (PEO) Agile Combat Support and new Air Force Life Cycle Management Center (AFLCMC) both located at WPAFB who in turn reports to the under secretary of the Air Force for Acquisition at the Pentagon.”

AFMC ATS Impact

- Eliminates levels of decision management/approval and streamlines reporting for ATS.
- Mx Avionics repair workers will work for Tinker
- PM Staff in ATS Division will report to WPAFB
 - PEO for Agile Combat Support (John Miller)
 - Miller reports directly to 3 Star

FY 12 Budget

DoD FY12 \$649B Core \$530B House Appropriations, SAC \$662B \$527B, Admin \$610B, \$523B
Core

- \$115 Procurements
- \$73B R&D (more focused)
- \$190B O&M
- \$119B War effort
- Bal. Personnel cost/Construction
- **HASC and Senate asking for \$9.0B- \$27.0B+ cuts in FY12**
- **CRA going forward - Impacting procurements**
- **Next step must be resolved with Congress and President**

- **AF \$166.2 (Includes AF portion of war budget)**
 - R&D \$19B

- **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) FFP
 - 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
- **2013 Budget to reflect the impact of the \$450B DoD reduction, Per Admin**
 - Cuts in the 5-10% range possible (\$477B-\$504B)
- **FY13 POM to be submitted to Congress Feb 12**
 - Expect upwards of 12-18% cuts in FY13 Budget
 - Budgets for 2014-2018 are INW - Estimate 2-3% decreases each year

Budget Impact Predictions

- **Fall in Baseline Defense Budgets from FY10-15 and then Flat FY16-20**
- **SAC and Admin supporting a Freeze on DoD spending at FY11 levels (\$513B)**
- **CR until end of year**
- **Alternate view of cuts**
 - \$450B represents an 8.5% cut of DoD Budget, \$1.2T = 17%
 - Supposedly DoD has had 30% budget cuts in the past?
 - Exit Europe and Middle East
 - Maintain engagement in Far East
 - Fortress America
- **AIA predicts the following if DoD cuts go beyond \$450B**
 - Aerospace personnel cuts by 252K, impact upwards of 1.0M
 - .6% increase in unemployment
 - GDP cut 25%
 - Industrial design base impacted
- **Panetta**
 - Base Closures
 - Reduced Buys
 - Targeted Cuts to protect readiness, Industrial base and to avoid hollow force
 - Money to be invested in Cyber Protection
 - International Partnerships to remain engaged worldwide.
 - Terminate F-35, Cancel LRS, and Minuteman 3 ICBM (Eliminate 3rd leg of Triad)

Budget Impacts “Quotes”

- Budget for FY12 will be bad, FY13 worse - **Lt Gen Reno A4**
- USAF will be attempting to meet requirements with 80% of the resources going forward.
- F-22 to go fully AF organic. No long-term LM support plan.
- All future CLS contracts will expect the contractor to lower prices each year
- AF is moving to CIRFs and Repair Network Integration Centers through out the US and world. Each CIRF/Center to specialize in a particular repair. I.e. Avionics, Engines etc.
- AF leaning into more regionalization and Centralization of processes to save money. I.e. consolidation of special functions.
- AF wants more predictive maintenance.
- More Joint efforts between services to save money (ASB)
- Consolidation of Depots.
- Expect both active and civilian cuts in the near future- **Gen Breedlove AF CV**
- Indicated to the troops that a RIF for active duty and civil servants (4-5K) is coming in 2012 and likely to accelerate in out years based on DoD Budgets - **MG Fedder AF/A4L.**
- Expect a smaller downsized USAF with unique capabilities

Budget impacts

- Budget cuts and program cancellations. Need to do more with less cost.
 - \$260B in Defense cuts in next 5 years, based on last years projections.
- Expect fewer and smaller buys on systems going forward
- Expects more competition and less sole source
- Definitely not business as usual going forward
- **Efforts to bring down cost:**
 - Leverage FMS investments
 - More international partnerships
 - Make weapons more modular and scalable.
 - Industry to reduce costs in development and production
- Worse case options for USAF if Debt is not resolved:
 - Cx Programs
 - Increased Taxes and shared sacrifice throughout US
 - Companies will be expected to invest more in development versa expecting AF to help.
- Unmanned versa manned is no real cost savings to the USAF i.e. UAVs

Budget impacts

- **Ashton Carter's Better Business Practices will be followed by USAF**
 - Promote real competition-Less sole source to drive productivity and lower costs
 - Targeting affordability
- **DoD to scrutinize non-Wpn programs for savings – A. Carter**
 - For every .30 spent on Wpn systems, DoD spends .70 to maintain ~\$100B a year.
- **Not business as usual:**
 - System sustainment – in past CLS/PBL- future more depot partnering
 - Program Cost – Past “Will” cost – Future “Should cost” i.e. challenging industry
 - SB- Past part of a SB contract plan- future- meaningful value to contract, part of the program plan
 - Data rights- past IP remained with contractor- Future AF to get data rights to help drive down cost of sustainment thru competition
- **Debt impact**
 - **% of total US budget Defense and entitlements over a 70 year period**
 - 1970 Defense was 42 % of total budget – entitlements 20%
 - 2010 Defense was 20% of total US budget – entitlements 40%
 - 2040 Defense spending to be 11% of US budget – entitlements 52%
- **Worse case for DoD members**
 - Retirements rebased to 401K
 - Current retirements cut and capped
 - Tri-Care premiums and Medicare cost to rise significantly
 - SSN to be capped age extended
 - Reinstate Draft
- **All bets off since Super Committee failed. “ Panetta”**
 - Army smaller than 1940
 - Navy number of ships less than in 1915
 - Smallest USAF anyone has ever seen
 - Defense spending under Debt plan will go from 3.4% of GDP to 2.7% lowest since Post WWII

Budget Impacts

- **Key AF programs that are supposedly protected:**
 - **F-35**
 - 75 AC either delivered on in construction.
 - 18 Tests AC
 - Eglin Training to start in Dec 2011 for flight training.
 - First B- model landed on USS WASP on 3 Oct.
 - AC will ultimately have over 9 Million lines of code.
 - Only at LRIP 8 will software be fully integrated. Until then incremental release of software.
 - **KC-46A**
 - AC will be fully organic after about 5-10 years.
 - All avionics support will be via the existing 767 commercial pools,
 - i.e. Leverage LRUs via Fed Ex.
 - No test equipment needed until the 800+ commercial 767 disappears.
 - **Long Range Bomber**
 - **Modernizing of Legacy fleet to help fill the caps until 5th gen fighters fielded ****
 - 300+ F-16s to receive Avionics and Structural upgrades Extend to 2030
- **Air Sea Battle plan A2/AD is driving our acquisition strategies**
- **After FY13 DoD is uncharted territory**
 - R&D to be effected going forward to decrease thru FY16
 - DoD budget is to become a political football until elections in 2012.
 - DoD Strategic review is to be briefed early next year to Congressional leadership
 - Estimates of upwards of 30% reduction in DoD going forward.
 - Worse case budgets, in the \$470B range core budgets
 - ACC has already submitted preliminary budgets inputs to DoD thru FY14
 - inputs were based on assumption of significant cuts in defense
- **Churchill quote.” We are out of money, it is time to think”**

AF Key Programs

■ Top 3 USAF Focused Requirements:

■ F-35

- DoD focusing on more affordability. Operational Cost rising
 - Reduce cost and schedule growth on F-35 program.
- SDD on or ahead of 2011 plan over 1202 Test flights to date
- Completed full static structural test Sept 11
- AF IOC now 2017-2018
- Lot#5 from 43 to 32 AC now a FFP contract, lower number possible
- Lot#6 Long lead items Awarded August for (38) AC, includes first FMS
- Next **focus sustainment strategy**

■ KC-46A Tanker

- Keep this program on Track
- First flight by 2015, Production thru 2027 (15 AC a yr)
- 18 Combat ready AC by 2017
- KC-Y-Z likely not until after 2025

■ NGLRS (ABSD) Airborne Strategic Deterrence –LRS Family

- Expect LRS AC by 2020s with RFPs to start effort as early as FY14-15 time frame.
- \$297M in FY 12 Budget
- Proven technologies
- LRS Family of Systems. Single Platform many missions
 - It's a platform
 - Standoff missile
 - Prompt Global strike with ICBMs? Or new Hypersonic technology.
- Currently defining the LRS requirements.
- Conventional Prompt Global Strike debate could become alternative to ASD.

Aircraft-News

- **Boeing Waverider X-51 (Mach 5+ Capability)**
 - Testing continues
- **X-47B (F-18 Instrumented) made first successful UCAS Carrier Landing**
 - Flight testing continues at Edwards AFB
 - (2) AC now in testing
- **F-22**
 - Funding cut for Air to Air Sharing capability
 - Limits AC ability to talk to other AC via Link 16
 - Grounded again 21 Oct
 - LMA under contract to investigate problem
 - 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
 - AC grounded for IPP problems most of August.
 - AC flying again Sept
 - First international Production AC built for UK F-35B
 - To be delivered in 2012
 - SAC asking for \$695M cut to F-35 program in FY12

Aircraft News

- DARPA Hypersonic Project to test Mach 20 capability
- New Bomber Program Standing up Program Office
- New MC-130 first flight April 2011 - (37)
- Competition for New AF Helos - UH-1N and HH-60
- T-38 Replacement AoA, Program moving forward
- Hypersonic Bomb test
 - Part of the Prompt Global Strike

- Replace Minuteman 2030 timeframe
 - AFGSC Defining requirement
 - Over \$28B invested in modernizing Nuclear deterrence
 - AoA FY12
- New AF1 to enter planning in next 10 years
- ALCM Nuclear to be replaced in 2020s
- Boeing awarded a \$11.7B C-17 Sustainment contract Oct.
- First US 787 United Airlines out of Factory Oct 11 (50)
 - First commercial flight 26 Oct ANA Tokyo to Hong Kong
 - 800 Orders



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