AGENDA

- Near-Term AF ATE opportunities/Contract Vehicles
- USAF ATS/PGM updates
- AF Budget Impacts
- FY 15 Budget Review
- FY16 Budget - Plans going forward
- Top AF programs
- Aviation news
ATE Opportunities

Armament Testers

- O-Level Testers
  - Long-term goal: Have a standardized Armament tester across Bombers, decreasing the number of testers for each platform type
    - Existing testers and other viable sources being considered
  - BAT B-2 COLT replacement Industry Day 18-19 Feb 2015
    - Schedule: RFP 4th Qtr FY15, Award 2-3 Qtr FY16
    - F-22 COLT I-Level replacement RFP expected end of 3rd Qtr FY15

VDATS® Progress

- **102** Total VDATS® currently fielded or in production for legacy and new customer requirements:
  - Delivered for Legacy ATS replacements: 62 Digital-Analog (DA) stations
  - In Manufacturing for Legacy ATS replacements: 4 DA stations
  - Delivered for new workload requirements: 36 DA stations

- Utilized in AF Depots (Warner Robins ALC, Oklahoma City ALC, and Ogden ALC), Tobyhanna Army Depot and Intermediate Level locations

- 2 core configurations: DA-1 and DA-2

- All TPS efforts (Contractor or Organic) must be developed IAW the VDATS® TPS Style Guide and MIL-PRF-32070A

- **Approximately 859 TPSs** developed/rehosted and used at depot

- VDATS® currently supports 37 weapon system program workloads for numerous weapon system platforms such as:

NOTE: VDATS® Systems Software is the key to standardization
ATS PGM Update

- **JSECST**
  - Recently delivered 500\textsuperscript{th} tester

- **CBATS Progress**
  - Newest member of the AF ATS Family
  - PXI based systems with 2 configurations
    - 101 (36) deployed and (45) additional on contract
    - 201 (26) deployed (22) additional on contract
  - Digital roll-up still in testing and not designated as part of the family at this time

- **ATS Challenges**
  - **Cyber Security (previously called Information Assurance)**
    - Requirement for ALL ATS systems
    - Improvements for legacy ATS
    - Standards for future ATS acquisitions

- **Changes in ATS Management and Oversight**
  - ATS Division Chief, Col Sean Rivera, reassigned to F-35 DSM at JPO – Summer 2015 replacement TBD
  - New PEO: Ms. Lynda Rutledge, AFPEO and Director, Agile Combat Support (ACS)
USAF proposed DoD FY 15 Budget/Impacts

- DoD Budget $491B AF Budget $109.3B Core
  - 2/3 O&M, 1/3 Modernization/Recap
- F-35, LRS-B and KC-46 all protected, but (slight reductions in Production)
- Cut A-10 and U-2 (Process could take years, but U-2 Fully terminated in FY16)
  - AF Options to offset A-10 Cut (51) F-15C, & (7) AWACS
- Keep Global Hawk as replacement for U-2
- Reduce Predator but and begin replacement to all Reaper Fleet
- Invest in Propulsion Technology
- Active force reductions of 13% ANG/AFRC 5%
  - 25K Active force reduction over 5 years
- BRAC for 2017??
- Reduce Legacy fleet by 500 AC thru 2019
  - Funding for 59 Flying Squadrons – 7 Squadrons below requirements /needs
- Growth in Special OPSs
- AF now smallest force since inception in 1947

If SEQ continues in FY16
- Cut KC-10, Global Hawk Blk40
- Cut C-5 Variants or 80 C-17s
- Cut size of remaining KC-135 fleet
- Reaper Fleet sooner versa later, (fewer CAPs)
- Reduce buys of F-35
- Cut an additional legacy 550 AC
- 60% of modernization Budget impacted
- 35% of O&M impacted

QDR
- 2015-2019 Reflects SEQ reductions
- 2020-2024 Hope to begin buying capability back
- AF impact noted above
- DoD cannot accomplish Nat’l defense strategy if SEQ continues, Based on QDR.

AF Strategic Document
- Completed by June 14, Called “Strategic Agility”
- Look at 30/20/10 year threats, Priorities and Operations
- ACC Strategic Plan Released Mid June 14 (Goals and objectives under fiscal restraints)
FY-15 Budget

- Defense Budget for FY15 signed 16 Dec.
  - $496.1B Core
    - Does not allow Retiring of MQ-1, U-2, E-3 or divesting of A-10 or KC-10
    - Protects AWACS, JSTARS, KC-10 and A-10
  - To procure:
    - (34) F-35
    - 7 KC-46A
    - C-130 AMP funding
  - ANG/AFRES NGREA account additive $1.25B
  - $188M additive for AF depots
  - Additives for Nuke Modernization
  - AF manning at 312K

- SECAF wants BRAC
  - 30% excess infrastructure
    - Congress bulking at more BRACs
  - AF budget to grow 8%+ in FY16
  - Wants to reduce number of Contracts and contract vehicles

- Kendell - US Technology edge is decreasing
- La Plante - US no longer has Technology edge, Need more R&D
FY-16 Budget

- $534.3B Plus OCO Submitted to Congress 2 Feb
  - Going thru Review process, Goal eliminate BCA
  - Exceeds BCA by $38B
  - AF $152.9B - $16B over FY15
    - O&M $47.8B
    - Procurement $25.3B ($6B more than FY15)
    - R&D $18B ($2B more than FY15)
    - SE budgets buried within Weapon system programs
- Meets Majority of QDR demands
- FY16 Budget exceeds SEQ limits
- Efforts to relax spending limits on DoD in work
  - AF and other services holding the line on National Security requirements. i.e. Manpower and weapons systems needs.

- See AF FY16 Budget Charts
AF Key Programs

- **Top 3+ USAF Focused/Protected Requirements:**
  - **F-35**
    - **LRIP status**
      - LRIP7 - (43) AC 29 US 14 International
      - LRIP8 - (35) AC 3.6% lower price than LRIP 7 - 48
      - LRIP9 - (57) 34 USAF Planned
      - LRIP10 - (96) 55 for USAF Planned -74
      - LRIP11 - (121) 68 for USAF Planned -117
      - Full combat capability 2017 (3 F)
      - Goal to get cost to $85M by 2019, $75M ea in the future, $105M now
      - Block software issues continue to impact schedule
    - **AF IOC Aug-Dec 2016 (Ramping up Mx Manpower needs based on Production)**
      - Bulk of Mx folks were to come from A-10, early F-16 to F-35 Hill
      - Navy 2019, USMC 2015
      - F-35 engine issue still to be resolved,
      - AF standing up a Integration office to assist in fielding AC
      - 53 yr LCC $1.4T
      - MROs for Airframe/Engine support Italy, Japan, Turkey. First International F-35 Roll out FACO, Italy
  - **KC-46A Tanker (Pegasus)**
    - First flight 29 Dec, First KC-46 Flight planned Summer 2015, Production 179 thru 2027 (15 AC a yr)
    - 18 Combat ready AC by 2017 IOC still okay
    - First production AC (2) 767-2 (2) KC-46
    - Wiring Harness issue resolution in work, but beginning to impact schedule
    - KC-Y-X likely will be unmanned
  - **NGLRS (ABSD) LRS-B Airborne Strategic Deterrence –LRS Family**
    - Expect LRS AC fielded by 2024, Nuke certified 2026
    - Plan 80-100 AC, estimated cost $550M per copy
      - Multiple variants, Proven technologies, adaptive Technologies
    - **RFP released (9 July 14)**
      - Down select Summer 2015
  - **Other Priorities**
    - **T-X (FYDP FY17)** $600M in next 5 years. planned RFP planned 3rd Qtr FY16, Award FY18 IOC 2023
      - **Redesigned AC** now the key
      - 350 AC
    - JSTAR replacement (planned 2022 fielding based on Commercial Business jets)
      - RFI possible 2016
Aviation News

- China/ Russia/ISIS/Iran
  - Aggressive stances continue
    - ADIZ - Island grab South China Sea China Sea/Ukraine/Middle East
    - Seen as further attempt to push US out of the region and land grab contested land/Islands
  - Chinese UAV MQ-9 Look alike on display
  - Y-20 Airlift first flight March YC-15/C-17 look alike
  - Building second of 4 planned Carriers
  - China pursuing Hypersonic vehicles and Weapons
  - #5 Military World exporter
  - China12% increase in FY15 Defense Budget - China ~$200B, Russia ~$100B
  - GDP exceeded US 1 Dec largest economy in the world
- NOTE: Large Weapon Systems build up in Pacific/Middle East/ and Old Eastern Block countries
  - China to fly their competitor to 737-A320 next year C-919, Orders for 400, market of 6000 in China
- Russia go ahead for New Bomber PAK-DA
  - Flying Wing design
    - Production 2020 IOC 2025-2030
  - New ground launched and sea launched ALCM being tested (START Violation)
  - Modernizing entire ICBM fleet by 2020
  - Has already modernized their Nuclear arsenal
  - Pressing NATO and Canadian airspace
  - Plan to begin Operations in Gulf of Mexico and coastal US (Cold War profile)
  - 5th Gen fighter T-50 PAK-FA first production 2016
    - 50+ AC by 2020
  - Hedging on Non-Proliferation efforts
- UCAV efforts proceeding
  - X-47B, X56, Fury continues flight test
  - UCLASS RFP expected soon
  - X-37B returns from 2 years in orbit
  - UAV/RPA spending to double in next decade
- C-17 Production ending by Sept 15 and close Long beach facility.
- B-52 Re-engine being considered again along with increased weapons load.
- New DoD Export rules to help streamline sales boost innovation and focus on more interoperability between countries.
Aviation News

- US Bomber fleet stable thru 2012 then reduced by (5)AC each year going forward
  - B-1B to GSC

- Next Generation Fighter study to begin in FY15 ($$ Provided) Exploring options
  - AF 2030+ Air Dominance Fighter F-X
  - Navy F/A-XX
    - Potential Mach 5 + AC, Laser Wpns, Advanced Stealth, New Propulsion and sensors +
    - To include Directed energy weapons and additive technologies that can be retrofitted to 4th and 5th Gen AC
  - Likely a joint effort

- Sikorsky wins:
  - Selected to build the next Presidential Marine 1, (21) AC by 2023
  - AF combat Rescue 112 Helos based on HH-60
    - First deliveries 2019

- New AF 1 will be a 747-8 Dash 8
  - Existing AF1 will be 30 years old 2017
  - RFP this FY New AF 1 to be delivered as early as 2018 IOC 2023
  - Extended Upper deck and New Wing

- Top AF R&D efforts for FY15
  - Hypersonic
  - Autonomous Flight
  - Directed Energy Weapons
  - Fuel efficient Engines

- ISIS airstrikes
  - 75% USAF 25% US Navy - US carrying 70% of all sorties
  - A-10 back in the fight Nov 2014, New defined end life 2027-28
  - F-22 Leading Legacy AC into the fight

- AIA study
  - US Military FMS Sales Flat for 2014 at $87B
  - Projects significant reductions if SEQ returns in FY16
    - Reductions in F-35
    - Retire KC-10, Global Hawk, reduce MQ-9 buys and reduced Depot Budgets along with lower R&D
ACC exploring new A-10 for CAS. May impact F-35 use
- Based on a light Attack platform.

Nuke Modernization being impacted by SEQ/BCA
- GSC establishing a “SAC light” dedicated group

50 years ago, 22 Dec 1964, SR-71 made first flight
- Original starting cart was based on twin Buick 454 V-8s running in Tandem.

50 years ago in Jan first DC-9 rolled out
- 2400 Variants built

Leadership changes
- Ashton Carter - new SECDEF Feb 2015
- LtGen Ellen Pawlikawski - New AFMC/CC
- MG Lee Levy - New AFSC/CC Tinker