



Selected Acquisition Report (SAR)

RCS: DD-A&T(Q&A)823-420



MQ-1C Gray Eagle Unmanned Aircraft System (MQ-1C Gray Eagle)

As of FY 2011 President's Budget

Defense Acquisition Management
Information Retrieval
(DAMIR)

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Common Acronyms and Abbreviations for MDAP Programs

Acq O&M - Acquisition-Related Operations and Maintenance
ACAT - Acquisition Category
ADM - Acquisition Decision Memorandum
APB - Acquisition Program Baseline
APPN - Appropriation
APUC - Average Procurement Unit Cost
\$B - Billions of Dollars
BA - Budget Authority/Budget Activity
Blk - Block
BY - Base Year
CAPE - Cost Assessment and Program Evaluation
CARD - Cost Analysis Requirements Description
CDD - Capability Development Document
CLIN - Contract Line Item Number
CPD - Capability Production Document
CY - Calendar Year
DAB - Defense Acquisition Board
DAE - Defense Acquisition Executive
DAMIR - Defense Acquisition Management Information Retrieval
DoD - Department of Defense
DSN - Defense Switched Network
EMD - Engineering and Manufacturing Development
EVM - Earned Value Management
FOC - Full Operational Capability
FMS - Foreign Military Sales
FRP - Full Rate Production
FY - Fiscal Year
FYDP - Future Years Defense Program
ICE - Independent Cost Estimate
IOC - Initial Operational Capability
Inc - Increment
JROC - Joint Requirements Oversight Council
\$K - Thousands of Dollars
KPP - Key Performance Parameter
LRIP - Low Rate Initial Production
\$M - Millions of Dollars
MDA - Milestone Decision Authority
MDAP - Major Defense Acquisition Program
MILCON - Military Construction
N/A - Not Applicable
O&M - Operations and Maintenance
ORD - Operational Requirements Document
OSD - Office of the Secretary of Defense
O&S - Operating and Support
PAUC - Program Acquisition Unit Cost

PB - President's Budget
PE - Program Element
PEO - Program Executive Officer
PM - Program Manager
POE - Program Office Estimate
RDT&E - Research, Development, Test, and Evaluation
SAR - Selected Acquisition Report
SCP - Service Cost Position
TBD - To Be Determined
TY - Then Year
UCR - Unit Cost Reporting
U.S. - United States
USD(AT&L) - Under Secretary of Defense (Acquisition, Technology and Logistics)

Program Information

Program Name

Extended Range / Multi-Purpose Unmanned Aircraft System (ER/MP UAS) (ER/MP UAS)

DoD Component

Army

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References

SAR Baseline (Development Estimate)

FY 2011 President's Budget

Mission and Description

Provides the Division Commander a dedicated, assured, multi-mission Unmanned Aircraft System (UAS) for the tactical fight assigned to the Combat Aviation Brigade (CAB) in each Division and supports the Division Fires, Battlefield Surveillance Brigades (BSB) and Brigade Combat Teams (BCTs), based upon the Division Commander's priorities. Provides Reconnaissance, Surveillance, and Target Acquisition (RSTA), command and control, communications relay, Signals Intelligence (SIGINT), Electronic Warfare (EW), attack, detection of Weapons of Mass Destruction (WMD), and battle damage assessment capability.

One Extended Range/Multi-Purpose (ER/MP) system consists of 12 MQ-1C aircraft, each with the following payloads: Electro-Optical/Infrared/Laser Range Finder/Laser Designator (EO/IR/LRF/LD), communications relay, and four HELLFIRE Missiles. Ground equipment for each system includes five One System Ground Control Stations (OSGCS), five Ground Data Terminals (GDT), one Satellite Communication (SATCOM) Ground Data Terminal (SGDT), Automated Take Off and Landing Systems (ATLS), and other associated ground support equipment. Each system is operated and maintained by a company of 128 soldiers within a Combat Aviation Brigade (CAB).

Executive Summary

This is the initial Selected Acquisition Report (SAR) submission for this program. The Extended Range/Multi Purpose (ER/MP) Unmanned Aircraft System (UAS) program was initiated April 20, 2005 at Milestone (MS) B. ER/MP was initially established as an Acquisition Category (ACAT) II program and was intended to replace the Hunter UAS, a Corps level asset. The Milestone Decision Authority (MDA) granted approval at the MS B to conduct a full and open competitive acquisition for the ER/MP UAS. General Atomics was selected to perform as system Prime Contractor for the Engineering and Manufacturing Development (EMD) of the ER/MP UAS and was awarded the ER/MP EMD contract on August 8, 2005. The initial program was approved for procurement of four systems with five aircraft each and associated equipment. In 2005, the Army directed ER/MP to be fielded at the Division level and increased the procurement quantity for the program to 11 systems with 12 aircraft each with associated equipment. The President's Budget dated February 1, 2010, increased the quantity for the program to 13 systems.

The Secretary of Defense directed the deployment of prototype ER/MP equipment to support the war in April 2008. In order to meet the Secretary of Defense requirement, two Quick Reaction Capability (QRC) sets were procured. Each set consists of four aircraft each and associated equipment. The first QRC was deployed in July 2009 and the second will be deployed in July 2010. The QRC is not contained within the ER/MP Acquisition Program Baseline (APB).

ER/MP UAS was redesignated by the Defense Acquisition Executive (DAE) as an ACAT ID program on May 19, 2008. The baseline acquisition program is proceeding with EMD toward a Fiscal Year (FY) 2011 First Unit Equipped (FUE) and Initial Operational Test and Evaluation (IOT&E). ER/MP UAS completed a MS C review on February 2, 2010.

Status of major tests: LUT is planned to begin third quarter FY2010, IOT&E is planned to begin fourth quarter 2011 and completed by second quarter 2012. Follow-on Operational Test and Evaluation (FOT&E) planned objective date is fourth quarter 2012.

The PMO has a Risk Management Program (RMP) in accordance with the risk management guide for Department of Defense (DoD) Acquisition. The ER/MP Risk Review Board (RRB) meets monthly and is jointly chaired by the Government ER/MP Chief Engineer and the Contractor Program Manager. The RMP has accepted five program risks: meeting the program schedule, De-Ice system integration, Automatic Take Off and Landing System (ATLS) implementation, Heavy Fuel Engine (HFE) integration, and maintaining the air vehicle weight. The accepted risk mitigation activities are monitored using automated risk management tools and all efforts are on schedule.

There are no significant software-related issues for this program at this time.

Threshold Breaches

APB Breaches

Schedule		<input type="checkbox"/>
Performance		<input type="checkbox"/>
Cost	RDT&E	<input type="checkbox"/>
	Procurement	<input type="checkbox"/>
	MILCON	<input type="checkbox"/>
	Acq O&M	<input type="checkbox"/>
O&S Cost		<input type="checkbox"/>
Unit Cost	PAUC	<input type="checkbox"/>
	APUC	<input type="checkbox"/>

Nunn-McCurdy Breaches

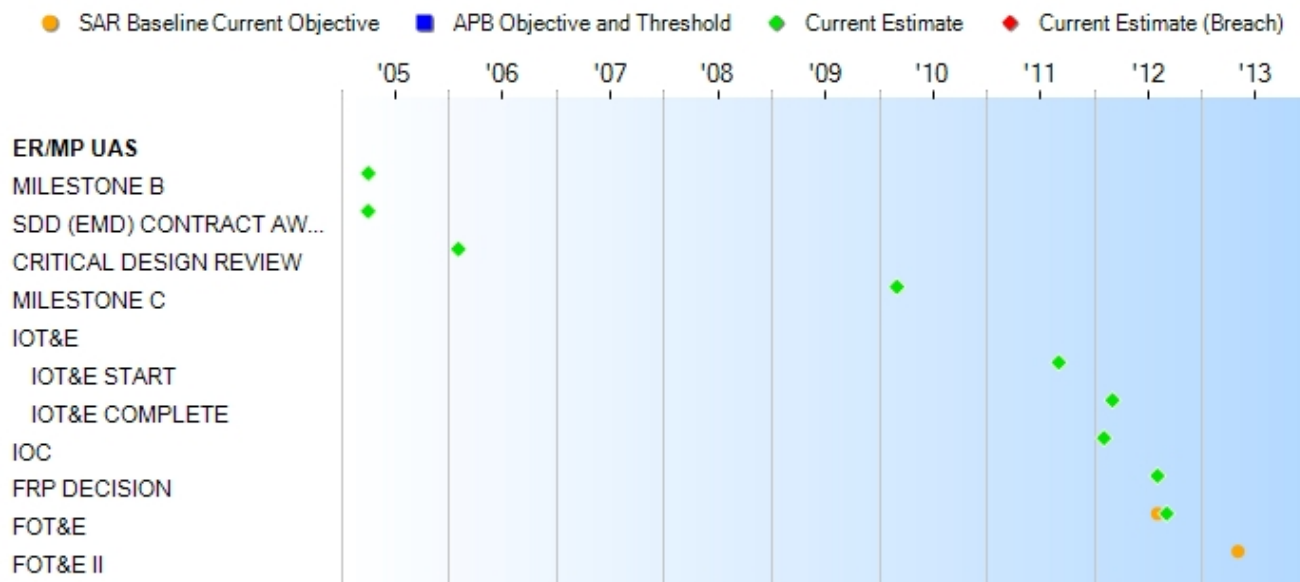
Current UCR Baseline

PAUC	None
APUC	None

Original UCR Baseline

PAUC	None
APUC	None

Schedule



Schedule Events				
Events	SAR Baseline Development Estimate	Current APB Objective/Threshold		Current Estimate
MILESTONE B	Apr 2005	N/A	N/A	Apr 2005
SDD (EMD) CONTRACT AWARD	Apr 2005	N/A	N/A	Apr 2005
CRITICAL DESIGN REVIEW	Feb 2006	N/A	N/A	Feb 2006
MILESTONE C	Mar 2010	N/A	N/A	Mar 2010
IOT&E				
IOT&E START	Sep 2011	N/A	N/A	Sep 2011
IOT&E COMPLETE	Mar 2012	N/A	N/A	Mar 2012
IOC	Feb 2012	N/A	N/A	Feb 2012
FRP DECISION	Aug 2012	N/A	N/A	Aug 2012
FOT&E	Aug 2012	N/A	N/A	Sep 2012
FOT&E II	May 2013	N/A	N/A	N/A

Change Explanations

None

Acronyms and Abbreviations

EMD - Engineering and Manufacturing Development
FOT&E - Follow-on Test and Evaluation
FRP - Full Rate Production
IOC - Initial Operational Capability
IOT&E - Initial Operational Test and Evaluation
SDD - System Development and Demonstration

Performance

Performance Characteristics				
SAR Baseline Development Estimate	Current APB Objective/Threshold		Demonstrated Performance	Current Estimate
Net Ready /1				
The system must fully support execution of all operational activities identified in the applicable joint and system integrated architectures and the system must satisfy the technical requirements for Net-Centric military operations to include 1) DISR mandated GIG IT standards and profiles identified in the TV-1, 2) DISR mandated GIG KIPs identified in the KIP declaration table, 3) NCOW RM Enterprise Services 4) IA requirements including availability, integrity, authentication, confidentiality, and non-repudiation, and issuance of an ATO by the DAA, and 5) Operationally effective information exchanges; and mission critical performance and IA attributes, data correctness, data availability, and consistent data processing specified in the applicable joint and system integrated architecture views. The system must be able to enter and be managed in the network, and exchange data in a secure manner.	N/A	N/A	TBD	Fully Support all operational activities identified in the applicable joint and system integrated architectures and satisfy the technical requirements for Net-Centric military operations to include: 1. DISR mandated GIG IT standards and profiles identified in the TV-1, 2. DISR mandated GIG KIPs identified in the KIP declaration table, 3. NCOW RM Enterprise Services, 4. Information assurance requirements including availability, integrity, authentication, confidentiality, and nonrepudiation, and issuance of an Interim Approval to Operate (IATO) by the Designated Approval Authority (DAA). 5. Operationally effective information exchanges and mission critical performance and information assurance attributes, data correctness, data availability, and consistent data processing specified in the applicable joint system integrated architecture views.
Multi Payload/Weight Capability				
The aircraft is capable of simultaneously carrying two payloads with a combined minimum weight of 300 lbs.	N/A	N/A	TBD	The aircraft is capable of simultaneously carrying two payloads with max weight of 200 lbs
Airframe Sensors Payload Capability				
The aircraft will be capable of accepting payloads that are: EO/IR/LD capable of providing a 90% PD of a military target from the aircraft's operational altitude out to a minimum of 30km slant range. EO/IR/LD capable of providing a 90% PR of a military target, from the aircraft's operational altitude, out to a	N/A	N/A	TBD	The aircraft will be capable of accepting payloads that are: EO/IR/LD capable of providing a 90% PD of a military target from the aircraft's operational altitude out to a minimum of 25km slant range. EO/IR/LD capable of providing a 90% PR of a military target, from the aircraft operational altitude, out to a

minimum of 10km slant range. SAR/GMTI Sensor capable of providing 85% PD of a military target, from the aircraft's operational altitude, out to a minimum 10km slant range in clear weather				minimum of 9km slant range.
Availability				
The aircraft system must maintain a combat Ao of 90%.	N/A	N/A	TBD	The aircraft system must maintain a combat Ao of 80%.
AV Propulsion				
The aircraft engine will be powered by DoD/NATO standard heavy fuel (JP8 Fuel).	N/A	N/A	TBD	The aircraft engine will be powered by DoD/NATO standard heavy fuel (JP8 Fuel), MOGAS, or AVGAS.
Weapons Capable Airframe /2				
The aircraft shall be capable of engaging traditional and non-traditional ground moving, stationary, and water borne moving targets with the AGM-114P-4A and AGM-114N-4 and other AGM-114 variants or similar future AGMs and small light weight precision munitions.	N/A	N/A	TBD	The aircraft shall be weapons capable of supporting 2 hard points at 200 lbs each. Capable of engaging traditional and non-traditional ground moving, stationary targets with the Air to Ground Missile AGM-114P-4A and AGM-114N-4.
Survivability and Force Protection				
The GCS-V3 will be mounted onto an Army standard tactical vehicle with the ability to be up armored.	N/A	N/A	TBD	OSGCS-V2 will be mounted onto an Army standard tactical vehicle with the ability to be up armored.

Change Explanations

None

Notes

The Extended Range/Multi Purpose (ER/MP) payloads are managed by other Program Management Offices (PMO) within other Program Executive Offices (PEO). The Common Sensor Payload (CSP) cost is included in the ER/MP Acquisition Program Baseline (APB), as the CSP capability is a Key Performance Parameter (KPP) for ER/MP. CSP is managed by Project Manager Robotics and Unmanned Sensors (PM RUS), Program Executive Officer, Intelligence, Electronic Warfare and Sensors (PEO IEW&S).

The ER/MP program is budgeted to meet threshold level KPP, which are reflected in the Current Estimate.

The ER/MP program will contract to meet threshold level KPP, which are reflected in the Current Estimate.

Acronyms and Abbreviations

AGM's - Air-to-Ground Missile
Ao - Operational Availability
ATO - Approval to Operate
AVGAS - Aviation Gasoline
DAA - Designated Approval Authority
DISR - Department of Defense Information Technology Standards Registry
DoD - Department of Defense
EO/IR/LD - Electro-Optical / Infrared / Laser Designator
GIG IT - Global Information Grid Information Technology
IA - Information Assurance
KIP - Key Interface Profile
km - Kilometer
lbs - Pounds
MOGAS - Motor Gasoline
NATO - North Atlantic Treaty Organization
NCOW RM - Net Centric Operations Warfare Reference Model
OSGCS-V2 - One System Ground Control Station Version Two
PD - Probability of Detection
PR - Probability of Recognition
SAR/GMTI Sensor - Synthetic Aperature Radar/Ground Moving Target Indicator
TV - Technical View

Track to Budget

RDT&E

Appn	BA	PE
Army	2040	07 0305204A
	Project	Name
	D09	Research, Development, Test and Evaluation, Army
Army	2040	07 0305219A
	Project	Name
	MQ1	Research, Development, Test and Evaluation, Army

Notes

Fiscal years (FY) 2006 through 2010 are funded on Program Element 0305204A Project D09.
Fiscal years (FY) 2011 through the out years are funded on Program Element 0305219A Project MQ1.

Procurement

Appn	BA	PE
Army	2031	01 00005000
	Line Item	Name
	00005000	Aircraft Procurement, Army
Army	2035	02 00305000
	Line Item	Name
	00305000	Other Procurement, Army

Notes

Fiscal Years (FY) 2007 through 2009 are funded on Appropriation 2035, Other Procurement Army, Budget Activity 02, Program Element 00305000.

Fiscal Years (FY) 2010 through the out years are funded on Appropriation 2031, Aircraft Procurement Army, Budget Activity 01, Program Element 00005000.

MILCON

Appn	BA	PE
Army	2050	02 0022096A
	Project	Name
	069830	Military Construction, Army

Notes

Project 069830 is for Military Construction at Fort Stewart, Georgia in Fiscal Year (FY) 2011. Project Code 072845 will fund facilities at Fort Hood, Texas in FY 2011. Facilities will be funded at Fort Campbell, Kentucky and Fort Bliss, Texas in FY 2012. Other facilities will be identified when project codes are assigned. Estimate for facilities is two systems per year through FY 2016 and one system in FY 2017.

Cost and Funding

Cost Summary

Total Acquisition Cost							
Appropriation	BY \$M			BY 2010 \$M	TY \$M		
	SAR Baseline Development Estimate	Current APB Objective/Threshold		Current Estimate	SAR Baseline Development Estimate	Current APB Objective	Current Estimate
RDT&E	706.4	--	--	706.4	708.7	--	708.7
Procurement	3215.9	--	--	3215.9	3421.2	--	3421.2
Flyaway	--	--	--	2331.9	--	--	2483.6
Recurring	--	--	--	2168.1	--	--	2307.6
Non Recurring	--	--	--	163.8	--	--	176.0
Support	--	--	--	884.0	--	--	937.6
Other Support	--	--	--	594.5	--	--	636.2
Initial Spares	--	--	--	289.5	--	--	301.4
MILCON	1001.3	--	--	1001.3	1090.9	--	1090.9
Acq O&M	0.0	--	--	0.0	0.0	--	0.0
Total	4923.6	--	--	4923.6	5220.8	--	5220.8

Total Quantity			
Quantity	SAR Baseline Development Estimate	Current APB	Current Estimate
RDT&E		1	0
Procurement		12	0
Total		13	0

Quantity Notes

The Extended Range/ Multi Purpose (ER/MP) program quantity is measured in "systems", defined as:

One Extended Range Multi-Purpose (ER/MP) system consists of 12 MQ-1C aircraft, each with the following payloads: Electro-Optical/Infrared, Laser Range Finder/Laser Designator (EO/IR/LRF/LD), communications relay, and four HELLFIRE Missiles. Ground equipment includes five One System Ground Control Stations (OSGCS), five Ground Data Terminals (GDT), one Satellite Communication (SATCOM) Ground Data Terminal (SGDT), Automated Take Off and Landing Systems (ATLS), and other associated ground support equipment.

Cost and Funding

Funding Summary

Appropriation Summary									
FY 2011 President's Budget / December 2009 SAR (TY\$ M)									
Appropriation	Prior	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	To Complete	Total
RDT&E	381.1	73.2	123.2	60.7	29.3	21.9	19.3	0.0	708.7
Procurement	275.9	480.2	459.1	483.6	490.6	510.4	478.0	243.4	3421.2
MILCON	0.0	21.0	106.0	312.0	158.6	161.5	164.4	167.4	1090.9
Acq O&M	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PB 2011 Total	657.0	574.4	688.3	856.3	678.5	693.8	661.7	410.8	5220.8
	--	--	--	--	--	--	--	--	--

Funding Notes

The 480.2 (TY\$M) listed in the Fiscal Year (FY) 2010 Procurement line, includes Overseas Contingency Operations (OCO) funding (250.0 TY\$M) that has been appropriated.

The FY2011 Procurement line does not include OCO funding (47.0 TY\$M) because it has not been appropriated and is currently a supplemental request. The FY11 OCO funding was requested to support ongoing operations in Iraq and Afghanistan.

In addition to the 13 systems being procured, a partial system is fielded at Fort Huachuca to facilitate operator training.

Quantity Summary										
FY 2011 President's Budget / December 2009 SAR (TY\$ M)										
Quantity	Undistributed	Prior	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	To Complete	Total
Development	1	0	0	0	0	0	0	0	0	1
Production	0	0	2	2	2	2	2	2	0	12
PB 2011 Total	1	0	2	2	2	2	2	2	0	13
	--	--	--	--	--	--	--	--	--	--

Cost and Funding

Annual Funding By Appropriation

Annual Funding							
2040 RDT&E Research, Development, Test, and Evaluation, Army							
Fiscal Year	Quantity	TY \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
2006	--	--	--	--	--	--	92.2
2007	--	--	--	--	--	--	123.7
2008	--	--	--	--	--	--	103.4
2009	--	--	--	--	--	--	61.8
2010	--	--	--	--	--	--	73.2
2011	--	--	--	--	--	--	123.2
2012	--	--	--	--	--	--	60.7
2013	--	--	--	--	--	--	29.3
2014	--	--	--	--	--	--	21.9
2015	--	--	--	--	--	--	19.3
Subtotal	1	--	--	--	--	--	708.7

Annual Funding 2040 RDT&E Research, Development, Test, and Evaluation, Army							
Fiscal Year	Quantity	BY 2010 \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
2006	--	--	--	--	--	--	97.2
2007	--	--	--	--	--	--	127.4
2008	--	--	--	--	--	--	104.5
2009	--	--	--	--	--	--	61.7
2010	--	--	--	--	--	--	72.3
2011	--	--	--	--	--	--	119.8
2012	--	--	--	--	--	--	58.1
2013	--	--	--	--	--	--	27.6
2014	--	--	--	--	--	--	20.3
2015	--	--	--	--	--	--	17.5
Subtotal	1	--	--	--	--	--	706.4

Fiscal years (FY) 2006 through 2010 is funded on Program Element 0305204A Project D09.
Fiscal years (FY) 2011 through the out years is funded on Program Element 0305219A Project MQ1.

Annual Funding 2031 Procurement Aircraft Procurement, Army							
Fiscal Year	Quantity	TY \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
2010	2	317.0	63.9	19.6	400.5	79.7	480.2
2011	2	248.3	73.1	25.3	346.7	112.4	459.1
2012	2	242.6	104.5	14.5	361.6	122.0	483.6
2013	2	251.0	88.0	22.5	361.5	129.1	490.6
2014	2	260.3	86.0	42.6	388.9	121.5	510.4
2015	2	250.9	86.9	36.1	373.9	104.1	478.0
2016	--	--	30.0	15.4	45.4	22.3	67.7
2017	--	--	28.9	--	28.9	27.4	56.3
2018	--	--	29.2	--	29.2	13.6	42.8
2019	--	--	27.8	--	27.8	8.1	35.9
2020	--	--	11.9	--	11.9	1.1	13.0
2021	--	--	11.8	--	11.8	1.1	12.9
2022	--	--	--	--	--	1.1	1.1
2023	--	--	--	--	--	1.1	1.1
2024	--	--	--	--	--	1.1	1.1
2025	--	--	--	--	--	1.2	1.2
2026	--	--	--	--	--	1.2	1.2
2027	--	--	--	--	--	1.2	1.2
2028	--	--	--	--	--	1.2	1.2
2029	--	--	--	--	--	1.2	1.2
2030	--	--	--	--	--	1.3	1.3
2031	--	--	--	--	--	1.2	1.2
2032	--	--	--	--	--	1.0	1.0
2033	--	--	--	--	--	0.8	0.8
2034	--	--	--	--	--	0.6	0.6
2035	--	--	--	--	--	0.4	0.4
2036	--	--	--	--	--	0.2	0.2
Subtotal	12	1570.1	642.0	176.0	2388.1	757.2	3145.3

Annual Funding 2031 Procurement Aircraft Procurement, Army							
Fiscal Year	Quantity	BY 2010 \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
2010	2	311.2	62.8	19.2	393.2	78.2	471.4
2011	2	239.7	70.6	24.4	334.7	108.5	443.2
2012	2	230.3	99.1	13.8	343.2	115.9	459.1
2013	2	234.3	82.1	21.0	337.4	120.6	458.0
2014	2	238.9	78.9	39.1	356.9	111.6	468.5
2015	2	226.5	78.4	32.6	337.5	93.9	431.4
2016	--	--	26.6	13.7	40.3	19.8	60.1
2017	--	--	25.2	--	25.2	23.9	49.1
2018	--	--	25.0	--	25.0	11.7	36.7
2019	--	--	23.5	--	23.5	6.8	30.3
2020	--	--	9.9	--	9.9	0.9	10.8
2021	--	--	9.6	--	9.6	0.9	10.5
2022	--	--	--	--	--	0.9	0.9
2023	--	--	--	--	--	0.9	0.9
2024	--	--	--	--	--	0.9	0.9
2025	--	--	--	--	--	0.9	0.9
2026	--	--	--	--	--	0.9	0.9
2027	--	--	--	--	--	0.9	0.9
2028	--	--	--	--	--	0.9	0.9
2029	--	--	--	--	--	0.9	0.9
2030	--	--	--	--	--	0.9	0.9
2031	--	--	--	--	--	0.8	0.8
2032	--	--	--	--	--	0.7	0.7
2033	--	--	--	--	--	0.5	0.5
2034	--	--	--	--	--	0.4	0.4
2035	--	--	--	--	--	0.3	0.3
2036	--	--	--	--	--	0.1	0.1
Subtotal	12	1480.9	591.7	163.8	2236.4	703.6	2940.0

Fiscal Years (FY) 2007 through 2009 are funded on Appropriation 2035, Other Procurement Army, Budget Activity 02, Program Element 00305000.

Fiscal Years (FY) 2010 through the out years are funded on Appropriation 2031, Aircraft Procurement Army, Budget Activity 01, Program Element 00005000.

Cost Quantity Information 2031 Procurement Aircraft Procurement, Army		
Fiscal Year	Quantity	End Item Recurring Flyaway (Aligned With Quantity) BY 2010 \$M
2010	2	311.3
2011	2	239.7
2012	2	230.3
2013	2	234.3
2014	2	238.9
2015	2	226.4
2016	--	--
2017	--	--
2018	--	--
2019	--	--
2020	--	--
2021	--	--
2022	--	--
2023	--	--
2024	--	--
2025	--	--
2026	--	--
2027	--	--
2028	--	--
2029	--	--
2030	--	--
2031	--	--
2032	--	--
2033	--	--
2034	--	--
2035	--	--
2036	--	--
Subtotal	12	1480.9

Annual Funding 2035 Procurement Other Procurement, Army								
Fiscal Year	Quantity	TY \$M						
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program	
2007	--	--	--	--	--	9.7	9.7	
2008	--	--	26.0	--	26.0	30.0	56.0	
2009	--	--	69.5	--	69.5	140.7	210.2	
Subtotal	--	--	95.5	--	95.5	180.4	275.9	

Annual Funding 2035 Procurement Other Procurement, Army								
Fiscal Year	Quantity	BY 2010 \$M						
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program	
2007	--	--	--	--	--	9.9	9.9	
2008	--	--	26.2	--	26.2	30.3	56.5	
2009	--	--	69.3	--	69.3	140.2	209.5	
Subtotal	--	--	95.5	--	95.5	180.4	275.9	

Fiscal Years (FY) 2007 through 2009 are funded on Appropriation 2035, Other Procurement Army, Budget Activity 02, Program Element 00305000.

Fiscal Years (FY) 2010 through the out years are funded on Appropriation 2031, Aircraft Procurement Army, Budget Activity 01, Program Element 00005000.

Annual Funding 2050 MILCON Military Construction, Army	
Fiscal Year	TY \$M
	Total Program
2010	21.0
2011	106.0
2012	312.0
2013	158.6
2014	161.5
2015	164.4
2016	167.4
Subtotal	1090.9

Annual Funding 2050 MILCON Military Construction, Army	
Fiscal Year	BY 2010 \$M
	Total Program
2010	20.4
2011	101.2
2012	293.0
2013	146.4
2014	146.6
2015	146.8
2016	146.9
Subtotal	1001.3

Low Rate Initial Production

There is no LRIP approved for this program at this time.

Foreign Military Sales

None

Nuclear Costs

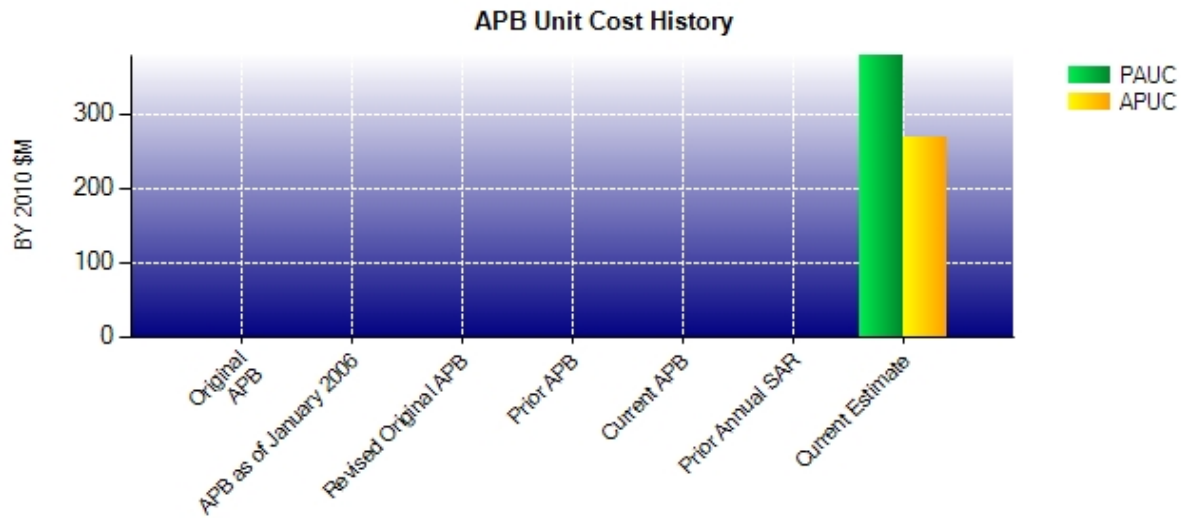
None

Unit Cost

Unit Cost Report

Item	BY 2010 \$M	BY 2010 \$M	% Change
	Current UCR Baseline	Current Estimate (Dec 2009 SAR)	
Program Acquisition Unit Cost			
Cost	--	4923.6	
Quantity	--	13	
Item	--	378.738	--
Average Procurement Unit Cost			
Cost	--	3215.9	
Quantity	--	12	
Unit Cost	--	267.992	--

Unit Cost History



Item	Date	BY 2010 \$M		TY \$M	
		PAUC	APUC	PAUC	APUC
Original APB	N/A	N/A	N/A	N/A	N/A
APB as of January 2006	N/A	N/A	N/A	N/A	N/A
Revised Original APB	N/A	N/A	N/A	N/A	N/A
Prior APB	N/A	N/A	N/A	N/A	N/A
Current APB	N/A	N/A	N/A	N/A	N/A
Prior Annual SAR	N/A	N/A	N/A	N/A	N/A
Current Estimate	Dec 2009	378.738	267.992	401.600	285.100

SAR Unit Cost History

Current SAR Baseline to Current Estimate (TY \$M)									
Initial PAUC Development Estimate	Changes								PAUC Current Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
401.600	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	401.600

Current SAR Baseline to Current Estimate (TY \$M)									
Initial APUC Development Estimate	Changes								APUC Current Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
285.100	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	285.100

SAR Baseline History				
Item	SAR Planning Estimate	SAR Development Estimate	SAR Production Estimate	Current Estimate
Milestone A	N/A	N/A	N/A	N/A
Milestone B	N/A	Apr 2005	N/A	Apr 2005
Milestone C	N/A	Feb 2010	N/A	Mar 2010
IOC	N/A	Feb 2012	N/A	Feb 2012
Total Cost (TY \$M)	N/A	5322.6	N/A	5220.8
Total Quantity	N/A	13	N/A	13
PAUC	N/A	409.431	N/A	401.600

Cost Variance

Summary TY \$M				
Item	RDT&E	Procurement	MILCON	Total
SAR Baseline (Development Estimate)	708.7	3421.2	1090.9	5220.8
Previous Changes				
Economic	--	--	--	--
Quantity	--	--	--	--
Schedule	--	--	--	--
Engineering	--	--	--	--
Estimating	--	--	--	--
Other	--	--	--	--
Support	--	--	--	--
Subtotal	--	--	--	--
Current Changes				
Economic	--	--	--	--
Quantity	--	--	--	--
Schedule	--	--	--	--
Engineering	--	--	--	--
Estimating	--	--	--	--
Other	--	--	--	--
Support	--	--	--	--
Subtotal	--	--	--	--
Total Changes	--	--	--	--
Current Estimate	708.7	3421.2	1090.9	5220.8

Summary BY 2010 \$M				
Item	RDT&E	Procurement	MILCON	Total
SAR Baseline (Development Estimate)	706.4	3215.9	1001.3	4923.6
Previous Changes				
Economic	--	--	--	--
Quantity	--	--	--	--
Schedule	--	--	--	--
Engineering	--	--	--	--
Estimating	--	--	--	--
Other	--	--	--	--
Support	--	--	--	--
Subtotal	--	--	--	--
Current Changes				
Economic	--	--	--	--
Quantity	--	--	--	--
Schedule	--	--	--	--
Engineering	--	--	--	--
Estimating	--	--	--	--
Other	--	--	--	--
Support	--	--	--	--
Subtotal	--	--	--	--
Total Changes	--	--	--	--
Current Estimate	706.4	3215.9	1001.3	4923.6

Initial SAR - Above variances (if any) reflect changes since the SAR Baseline/APB.

SAR Baseline Reference: FY 2011 President's Budget

Contracts

Contract Identification

Appropriation: RDT&E
Contract Name: Common Sensor Payload
Contractor: Raytheon
Contractor Location: McKinney, TX 75070
Contract Number: W15P7T-08-D-S602
Contract Type: Firm Fixed Price (FFP), Cost Plus Fixed Fee (CPFF)
Award Date: November 06, 2007
Definitization Date: November 06, 2007

Contract Price							
Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
0.0	N/A	995	10.2	N/A	995	9.6	10.9

Contract Variance		
Item	Cost Variance	Schedule Variance
Cumulative Variances To Date (11/21/2009)	-0.9	-0.2
Previous Cumulative Variances	--	--
Net Change	-0.9	-0.2

Cost and Schedule Variance Explanations

General Contract Variance Explanation

The net unfavorable cost and schedule variance of \$.9M and \$.2M, respectively, are due to delays and issues discovered during the integration and testing phase of the program. These issues are not expected to effect deliveries to the platform.

Notes

\$1,189.8M of the CSP contract is Firm Fixed Price (FFP). \$10.2M of the CSP contract is Cost Plus Fixed Fee (CPFF) which is the only portion subject to Earned Value Management System (EVMS).

This contract is used by multiple Government Offices to procure CSPs. The ER/MP requirement quantity is 288 CSPs.

Contract Identification

Appropriation: RDT&E
Contract Name: Extended Range Multi-Purpose (ER/MP)
Contractor: General Atomics Aeronautical Systems, Inc.
Contractor Location: Poway, CA 92064
Contract Number: W58RGZ-05-C-0069
Contract Type: Cost Plus Incentive Fee (CPIF)
Award Date: August 08, 2005
Definitization Date: August 08, 2005

Contract Price							
Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
214.4	N/A	N/A	324.4	N/A	N/A	497.3	497.3

Contract Variance		
Item	Cost Variance	Schedule Variance
Cumulative Variances To Date (1/10/2010)	0.0	0.0
Previous Cumulative Variances	--	--
Net Change	+0.0	+0.0

Cost and Schedule Variance Explanations**General Contract Variance Explanation****Notes**

A successful Integrated Baseline Review (IBR) was conducted in April 2006. The Target Contract Price changed from the initial target (\$214.4M) to the current target (\$324.4M) due to increased scope of work.

Contract Identification

Appropriation: Procurement
Contract Name: ER/MP SDD Additional Hardware
Contractor: General Atomics Aeronautical Systems, Inc.
Contractor Location: Poway, CA 92064
Contract Number: W58RGZ-05-C-0069/1
Contract Type: Cost Plus Incentive Fee (CPIF)
Award Date:
Definitization Date: June 30, 2009

Contract Price							
Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
N/A	N/A	N/A	67.5	N/A	N/A	67.5	57.8

Contract Variance		
Item	Cost Variance	Schedule Variance
Cumulative Variances To Date (1/10/2010)	+0.4	+2.2
Previous Cumulative Variances	--	--
Net Change	+0.4	+2.2

Cost and Schedule Variance Explanations**General Contract Variance Explanation**

The net favorable cost variance (+0.4) is due to stoppage of work on the stub wing design. Contract modification is forthcoming to change the contract from stub wing to production wing.

The net favorable schedule variance (+2.2) is due to material that was received earlier than planned on numerous program elements.

Notes

A successful Integrated Baseline Review (IBR) was conducted January 2010. The Earned Value Management (EVM) data reflects the December 2009 Cost Performance Report (CPR).

Deliveries and Expenditures

Deliveries				
Delivered to Date	Planned to Date	Actual to Date	Total Quantity	Percent Delivered
Development	0	0	1	0.00%
Production	0	0	12	0.00%
Total Program Quantity Delivered	0	0	13	0.00%

Expended and Appropriated (TY \$M)			
Total Acquisition Cost	5220.8	Years Appropriated	5
Expended to Date	402.0	Percent Years Appropriated	16.13%
Percent Expended	7.70%	Appropriated to Date	1231.4
Total Funding Years	31	Percent Appropriated	23.59%

Operating and Support Cost

Assumptions and Ground Rules

O&S Cost is based on a service life of 20 years. Total number of systems is 13. The estimate used historical data based on Contractor Logistics Support (CLS) cost from the Predator Program; cost applied as steady state across the Extended Range/ Multi Purpose (ER/MP) Program. The costs are expressed in terms of average cost per system per year using the Milestone C Operations and Support (O&S) estimate with Satellite Communications (SATCOM) and Common Sensor Payload (CSP) estimated cost included.

Cost Estimate Reference:

None

Sustainment Strategy:

None

Antecedent Information:

None

Unitized O&S Costs BY2010 \$M			
Cost Element	ER/MP UAS		No Antecedent (Antecedent)
	Average Annual Cost Per System		
Mission Pay & Allowance	10.650		--
Unit Level Consumption	0.080		--
Intermediate Maintenance	0.000		--
Depot Maintenance	2.130		--
Contractor Support	11.790		--
Sustaining Support	3.610		--
Indirect	2.650		--
Other	5.530		--
Total	36.440		--

Unitized Cost Comments:

None

Item	Total O&S Cost \$M			
	ER/MP UAS			No Antecedent (Antecedent)
	APB Objective/Threshold	Current Estimate		
Base Year	N/A	N/A	9696.5	N/A
Then Year	N/A	N/A	12771.4	N/A

Total O&S Cost Comment

20 yr svc life x 13 systems x 36.44 = 9474.4. 36.44 is the Operations and Maintenance weighted annual average cost per unit (system). The Mission & Pay Allowance is not included in the 36.44, but is included in the total O&S base year cost, 10.65 times 20years = 213.00.

Disposal Estimate Details

Date of Estimate:

Source of Estimate:

Disposal/Demilitarization Total Cost (BY 2010 \$M):