



Selected Acquisition Report (SAR)

RCS: DD-A&T(Q&A)823-220



C-130J

As of December 31, 2010

Defense Acquisition Management
Information Retrieval
(DAMIR)

UNCLASSIFIED

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Program Information

Designation And Nomenclature (Popular Name)

C-130J Hercules

DoD Component

Air Force

Responsible Office

Responsible Office

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References

SAR Baseline (Production Estimate)

Air Force Acquisition Executive (AFAE) Approved Acquisition Program Baseline (APB) dated October 25, 1996

Approved APB

AFAE Approved Acquisition Program Baseline (APB) dated April 25, 2007

Mission and Description

The C-130J is a medium-range, tactical airlift aircraft designed primarily for transport of cargo and personnel within a theater of operations. Variants of the C-130J perform other missions including rescue and recovery, air refueling, special operations, fire-fighting and weather reconnaissance.

The C-130J can carry more than 40,000 pounds of cargo (pallets or a varied number of wheeled vehicles) or be configured to carry up to 84 paratroopers. The enhanced cargo handling system reduces crew workload and can be quickly adapted to accommodate any combination of passenger, cargo or aero-medical airlift mission. Two primary methods of aerial delivery are used for equipment delivery: parachutes pulling the load from the aircraft; and the Container Delivery System that uses the force of gravity to pull supplies from the aircraft. The C-130J can also operate from austere landing zones with as little as 3,000 feet of dirt runway.

A stretched version of the C-130J offers aircrews 55 feet of cargo compartment length. The additional 15 feet in length over previous versions of the C-130 translates into 30% more useable volume for increased seating, litters, pallets or airdrop platforms thus providing a significant advantage in the reduction of sorties necessary for mission completion. The C-130J offers a greater value when compared to any other tactical airlifter. For example, reductions in maintenance man-hours per flight and flight and maintenance manpower result in a 47% lower squadron operating and support cost.

Executive Summary

The C-130J program office continued to support warfighter requirements worldwide. Eight (8) C-130J aircraft were delivered on schedule as part of the Multi-Year Procurement contract and the Five Year Option Contract (FYOC) efforts. The 14th and final aircraft was delivered to Ramstein AB, Germany and the first aircraft to Dyess AFB, TX, which was flown in by the Chief of Staff of the Air Force.

Ten (10) outstanding Undefined Contract Actions (UCAs), ranging in age from less than 100 to well over 900 days, were definitized from September to December 2010. These actions contractually implemented 66 C-130J aircraft for both U.S. Government and Foreign Military Sales (FMS) customers. Furthermore, these UCAs were negotiated/definitized at a total value of ~ \$4B, representing one of the largest year-end negotiations in Aeronautical Systems Center history. As part of the savings efficiencies gained from this negotiation, the Air Force was able to accelerate the purchase of two (2) aircraft without new/additional funding.

Engineering Change Proposals for both the Data Transfer and Diagnostic System (DTADS) and High Altitude Ramp and Door (HARAD) were put on contract in September 2010. DTADS converts the current Unix-based Ground Maintenance and Organizational Maintenance Systems capability to a PC/Windows-based software application. HARAD allows the ramp and door to operate during high altitude operations by preventing cavitations of the auxiliary hydraulic pump.

Development efforts for the Large Aircraft Infrared Countermeasures (LAIRCM) system incorporation onto C-130J aircraft began Trial Kit Installation (TKI) August 2010. Contractor ground and flight testing will occur in Greenville, SC followed by Developmental Testing at Eglin AFB, FL.

International Collaborative Block Upgrade Programs:

With the completion of Critical Design Review in October 2010, the Block 7.0 upgrade program shifted from the development phase to integration and test. Block 7.0 incorporates 25 capability requirements with emphases on a new Flight Management System (FMS) and Link 16. This effort maintains access to global airspace, enhances navigational accuracy and aircrew situational awareness, and increases overall operational utility/effectiveness. The Block 7.0 delivery order on the Block Upgrade Improvement Contract was rebaselined in June 2010 due to problems encountered with the FMS software. This extended the common core delivery date from September 2011 to August 2012. Finally, the prime contractor commenced TKI activities August 2010.

Block 8.1 will incorporate 10 new capability requirements with emphases on the Civil Data Link, Automatic Dependent Surveillance Broadcast-Out, and Identification, Friend or Foe Transponder Mode-5. The Block 8.1 Proposal was received June 2010. Based on the proposal, all customer-prioritized requirements will be funded and incorporated into the upgrade. Contract award is currently projected for July 2011.

There are no significant software issues 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"/>
Unit Cost	PAUC	<input type="checkbox"/>
	APUC	<input type="checkbox"/>

Nunn-McCurdy Breaches

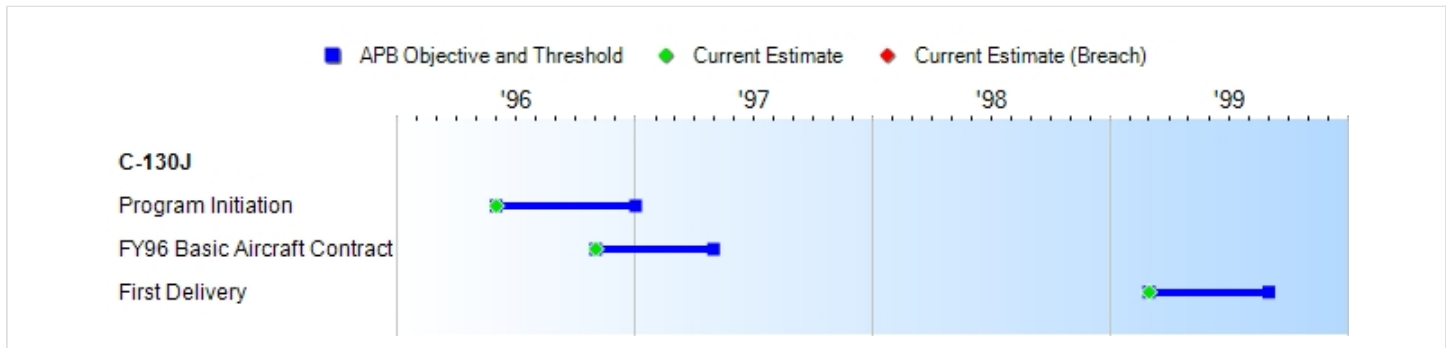
Current UCR Baseline

PAUC	None
APUC	None

Original UCR Baseline

PAUC	None
APUC	None

Schedule



Milestones	SAR Baseline Prod Est	Current APB Production Objective/Threshold		Current Estimate
Program Initiation	JUN 1996	JUN 1996	JAN 1997	JUN 1996
FY96 Basic Aircraft Contract	NOV 1996	NOV 1996	MAY 1997	NOV 1996
First Delivery	OCT 1997	MAR 1999	SEP 1999	MAR 1999

Change Explanations

None

Performance

Characteristics	SAR Baseline Prod Est	Current APB Production Objective/Threshold		Demonstrated Performance	Current Estimate	
Cockpit Crew (All Missions)	2	2	2	2	2	
Maximum Payload (lbs)	39311	39311	38910	39311	39311	
Normal Maximum Take-off Gross Weight (lbs)	155000	155000	155000	155000	155000	
Design Landing Gross Weight (lbs)	130000	130000	130000	130000	130000	
Take-off Distance at Max Take-off Weight over 50 ft Obstacle (ft)	4530	4530	5142	4530	4530	
Landing Distance at Design Landing Weight Over 50 ft Obstacle (ft)	2500	2500	2550	2500	2500	
Shortfield Capability						
Assault Take-off Distance (Takeoff Ground Roll) (ft)	2700	2700	2700	2700	2700	
Assault Landing Distance (Ground Roll) (ft)	1800	1800	1800	1800	1800	
IMC Airdrop Accuracy - Total System Error (ft)	158	158	158	158	158	
Cruising Speed at 100,000 lbs @25,000 ft (KTAS)	342	342	315	342	342	
Max Range with 42,764 lbs fuel & 29,722 lbs Payload (NM)	3070	3070	2350	3070	3070	
Environmental Factors - Operational Ambient Temperature (deg F)	-40 --120	-40 --120	-40 --120	-40 --120	-40 --120	
Sortie Reliability (SR) (%)	95.4	95.4	94.2	100	94.2	(Ch-1)
Mission Capable Rate (MC) (%)	84.0	84.0	81.0	82.7	81.0	(Ch-1)
Mean Repair Time (hrs)	6.3	6.3	7.4	2.5	7.4	(Ch-1)
Mean Time Between Removal (MTBR) (hrs)	4.6	4.6	3.8	3.0	3.8	(Ch-1)
Mean-Time Between Maintenance Corrective Actions (MTBMC) (hrs)	1.2	1.2	1.0	1.0	1.0	(Ch-1)

Requirements Source:

Operational Requirements Document (ORD) AMC 205-91-IV/III-A (REVISION II) for the C-130J Aircraft - ACAT Level IC signed by General John Jumper, USAF Chief of Staff, dated January 21, 2005.

Acronyms And Abbreviations

IMC - Instrument Meteorological Conditions
KTAS - Knots True Airspeed
NM - Nautical Miles

Change Explanations

(Ch-1) The following current estimates changed from the last report based on actual performance data:

- SR (%) changed from 99.96 to 94.2
- MC (%) changed from 86.3 to 81.0
- MRT changed from 2.0 to 7.4
- MTBR changed from 3.8 to 3.0
- MTBMC changed from 1.6 to 1.0

Memo

Demonstrated performance changed to reflect actual aircraft performance data. The increased Ops Tempo in support of the war effort has driven a decrease in the MTBR rate as aircraft return to their home stations from deployment.

Track To Budget**RDT&E**

APPN 3600	BA 07	PE 0401132F	(Air Force)
	Project 5061	C-130J	
APPN 3600	BA 04	PE 0603852F	(Air Force)
	Project 4025	C-130J	(Sunk)

Procurement

APPN 3010	BA 02	PE 0401132F	(Air Force)
	ICN 130A00		(Sunk)
	ICN 130E00		(Sunk)
APPN 3010	BA 05	PE 0401132F	(Air Force)
	ICN C1300J		(Shared)
APPN 3010	BA 02	PE 0401132F	(Air Force)
	ICN C130J0	C-130J	

MILCON

APPN 3300	BA 04	PE 0401132F	(Air Force)
		Military Construction	

Acq O&M

APPN 3400	BA 01	PE 0401132F	(Air Force)
		Operation & Maintenance - AF	(Sunk)

Cost and Funding

Cost Summary

Total Acquisition Cost and Quantity

Appropriation	BY1996 \$M			BY1996 \$M	TY \$M		
	SAR Baseline Prod Est	Current APB Production Objective/Threshold	Current Estimate	Current Estimate	SAR Baseline Prod Est	Current APB Production Objective	Current Estimate
RDT&E	8.9	349.1	384.0	303.8	9.2	446.6	390.4
Procurement	721.8	13041.0	14345.1	11431.4	830.5	15910.8	14445.3
Flyaway	540.1	--	--	8297.3	618.5	--	10450.8
Recurring	540.1	--	--	8078.2	618.5	--	10214.2
Non Recurring	0.0	--	--	219.1	0.0	--	236.6
Support	181.7	--	--	3134.1	212.0	--	3994.5
Other Support	131.6	--	--	2678.6	154.3	--	3421.9
Initial Spares	50.1	--	--	455.5	57.7	--	572.6
MILCON	0.0	153.0	168.3	99.6	0.0	182.4	118.5
Acq O&M	0.0	45.0	49.5	21.0	0.0	51.7	23.7
Total	730.7	13588.1	N/A	11855.8	839.7	16591.5	14977.9

Quantity	SAR Baseline Prod Est	Current APB Production	Current Estimate
RDT&E		0	0
Procurement		11	168
Total		11	168

Cost and Funding

Funding Summary

Appropriation and Quantity Summary FY2012 President's Budget / December 2010 SAR (TY\$ M)

Appropriation	Prior	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	To Complete	Total
RDT&E	185.2	26.8	39.5	23.2	38.2	23.8	24.3	29.4	390.4
Procurement	8845.4	532.9	93.7	154.3	291.9	401.5	953.2	3172.4	14445.3
MILCON	118.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	118.5
Acq O&M	23.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	23.7
PB 2012 Total	9172.8	559.7	133.2	177.5	330.1	425.3	977.5	3201.8	14977.9
PB 2011 Total	9190.4	559.7	279.0	281.0	294.6	537.7	801.1	3234.6	15178.1
Delta	-17.6	0.0	-145.8	-103.5	35.5	-112.4	176.4	-32.8	-200.2

Quantity	Undistributed	Prior	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	To Complete	Total
Development	0	0	0	0	0	0	0	0	0	0
Production	0	113	8	1	1	3	4	12	26	168
PB 2012 Total	0	113	8	1	1	3	4	12	26	168
PB 2011 Total	0	110	8	4	2	2	8	8	26	168
Delta	0	3	0	-3	-1	1	-4	4	0	0

Cost and Funding

Annual Funding By Appropriation

Annual Funding TY\$

3600 | RDT&E | Research, Development, Test, and Evaluation, Air Force

Fiscal Year	Quantity	End Item Recurring Flyaway TY \$M	Non End Item Recurring Flyaway TY \$M	Non Recurring Flyaway TY \$M	Total Flyaway TY \$M	Total Support TY \$M	Total Program TY \$M
1995	--	--	--	--	--	--	5.1
1996	--	--	--	--	--	--	0.4
1997	--	--	--	--	--	--	1.0
1998	--	--	--	--	--	--	3.7
1999	--	--	--	--	--	--	--
2000	--	--	--	--	--	--	--
2001	--	--	--	--	--	--	--
2002	--	--	--	--	--	--	--
2003	--	--	--	--	--	--	1.8
2004	--	--	--	--	--	--	10.3
2005	--	--	--	--	--	--	23.0
2006	--	--	--	--	--	--	11.3
2007	--	--	--	--	--	--	30.2
2008	--	--	--	--	--	--	43.3
2009	--	--	--	--	--	--	25.1
2010	--	--	--	--	--	--	30.0
2011	--	--	--	--	--	--	26.8
2012	--	--	--	--	--	--	39.5
2013	--	--	--	--	--	--	23.2
2014	--	--	--	--	--	--	38.2
2015	--	--	--	--	--	--	23.8
2016	--	--	--	--	--	--	24.3
2017	--	--	--	--	--	--	8.5
2018	--	--	--	--	--	--	9.8
2019	--	--	--	--	--	--	10.3
2020	--	--	--	--	--	--	0.2
2021	--	--	--	--	--	--	0.2
2022	--	--	--	--	--	--	0.2
2023	--	--	--	--	--	--	0.2
Subtotal	--	--	--	--	--	--	390.4

Annual Funding BY\$

3600 | RDT&E | Research, Development, Test, and Evaluation, Air Force

Fiscal Year	Quantity	End Item Recurring Flyaway BY 1996 \$M	Non End Item Recurring Flyaway BY 1996 \$M	Non Recurring Flyaway BY 1996 \$M	Total Flyaway BY 1996 \$M	Total Support BY 1996 \$M	Total Program BY 1996 \$M
1995	--	--	--	--	--	--	5.1
1996	--	--	--	--	--	--	0.4
1997	--	--	--	--	--	--	1.0
1998	--	--	--	--	--	--	3.6
1999	--	--	--	--	--	--	--
2000	--	--	--	--	--	--	--
2001	--	--	--	--	--	--	--
2002	--	--	--	--	--	--	--
2003	--	--	--	--	--	--	1.6
2004	--	--	--	--	--	--	9.1
2005	--	--	--	--	--	--	19.9
2006	--	--	--	--	--	--	9.5
2007	--	--	--	--	--	--	24.7
2008	--	--	--	--	--	--	34.7
2009	--	--	--	--	--	--	19.9
2010	--	--	--	--	--	--	23.5
2011	--	--	--	--	--	--	20.7
2012	--	--	--	--	--	--	30.1
2013	--	--	--	--	--	--	17.4
2014	--	--	--	--	--	--	28.1
2015	--	--	--	--	--	--	17.2
2016	--	--	--	--	--	--	17.3
2017	--	--	--	--	--	--	5.9
2018	--	--	--	--	--	--	6.7
2019	--	--	--	--	--	--	7.0
2020	--	--	--	--	--	--	0.1
2021	--	--	--	--	--	--	0.1
2022	--	--	--	--	--	--	0.1
2023	--	--	--	--	--	--	0.1
Subtotal	--	--	--	--	--	--	303.8

Annual Funding TY\$
3010 | Procurement | Aircraft Procurement, Air Force

Fiscal Year	Quantity	End Item Recurring Flyaway TY \$M	Non End Item Recurring Flyaway TY \$M	Non Recurring Flyaway TY \$M	Total Flyaway TY \$M	Total Support TY \$M	Total Program TY \$M
1994	2	66.8	--	--	66.8	--	66.8
1995	--	--	--	--	--	--	--
1996	5	224.1	--	--	224.1	9.3	233.4
1997	9	429.4	--	21.5	450.9	55.7	506.6
1998	7	348.7	--	47.6	396.3	51.5	447.8
1999	5	269.2	--	32.4	301.6	143.8	445.4
2000	1	57.7	--	25.7	83.4	56.6	140.0
2001	3	195.8	--	29.1	224.9	80.5	305.4
2002	5	356.6	--	22.4	379.0	60.0	439.0
2003	1	138.5	--	52.8	191.3	137.8	329.1
2004	4	277.4	--	--	277.4	196.0	473.4
2005	11	756.0	--	--	756.0	187.6	943.6
2006	12	643.1	--	--	643.1	318.2	961.3
2007	14	733.7	--	--	733.7	384.1	1117.8
2008	30	1192.5	--	5.1	1197.6	650.1	1847.7
2009	--	33.1	--	--	33.1	87.2	120.3
2010	4	301.7	--	--	301.7	166.1	467.8
2011	8	472.7	--	--	472.7	60.2	532.9
2012	1	18.2	--	--	18.2	75.5	93.7
2013	1	69.3	--	--	69.3	85.0	154.3
2014	3	215.5	--	--	215.5	76.4	291.9
2015	4	297.2	--	--	297.2	104.3	401.5
2016	12	890.4	--	--	890.4	62.8	953.2
2017	8	643.5	--	--	643.5	255.5	899.0
2018	8	686.1	--	--	686.1	250.0	936.1
2019	8	713.5	--	--	713.5	248.1	961.6
2020	2	183.5	--	--	183.5	141.1	324.6
2021	--	--	--	--	--	36.0	36.0
2022	--	--	--	--	--	12.8	12.8
2023	--	--	--	--	--	2.3	2.3
Subtotal	168	10214.2	--	236.6	10450.8	3994.5	14445.3

Annual Funding BY\$

3010 | Procurement | Aircraft Procurement, Air Force

Fiscal Year	Quantity	End Item Recurring Flyaway BY 1996 \$M	Non End Item Recurring Flyaway BY 1996 \$M	Non Recurring Flyaway BY 1996 \$M	Total Flyaway BY 1996 \$M	Total Support BY 1996 \$M	Total Program BY 1996 \$M
1994	2	66.7	--	--	66.7	--	66.7
1995	--	--	--	--	--	--	--
1996	5	217.5	--	--	217.5	9.0	226.5
1997	9	412.7	--	20.7	433.4	53.5	486.9
1998	7	332.9	--	45.4	378.3	49.3	427.6
1999	5	254.3	--	30.6	284.9	135.8	420.7
2000	1	53.6	--	23.9	77.5	52.7	130.2
2001	3	180.3	--	26.8	207.1	74.1	281.2
2002	5	324.4	--	20.4	344.8	54.6	399.4
2003	1	124.0	--	47.3	171.3	123.2	294.5
2004	4	241.9	--	--	241.9	170.8	412.7
2005	11	640.5	--	--	640.5	158.9	799.4
2006	12	530.9	--	--	530.9	262.6	793.5
2007	14	590.1	--	--	590.1	309.0	899.1
2008	30	944.9	--	4.0	948.9	515.1	1464.0
2009	--	25.9	--	--	25.9	68.1	94.0
2010	4	232.1	--	--	232.1	127.8	359.9
2011	8	358.3	--	--	358.3	45.6	403.9
2012	1	13.6	--	--	13.6	56.3	69.9
2013	1	50.8	--	--	50.8	62.3	113.1
2014	3	155.4	--	--	155.4	55.1	210.5
2015	4	210.7	--	--	210.7	74.0	284.7
2016	12	620.7	--	--	620.7	43.8	664.5
2017	8	441.1	--	--	441.1	175.1	616.2
2018	8	462.4	--	--	462.4	168.5	630.9
2019	8	472.9	--	--	472.9	164.4	637.3
2020	2	119.6	--	--	119.6	91.9	211.5
2021	--	--	--	--	--	23.1	23.1
2022	--	--	--	--	--	8.1	8.1
2023	--	--	--	--	--	1.4	1.4
Subtotal	168	8078.2	--	219.1	8297.3	3134.1	11431.4

Cost Quantity Information**3010 | Procurement | Aircraft Procurement, Air Force**

Fiscal Year	Quantity	End Item Recurring Flyaway (Aligned with Quantity) BY 1996 \$M
1994	2	66.7
1995	--	--
1996	5	217.5
1997	9	412.7
1998	7	332.9
1999	5	254.3
2000	1	53.6
2001	3	180.3
2002	5	324.4
2003	1	61.4
2004	4	173.6
2005	11	644.2
2006	12	592.8
2007	14	582.9
2008	30	1017.3
2009	--	--
2010	4	178.8
2011	8	401.2
2012	1	50.0
2013	1	50.8
2014	3	155.4
2015	4	210.7
2016	12	620.7
2017	8	441.1
2018	8	462.4
2019	8	472.9
2020	2	119.6
2021	--	--
2022	--	--
2023	--	--
Subtotal	168	8078.2

Annual Funding TY\$
3300 | MILCON | Military Construction, Air
Force

Fiscal Year	Total Program TY \$M
2002	10.4
2003	26.1
2004	26.2
2005	5.0
2006	--
2007	25.3
2008	--
2009	21.0
2010	4.5
Subtotal	118.5

Annual Funding BY\$
3300 | MILCON | Military Construction, Air
Force

Fiscal Year	Total Program BY 1996 \$M
2002	9.4
2003	23.2
2004	22.6
2005	4.2
2006	--
2007	20.3
2008	--
2009	16.4
2010	3.5
Subtotal	99.6

Annual Funding TY\$
3400 | Acq O&M | Operation and
Maintenance, Air Force

Fiscal Year	Total Program TY \$M
2003	6.8
2004	9.3
2005	7.6
Subtotal	23.7

Annual Funding BY\$
3400 | Acq O&M | Operation and
Maintenance, Air Force

Fiscal Year	Total Program BY 1996 \$M
2003	6.2
2004	8.3
2005	6.5
Subtotal	21.0

Low Rate Initial Production

No LRIP for this program.

Foreign Military Sales

Country	Date of Sale	Quantity	Total Cost \$M	Memo
Australia	4/13/2010	0	30.5	
Israel	3/25/2010	1	115.8	
Italy	12/1/2009	0	46.7	
Denmark	4/22/2009	0	16.2	
Iraq	9/14/2008	6	719.1	
India	1/31/2008	6	962.5	
Norway	6/29/2007	4	519.8	

The C-130J program office continues to manage multiple Foreign Military Sales (FMS) cases. Norway's last two aircraft were delivered in May and June 2010, 3 months ahead of the contractual delivery schedule. India's first two aircraft delivered in December 2010, two months ahead of the contract delivery schedule. Production/delivery/retrofit/sustainment activities continue for India, Israel, Norway, and the Joint Country Collaborative Effort nations. On the India case, an exception to policy was approved to authorize the first ever, contractor-provided, freight forwarding solution for an FMS case.

In March 2010, a new Letter of Offer and Acceptance (LOA) was signed with Israel to implement an FMS case for the procurement of one aircraft with an option for two additional aircraft. In September 2010, a Letter of Request was received for an LOA Amendment #1 to procure the second aircraft along with long-lead procurement of critical material for an expected procurement of the third option aircraft.

At the request of the Iraq Ministry of Defense, the initial Total Package Offer LOA for the procurement of six aircraft and sustainment support was restructured into four separate aircraft, training, spares, and support equipment procurement cases, a training case, and a follow-on Iraq Security Forces Fund case for the procurement of critical spares.

A LOA was signed April 2010 for the Australia Block 7.0 Trial Kit Installation and Embodiment kits. A Request for Proposal (RFP) was released to the prime contractor for the Denmark, Italy, and Australia Block 7.0 Trial Kit Installations. RFPs for the Embodiment kits will be released to the prime contractor upon award of the FYOC IV contract.

The FMS cases with Denmark, Australia, and Italy are for capability upgrades as part of the Joint Country Cooperative Effort only and do not procure aircraft.

Nuclear Cost

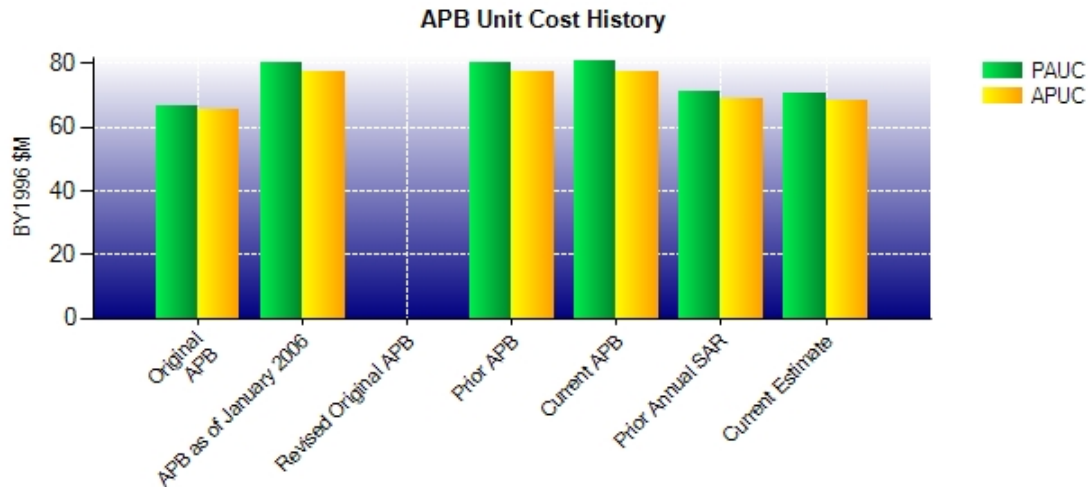
None

Unit Cost**Unit Cost Report**

	BY1996 \$M	BY1996 \$M	
Unit Cost	Current UCR Baseline (APR 2007 APB)	Current Estimate (DEC 2010 SAR)	BY % Change
Program Acquisition Unit Cost (PAUC)			
Cost	13588.1	11855.8	
Quantity	168	168	
Unit Cost	80.882	70.570	-12.75
Average Procurement Unit Cost (APUC)			
Cost	13041.0	11431.4	
Quantity	168	168	
Unit Cost	77.625	68.044	-12.34

	BY1996 \$M	BY1996 \$M	
Unit Cost	Original UCR Baseline (OCT 1996 APB)	Current Estimate (DEC 2010 SAR)	BY % Change
Program Acquisition Unit Cost (PAUC)			
Cost	730.7	11855.8	
Quantity	11	168	
Unit Cost	66.427	70.570	+6.24
Average Procurement Unit Cost (APUC)			
Cost	721.8	11431.4	
Quantity	11	168	
Unit Cost	65.618	68.044	+3.70

Unit Cost History



	Date	BY1996 \$M		TY \$M	
		PAUC	APUC	PAUC	APUC
Original APB	OCT 1996	66.427	65.618	76.336	75.500
APB as of January 2006	MAR 2003	80.023	77.625	97.517	94.707
Revised Original APB	N/A	N/A	N/A	N/A	N/A
Prior APB	MAR 2003	80.023	77.625	97.517	94.707
Current APB	APR 2007	80.882	77.625	98.759	94.707
Prior Annual SAR	DEC 2009	71.301	68.605	90.346	86.883
Current Estimate	DEC 2010	70.570	68.044	89.154	85.984

SAR Unit Cost History

Current SAR Baseline to Current Estimate (TY \$M)

Initial PAUC Prod Est	Changes								PAUC Current Est
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
76.336	0.017	-5.032	-2.999	1.007	-2.717	0.000	22.542	12.818	89.154

Current SAR Baseline to Current Estimate (TY \$M)

Initial APUC Prod Est	Changes								APUC Current Est
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
75.500	-0.034	-4.250	-2.973	0.000	-4.801	0.000	22.542	10.484	85.984

SAR Baseline History

Item/Event	SAR Planning Estimate (PE)	SAR Development Estimate (DE)	SAR Production Estimate (PdE)	Current Estimate
Milestone I	N/A	N/A	N/A	N/A
Milestone II	N/A	N/A	N/A	N/A
Milestone III	N/A	N/A	JUN 1996	JUN 1996
IOC	N/A	N/A	N/A	N/A
Total Cost (TY \$M)	N/A	839.7	839.7	14977.9
Total Quantity	N/A	11	11	168
Prog. Acq. Unit Cost (PAUC)	N/A	76.336	76.336	89.154

Cost Variance**Cost Variance Summary**

Summary Then Year \$M					
	RDT&E	Proc	MILCON	Acq O&M	Total
SAR Baseline (Prod Est)	9.2	830.5	--	--	839.7
Previous Changes					
Economic	+3.6	+7.2	+4.3	+1.1	+16.2
Quantity	--	+11139.4	--	--	+11139.4
Schedule	--	-493.5	-4.5	--	-498.0
Engineering	+169.1	--	--	--	+169.1
Estimating	+257.6	-1036.2	+118.7	+22.6	-637.3
Other	--	--	--	--	--
Support	--	+4149.0	--	--	+4149.0
Subtotal	+430.3	+13765.9	+118.5	+23.7	+14338.4
Current Changes					
Economic	-0.4	-12.9	--	--	-13.3
Quantity	--	--	--	--	--
Schedule	--	-5.9	--	--	-5.9
Engineering	--	--	--	--	--
Estimating	-48.7	+229.6	--	--	+180.9
Other	--	--	--	--	--
Support	--	-361.9	--	--	-361.9
Subtotal	-49.1	-151.1	--	--	-200.2
Total Changes	+381.2	+13614.8	+118.5	+23.7	+14138.2
CE - Cost Variance	390.4	14445.3	118.5	23.7	14977.9
CE - Cost & Funding	390.4	14445.3	118.5	23.7	14977.9

Summary Base Year 1996 \$M					
	RDT&E	Proc	MILCON	Acq O&M	Total
SAR Baseline (Prod Est)	8.9	721.8	--	--	730.7
Previous Changes					
Economic	--	--	--	--	--
Quantity	--	+8590.0	--	--	+8590.0
Schedule	--	-264.1	-3.3	--	-267.4
Engineering	+126.2	--	--	--	+126.2
Estimating	+197.2	-703.1	+102.9	+21.0	-382.0
Other	--	--	--	--	--
Support	--	+3181.1	--	--	+3181.1
Subtotal	+323.4	+10803.9	+99.6	+21.0	+11247.9
Current Changes					
Economic	--	--	--	--	--
Quantity	--	--	--	--	--
Schedule	--	--	--	--	--
Engineering	--	--	--	--	--
Estimating	-28.5	+134.4	--	--	+105.9
Other	--	--	--	--	--
Support	--	-228.7	--	--	-228.7
Subtotal	-28.5	-94.3	--	--	-122.8
Total Changes	+294.9	+10709.6	+99.6	+21.0	+11125.1
CE - Cost Variance	303.8	11431.4	99.6	21.0	11855.8
CE - Cost & Funding	303.8	11431.4	99.6	21.0	11855.8

Previous Estimate: December 2009

RDT&E	\$M	
	Base Year	Then Year
Current Change Explanations		
Revised escalation indices. (Economic)	N/A	-0.4
Increase due to cost impacts resulting from Blocks 7.0 and 8.1 development issues. (Estimating)	+35.2	+47.0
Decrease due to new estimating methodology as part of our latest update to the program office estimate concerning end of phase assumptions as the program transitions to sustainment. (Estimating)	-63.8	-95.8
Adjustment for current and prior escalation. (Estimating)	+0.1	+0.1
RDT&E Subtotal	-28.5	-49.1

Procurement	\$M	
	Base Year	Then Year
Current Change Explanations		
Revised escalation indices. (Economic)	N/A	-12.9
Decrease due to acceleration of aircraft buy profile; two aircraft moved from FY 2016 to FY 2008. (Schedule)	0.0	-5.9
Adjustment for current and prior escalation. (Estimating)	+1.3	+1.1
Increase in outyears due to a new estimate being performed including changes to estimating methodology. (Estimating)	+133.1	+228.5
Adjustment for current and prior escalation. (Support)	0.0	+0.5
Decrease in Other Support due to acceleration of buys. (Support)	-127.7	-218.7
Decrease in Initial Spares due to acceleration of buys. (Support)	-101.0	-143.7
Procurement Subtotal	-94.3	-151.1

Contracts

Appropriation: Procurement

Contract Name **C-130J - Multiyear**
 Contractor Lockheed Martin Corporation (Lockheed Martin Aero Co - Marietta, GA)
 Contractor Location Marietta, GA 39963-0290
 Contract Number, Type F33657-03-C-2014, FFP
 Award Date March 14, 2003
 Definitization Date March 14, 2003

Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
2660.0	N/A	40	2571.3	N/A	41	2571.3	2571.3

Cost And Schedule Variance Explanations

Cost and Schedule variance reporting is not required on this FFP contract.

Contract Comments

The initial contract price now reflects only the initial quantity of 40 C-130J program aircraft.

The difference between the initial and current contract price reflects the restructuring and renegotiating of this contract at a lower price due to Federal Acquisition Regulation (FAR) 12 to FAR 15 conversion.

This contract is over 90 percent complete and will no longer be reported.

Appropriation: RDT&E

Contract Name **C-130J - BUIC: Blk 7.0**
Contractor Lockheed Martin Corporation (Lockheed Martin Aero Co - Marietta, GA)
Contractor Location Marietta, GA 39963-0290
Contract Number, Type FA8625-04-D-6452/3, CPAF
Award Date April 05, 2007
Definitization Date December 07, 2010

Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
74.4	N/A	N/A	165.0	N/A	N/A	158.1	164.9

Variance	Cost Variance	Schedule Variance
Cumulative Variances To Date	-2.2	-8.2
Previous Cumulative Variances	-1.5	-5.0
Net Change	-0.7	-3.2

Cost And Schedule Variance Explanations

The Net unfavorable cost variance is primarily due to a greater than expected quantity of Problem Reports during the subcontractor software development efforts.

Net unfavorable schedule variance is primarily due to additional effort required from the subcontractor and Lockheed Martin on the Flight Management System software development effort. A schedule slip was realized during the year based on the subcontractor's inability to meet the baseline schedule.

Contract Comments

The difference between initial and current contract price reflects the definitization of the original Undefined Contract Actions and additional contract modifications.

The increase to current contract price from the initial contract price is due to the rebaseline of the Block 7.0 project, an Engineering Change Proposal for new Information Assurance requirements, and changes to the available and earned award fee pool for contractor performance.

Appropriation: Procurement

Contract Name C-130J Five Year Option Contract (FYOC) III
Contractor Lockheed Martin Corporation (Lockheed Martin Aero Co - Marietta, GA)
Contractor Location Marietta, GA 39963-0290
Contract Number, Type FA8625-06-C-6456, FFP
Award Date February 01, 2006
Definitization Date February 01, 2006

Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
8.5	N/A	N/A	2494.4	N/A	33	2494.4	2494.4

Cost And Schedule Variance Explanations

Cost and Schedule variance reporting is not required on this FFP contract.

Contract Comments

The ordering period for the FYOC III contract extends to July 2011 for FY 2011 aircraft.

The initial contract price now reflects only the award of the basic contract for engineering and logistics support. The difference between the initial and current contract price reflects the purchase of aircraft and other contract modifications.

Deliveries and Expenditures

Deliveries To Date	Plan To Date	Actual To Date	Total Quantity	Percent Delivered
Development	0	0	0	--
Production	88	88	168	52.38%
Total Program Quantities Delivered	88	88	168	52.38%

Expenditures and Appropriations (TY \$M)			
Total Acquisition Cost	14977.9	Years Appropriated	18
Expenditures To Date	7001.3	Percent Years Appropriated	60.00%
Percent Expended	46.74%	Appropriated to Date	9732.5
Total Funding Years	30	Percent Appropriated	64.98%

Quantity reflects C-130J Air Force aircraft only.

Operating and Support Cost

Assumptions And Ground Rules

The information for Operating and Support (O&S) costs through FY 2025 is based on the January 28, 2010 Program Office Estimate (POE) for life cycle costs of an estimated fleet of 168 C-130J aircraft. This estimate was adjusted to a fleet size of 168 aircraft with estimated O&S costs based upon past assumptions adjusted accordingly. This grass roots estimate covers a 25 year period with costs through 2025. The previous 2007 estimate used average Air Force Total Ownership Cost (AFTOC) data carried out until 2040.

As applicable, O&S estimates are based on commercial buy prices and the sustainment of 168 C-130J aircraft through FY 2025. Interim Contractor Support (ICS) will be required to support ongoing fielding of Block Upgrades and through the transition to depot long term sustainment. Two-level maintenance is planned.

Antecedent costs are not available at this time.

Costs BY1996 \$M		
Cost Element	C-130J Avg Annual Cost for 168 Aircraft	C-130E, C-130H Avg Annual Cost for all Aircraft (N/A)
Unit-Level Manpower	19.462	--
Unit Operations	9.513	--
Maintenance	18.780	--
Sustaining Support	3.961	--
Continuing System Improvements	1.312	--
Indirect Support	1.682	--
Other	0.000	--
Total Unitized Cost (Base Year 1996 \$)	54.710	--

Total O&S Costs \$M	C-130J	C-130E, C-130H
Base Year	9191.3	--
Then Year	13267.1	--