Selected Acquisition Report (SAR)

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

C-130J Hercules Transport Aircraft (C-130J)

As of FY 2019 President's Budget

Defense Acquisition Management
Information Retrieval
(DAMIR)

Table of Contents

Sensitivity Originator

No originator info Available at this time.

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
C-130J Hercules Transport Aircraft (C-130J)

DoD Component
Air Force

Responsible Office

Mr. Anthony Zompetti
2275 D Street
Bldg. 16 Rm.149
Wright Patterson Air Force Base, OH 45433-7142

anthony.zompetti.1@us.af.mil

Phone: 937-255-7100
Fax: 937-255-3207
DSN Phone: 785-7100
DSN Fax: 785-3207
Date Assigned: July 1, 2013

References

SAR Baseline (Production Estimate)

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

Approved APB

Air Force Acquisition Executive (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.

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.

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 92 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.

Executive Summary

Program Highlights Since Last Report

The C-130J Program Office continued to support warfighter requirements worldwide. Program Office efforts included continued management of all United States Government (USG) C-130J variant aircraft production and initial sparing, several USG specific modification programs, management of 24 active FMS production and sustainment cases, and an international development program for block upgrades for the C-130J fleet.

Lockheed Martin (LM) delivered a total of 26 aircraft in CY 2017 to USG and FMS customers. LM is planning on delivering 22 aircraft to USG and FMS customers in CY 2018.

In CY 2015, the C-130J Program Office awarded a second Multi-Year Procurement (MYP II: 78 aircraft plus options) across FY 2014 through FY 2018 buy years. Production ensued in 2016 for the MYP II and 5 additional aircraft were procured on August 19, 2016 to bring the total aircraft procured under MYP II to 86 (78 original, 3 US Coast Guard Options, 5 adds).

FY 2017 PB includes an Overseas Contingency Operations aircraft in FY 2017 to replace one lost in Afghanistan. Previously in the FY 2015 PB, an FY 2015 Overseas Contingency Operations aircraft was also included to account for an earlier aircraft lost in Afghanistan operation. These two lost aircraft are accounted for in the prior year totals. Total aircraft procurement is adjusted to 170 aircraft in order to retain the approved APB level of 168 fielded aircraft.

In September, 2016, a discrepancy with window fastener holes was identified and the root cause was determined to be one mechanic utilizing tooling improperly on the production line. Twenty four USG/FMS aircraft were affected. A corrective action was approved and the program office executed a plan to complete the rework. Twenty-three aircraft were subsequently repaired by the end of CY 2017. The final aircraft is in process and scheduled to complete in February 2018.

On August 14, 2017, the Principal Deputy Assistant Secretary of the Air Force (Acquisition & Logistics) directed the Air Force Program Executive Officer for Mobility Command (AFPEO/MB) to establish the C-130J Block Upgrade (BU) 7.0/8.I Retrofit modification program as a standalone Acquisition Category (ACAT) II Program of Record entering at Milestone C and to update the Acquisition Program Baseline (APB) for the C-130J ACAT IC Program of Record. The AFPEO/MB was directed to develop a new APB for the ACAT II Retrofit Program which was subsequently approved on December 19, 2017. The C-130J ACAT IC APB updates associated with the Retrofit ACAT II designation are reflected in this SAR.

International Collaborative BU and Capability Management Update (CMU) Programs:

The second C-130J BU 8.1 aircraft was delivered to Air Mobility Command (AMC) in February 2017. On April 18, 2017, AMC commenced BU 8.1 aircraft operations in the CONUS. On June 21, 2017, the 7-Nation Joint User Group Steering Committee (JUG SC) declared the BU 8.1 Software Development complete.

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

History of Significant Developments Since Program Initiation

History of Significant Developments Since Program Initiation	
Date	**Significant Development Description**
October 1991	Lockheed approves aircraft development
October 1993	$800M Appropriation for AFRC Unnamed Tactical Airlift Program
August 1995	First C-130J ORD (ACC)
September 1995	Commerical Item determination
September 1995	C-130J Designated a pilot program by USD (AT&L)
October 1995	First Contract for C-130J, 2 aircraft
April 1996	First C-130J flight
June 1996	Program Initiation
October 1996	Commercial Approval (CARA) & Acquisition Program Baseline (APB)
October 1996	USAF designates C-130J an ACAT IC acquisition program
October 1996	FYOC I - Five Year Option Contract (Aircraft and Support, includes options for EC-130J, WC-130J, and KC-130J variants): FY96-FY01, 35 aircraft; $2.3B
August 1998	First aircraft delivery to UK
September 1998	WC-130J Mod Contract Award
January 1999	Joint Requirements Oversight Council Memo
January 1999	First USAF Delivery
April 1999	AMC ORD update
June 1999	C-130J Test Evaluation and Master Plan
August 1999	First delivery to Australia
September 1999	EC-130J Mod Contract Award
May 2000	First trainer contract award
August 2000	First USMC Delivery and First Delivery to Italy
December 2000	FYOC II - Five Year Option Contract (Aircraft and Support): FY01-FY06, 20 aircraft; $1.3B
September 2001	Defensive Systems Integration Contract Mod (Block 5.3.6)
December 2001	First C-130J Stretch Delivered
March 2002	First USCG Delivery
June 2002	Capability Release Phase 1B: C-130J & C-130J-30: Approval to operate the C-130J and C-130J-30 in tactical environments and over water operations
November 2002	Congressional Authorizes Multi-Year Procurement (Up To 64 Aircraft Total, 40 USAF, 24 USMC): FY03 -FY08
December 2002	C-130 System Program Director formally established the C-130J System Support Manager (SSM) position, responsible for sustainment of C-130Js.
January 2003	Cooperative Development Memorandum of Understanding (MOU) established between Australia, Italy, United Kingdom and United States
March 2003	Multiyear Contract: FY03-FY08 03-C-2014 for 60 Aircraft (40 x USAF, 20 x USMC); $3.8B
March 2003	Block 5.4 Contract Mod

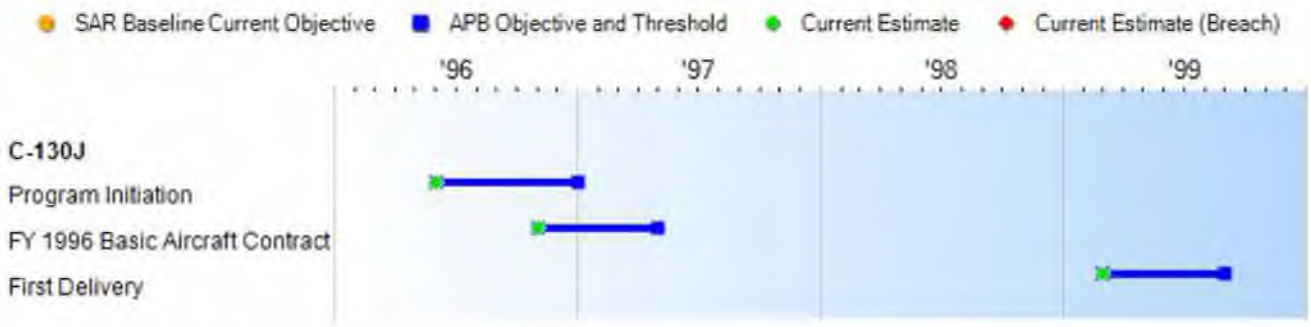
June 2003	Operational Capability Release: Phase 1B: C-130J & C-130J (short)
October 2003	First Delivery to Denmark
March 2004	Block 6 Contract Mod
August 2004	AMC C-130J ORD update
September 2004	Cooperative Development MOU amended to add Denmark
February 2006	FYOC III - Five Year Option Contract (Aircraft and Support): FY06-FY11, 106 aircraft, $8B
September 2006	$306M Global Project Arrangement (PA) signed for the Cooperative Development of three future Blocks: 7.0, 8.0 and 9.0. Participating countries are United States, United Kingdom, Italy, Australia and Denmark.
October 2006	C-130J Initial Operating Capability (IOC)
April 2007	Block 7.0 Contract Mod awarded - first collaborative effort to develop a common core system design among five nations/governments: Australia, Denmark, Italy, United Kingdom, and United States
May 2008	Cooperative Development MOU amended to add Canada and Norway
December 2010	Ten (10) outstanding Undefinitized Contract Actions (UCAs) were definitized for 66 C-130J aircraft for both U.S. Government and Foreign Military Sales (FMS) customers, for total value of $4B.
March 2011	FYOC IV - Five Year Option Contract (Aircraft and Support): FY11-FY16, up to 150 aircraft; $12.3B
November 2011	Block 8.1 contract mod awarded - collaborative common core effort with particpating countries: Australia, Canada, Denmark, Italy Norway, United Kingdom and United States
August 2013	Fully Operational Capability (FOC)
December 2013	Multiyear Contract II award: FY14-FY18, 78 aircraft; $4.2B
June 2015	Follow-on Research and Development (FORD) Contract award
August 2016	Five Year Ordering Contract (FYOC) award: FY16-FY21, up to 100 aircraft
November 2016	1st Block 8.1 aircraft delivered to AMC
August 2017	Block 7.0/8.1 Retrofit program split out as a separate ACAT II

Threshold Breaches

APB Breaches		
Schedule		☐
Performance		☐
Cost	RDT&E	☐
	Procurement	☐
	MILCON	☐
	Acq O&M	☐
O&S Cost		☐
Unit Cost	PAUC	☐
	APUC	☐

Nunn-McCurdy Breaches		
Current UCR Baseline		
	PAUC	None
	APUC	None
Original UCR Baseline		
	PAUC	None
	APUC	None

Schedule



Schedule Events				
Events	SAR Baseline Production Estimate	Current APB Production Objective/Threshold		Current Estimate
Program Initiation	Jun 1996	Jun 1996	Jan 1997	Jun 1996
FY 1996 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

Performance Characteristics				
SAR Baseline Production Estimate	**Current APB Production Objective/Threshold**		**Demonstrated Performance**	**Current Estimate**
Cockpit Crew (All Missions)				
2	2	2	2	2
Maximum Payload (lbs)				
39311	39311	38910	40000	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	4660	4530
Landing Distance at Design Landing Weight Over 50 ft Obstacle (ft)				
2500	2500	2550	2483	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	361	342
Max Range with 42,764 lbs fuel & 29,722 lbs Payload (NM)				
3070	3070	2350	3139	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	96.8	98.7
Mission Capable Rate (MC) (%)				
84.0	84.0	81.0	96	74.0
Mean Repair Time (hrs)				
6.3	6.3	7.4	1.5	5.9

Mean Time Between Removal (MTBR) (hrs)				
4.6	4.6	3.8	2.5	4.4
Mean-Time Between Maintenance Corrective Actions (MTBMC) (hrs)				
1.2	1.2	1.0	0.3	1.0

Requirements Reference

ORD AMC 205-91-IV/III-A (Revision II) dated January 21, 2005

Change Explanations

None

Notes

Demonstrated performance is based on Air Force Operational Test and Evaluation Center test data accumulated from October to December 2005.

The program office uses performance data one quarter in arrears to look for stabilized data to report for the "current estimate" and reflects data gathered from Fourth Quarter FY 2017. Data reported for "Current Estimate or Actual" reflect actual performance data as reported by field units for Sortie Reliability (SR), Mission Capable Rate (MC), Mean Repair Time (MRT), Mean Time Between Repair (MTBR), and Mean Time Between Maintenance Corrective Actions (MTBMC).

Acronyms and Abbreviations

% - Percent
deg F - degree Farenheit
ft - feet
hrs - Hours
IMC - Instrument Meteorological Conditions
KTAS - Knots True Airspeed
lbs - Pounds
MC - Mission Capable
MRT - Mean Repair Time
MTBMC - Mean Time Between Maintenance Corrective Actions
MTBR - Mean Time Between Repair
NM - Nautical Miles
SR - Sortie Rate

Track to Budget

RDT&E

Appn	BA	PE
Air Force	3600 07	0401132F

Project	Name		
675061	C-130J	(Shared)	
675062	C-130J Trainers		(Sunk)

Appn	BA	PE
Air Force	3600 04	0603852F

Project	Name	
644025	C-130J	(Sunk)

Procurement

Appn	BA	PE
Air Force	3010 05	0401132F

Line Item	Name	
C1300J	C-130J Mods	(Shared)

Appn	BA	PE
Air Force	3010 02	0401132F

Line Item	Name	
C130J0	C-130J	(Sunk)

MILCON

Appn	BA	PE
Air Force	3300 01	0401132F

Project	Name	
NOTE	C-130J Flight Simulator Facility	(Sunk)
Notes:	ZNREI43000	
NOTE	C-130J Corrosion Control Hanger	(Sunk)
Notes:	ZNREI53001A	

Acq O&M

Appn	BA	PE
Air Force	3400 01	0401132F

Subactivity Group	Name		
021M	Depot Maintenance	(Shared)	(Sunk)

Cost and Funding

Cost Summary

Total Acquisition Cost							
Appropriation	BY 1996 $M			BY 1996 $M	TY $M		
	SAR Baseline Production Estimate	Current APB Production Objective/Threshold		Current Estimate	SAR Baseline Production Estimate	Current APB Production Objective	Current Estimate
RDT&E	8.9	349.1	384.0	284.9	9.2	446.6	366.4
Procurement	721.8	13041.0	14345.1	10797.0	830.5	15910.8	13662.9
Flyaway	--	--	--	8670.9	--	--	11037.5
Recurring	--	--	--	8461.1	--	--	10745.0
Non Recurring	--	--	--	209.8	--	--	292.5
Support	--	--	--	2126.1	--	--	2625.4
Other Support	--	--	--	1056.8	--	--	1308.6
Initial Spares	--	--	--	1069.3	--	--	1316.8
MILCON	0.0	153.0	168.3	143.4	0.0	182.4	181.0
Acq O&M	0.0	45.0	49.5	21.0	0.0	51.7	23.7
Total	730.7	13588.1	N/A	11246.3	839.7	16591.5	14234.0

Cost Notes

In accordance with Section 842 of the National Defense Authorization Act for FY 2017, which amended title 10 U.S.C. § 2334, the Director of Cost Assessment and Program Evaluation, and the Secretary of the military department concerned or the head of the Defense Agency concerned, must issue guidance requiring a discussion of risk, the potential impacts of risk on program costs, and approaches to mitigate risk in cost estimates for MDAPs and major subprograms. The information required by the guidance is to be reported in each SAR. This guidance is not yet available; therefore, the information on cost risk is not contained in this SAR.

Total Quantity			
Quantity	SAR Baseline Production Estimate	Current APB Production	Current Estimate
RDT&E	0	0	0
Procurement	11	168	170
Total	11	168	170

Quantity Notes

FY 2017 PB includes an Overseas Contingency Operations aircraft in FY 2017 to replace one lost in Afghanistan. Previously in the FY 2015 PB, an FY 2015 Overseas Contingency Operations aircraft was also included to account for an earlier aircraft lost in Afghanistan operation. These two lost aircraft are accounted for in the prior year totals. Total aircraft procurement is adjusted to 170 aircraft in order to retain the approved APB level of 168 fielded aircraft.

Cost and Funding

Funding Summary

Appropriation Summary FY 2019 President's Budget / December 2017 SAR (TY$ M)									
Appropriation	Prior	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	To Complete	Total
RDT&E	347.4	7.6	8.7	0.6	0.7	0.7	0.7	0.0	366.4
Procurement	12104.2	168.1	37.2	8.8	9.0	9.1	9.3	1317.2	13662.9
MILCON	181.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	181.0
Acq O&M	23.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	23.7
PB 2019 Total	12656.3	175.7	45.9	9.4	9.7	9.8	10.0	1317.2	14234.0
PB 2018 Total	12620.0	183.1	140.7	118.5	112.7	174.2	1050.1	1404.2	15803.5
Delta	36.3	-7.4	-94.8	-109.1	-103.0	-164.4	-1040.1	-87.0	-1569.5

Funding Notes

The majority of changes from the December 2016 SAR to the December 2017 SAR are due to the removal of the Block 7.0/8.1 Retrofit ACAT II program.

Quantity Summary FY 2019 President's Budget / December 2017 SAR (TY$ M)										
Quantity	Undistributed	Prior	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	To Complete	Total
Development	0	0	0	0	0	0	0	0	0	0
Production	0	156	0	0	0	0	0	0	14	170
PB 2019 Total	0	156	0	0	0	0	0	0	14	170
PB 2018 Total	0	155	0	0	0	0	0	8	7	170
Delta	0	1	0	0	0	0	0	-8	7	0

Cost and Funding

Annual Funding By Appropriation

Annual Funding 3600 | RDT&E | Research, Development, Test, and Evaluation, Air Force							
Fiscal Year	Quantity	TY $M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
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	--	--	--	--	--	--	24.5
2010	--	--	--	--	--	--	30.2
2011	--	--	--	--	--	--	24.5
2012	--	--	--	--	--	--	33.5
2013	--	--	--	--	--	--	16.0
2014	--	--	--	--	--	--	18.2
2015	--	--	--	--	--	--	29.9
2016	--	--	--	--	--	--	31.4
2017	--	--	--	--	--	--	9.1
2018	--	--	--	--	--	--	7.6
2019	--	--	--	--	--	--	8.7
2020	--	--	--	--	--	--	0.6
2021	--	--	--	--	--	--	0.7
2022	--	--	--	--	--	--	0.7
2023	--	--	--	--	--	--	0.7
Subtotal	--	--	--	--	--	--	366.4

Annual Funding 3600 | RDT&E | Research, Development, Test, and Evaluation, Air Force							
Fiscal Year	Quantity	BY 1996 $M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
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	--	--	--	--	--	--	19.4
2010	--	--	--	--	--	--	23.6
2011	--	--	--	--	--	--	18.8
2012	--	--	--	--	--	--	25.2
2013	--	--	--	--	--	--	11.8
2014	--	--	--	--	--	--	13.3
2015	--	--	--	--	--	--	21.6
2016	--	--	--	--	--	--	22.4
2017	--	--	--	--	--	--	6.4
2018	--	--	--	--	--	--	5.2
2019	--	--	--	--	--	--	5.9
2020	--	--	--	--	--	--	0.4
2021	--	--	--	--	--	--	0.5
2022	--	--	--	--	--	--	0.4
2023	--	--	--	--	--	--	0.4
Subtotal	--	--	--	--	--	--	284.9

Annual Funding 3010 | Procurement | Aircraft Procurement, Air Force							
Fiscal Year	Quantity	TY $M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
1994	2	66.8	--	--	66.8	--	66.8
1995	--	--	--	--	--	--	--
1996	5	225.2	--	--	225.2	8.2	233.4
1997	9	433.9	--	--	433.9	72.7	506.6
1998	7	352.8	2.9	--	355.7	92.0	447.7
1999	5	271.0	--	--	271.0	174.5	445.5
2000	1	67.0	--	--	67.0	73.1	140.1
2001	3	184.8	--	--	184.8	120.6	305.4
2002	5	365.8	--	--	365.8	73.2	439.0
2003	1	157.2	--	--	157.2	171.9	329.1
2004	4	380.6	9.6	--	390.2	83.2	473.4
2005	11	754.2	41.9	--	796.1	147.4	943.5
2006	12	682.9	4.8	15.8	703.5	257.7	961.2
2007	14	835.8	14.8	24.8	875.4	242.5	1117.9
2008	30	1653.2	25.5	37.9	1716.6	126.0	1842.6
2009	--	--	24.6	--	24.6	85.4	110.0
2010	4	296.5	--	5.6	302.1	138.2	440.3
2011	8	332.3	5.6	12.0	349.9	119.5	469.4
2012	1	65.8	12.6	4.4	82.8	10.8	93.6
2013	1	131.0	3.3	10.1	144.4	22.8	167.2
2014	7	556.4	1.3	55.0	612.7	90.1	702.8
2015	8	552.9	4.1	13.5	570.5	94.2	664.7
2016	13	692.8	32.6	21.0	746.4	77.2	823.6
2017	5	316.8	1.7	23.1	341.6	38.8	380.4
2018	--	--	8.4	15.8	24.2	143.9	168.1
2019	--	--	1.0	16.3	17.3	19.9	37.2
2020	--	--	0.5	1.4	1.9	6.9	8.8
2021	--	--	0.5	4.7	5.2	3.8	9.0
2022	--	--	0.5	4.7	5.2	3.9	9.1
2023	--	--	0.5	4.7	5.2	4.1	9.3
2024	8	540.9	0.5	21.7	563.1	122.9	686.0
2025	6	436.9	0.5	--	437.4	--	437.4
2026	--	--	96.4	--	96.4	--	96.4
2027	--	--	44.1	--	44.1	--	44.1
2028	--	--	20.4	--	20.4	--	20.4
2029	--	--	16.4	--	16.4	--	16.4
2030	--	--	5.5	--	5.5	--	5.5
2031	--	--	5.5	--	5.5	--	5.5
2032	--	--	5.5	--	5.5	--	5.5
Subtotal	170	10353.5	391.5	292.5	11037.5	2625.4	13662.9

Annual Funding 3010 | Procurement | Aircraft Procurement, Air Force							
Fiscal Year	Quantity	BY 1996 $M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
1994	2	66.7	--	--	66.7	--	66.7
1995	--	--	--	--	--	--	--
1996	5	218.6	--	--	218.6	7.9	226.5
1997	9	417.0	--	--	417.0	69.9	486.9
1998	7	336.9	2.8	--	339.7	87.8	427.5
1999	5	256.0	--	--	256.0	164.8	420.8
2000	1	62.3	--	--	62.3	68.0	130.3
2001	3	170.2	--	--	170.2	111.0	281.2
2002	5	332.8	--	--	332.8	66.6	399.4
2003	1	140.7	--	--	140.7	153.8	294.5
2004	4	331.8	8.4	--	340.2	72.5	412.7
2005	11	639.0	35.5	--	674.5	124.9	799.4
2006	12	563.6	4.0	13.0	580.6	212.7	793.3
2007	14	671.9	11.9	19.9	703.7	194.9	898.6
2008	30	1308.0	20.2	30.0	1358.2	99.6	1457.8
2009	--	--	19.1	--	19.1	66.5	85.6
2010	4	226.3	--	4.3	230.6	105.5	336.1
2011	8	249.7	4.2	9.0	262.9	89.8	352.7
2012	1	48.7	9.3	3.3	61.3	8.0	69.3
2013	1	95.1	2.4	7.3	104.8	16.5	121.3
2014	7	398.3	0.9	39.4	438.6	64.5	503.1
2015	8	390.9	2.9	9.5	403.3	66.6	469.9
2016	13	481.8	22.7	14.6	519.1	53.6	572.7
2017	5	216.5	1.2	15.8	233.5	26.5	260.0
2018	--	--	5.6	10.6	16.2	96.3	112.5
2019	--	--	0.7	10.6	11.3	13.1	24.4
2020	--	--	0.3	0.9	1.2	4.5	5.7
2021	--	--	0.3	3.0	3.3	2.4	5.7
2022	--	--	0.3	2.9	3.2	2.4	5.6
2023	--	--	0.3	2.8	3.1	2.5	5.6
2024	8	321.7	0.3	12.9	334.9	73.0	407.9
2025	6	254.7	0.3	--	255.0	--	255.0
2026	--	--	55.1	--	55.1	--	55.1
2027	--	--	24.7	--	24.7	--	24.7
2028	--	--	11.2	--	11.2	--	11.2
2029	--	--	8.8	--	8.8	--	8.8
2030	--	--	2.9	--	2.9	--	2.9
2031	--	--	2.8	--	2.8	--	2.8
2032	--	--	2.8	--	2.8	--	2.8
Subtotal	170	8199.2	261.9	209.8	8670.9	2126.1	10797.0

Annual Funding 3300 | MILCON | Military Construction, Air Force	
Fiscal Year	TY $M
	Total Program
2002	10.4
2003	26.1
2004	26.2
2005	5.0
2006	--
2007	25.3
2008	--
2009	21.0
2010	4.5
2011	--
2012	--
2013	30.2
2014	--
2015	--
2016	8.5
2017	23.8
Subtotal	181.0

Annual Funding 3300 | MILCON | Military Construction, Air Force	
Fiscal Year	BY 1996 $M
	Total Program
2002	9.4
2003	23.2
2004	22.6
2005	4.2
2006	--
2007	20.3
2008	--
2009	16.4
2010	3.5
2011	--
2012	--
2013	21.8
2014	--
2015	--
2016	5.9
2017	16.1
Subtotal	143.4

Annual Funding 3400 | Acq O&M | Operation and Maintenance, Air Force	
Fiscal Year	TY $M Total Program
2003	6.8
2004	9.3
2005	7.6
Subtotal	23.7

Annual Funding 3400 | Acq O&M | Operation and Maintenance, Air Force	
Fiscal Year	BY 1996 $M
	Total Program
2003	6.2
2004	8.3
2005	6.5
Subtotal	21.0

Low Rate Initial Production

There is no LRIP for this program.

Foreign Military Sales

Country	Date of Sale	Quantity	Total Cost $M	Description
Tunisia	10/26/2017	0	2.0	Spares and support equipment in support of C-130 fleet
Oman	6/5/2017	0	16.0	Sustainment support for two (2) C-130J aircraft procured via DCS
Iraq	5/22/2017	0	138.0	Sustainment support of six (6) C-130J aircraft
India	3/10/2016	0	49.0	Sustainment in support of six (6) C-130J-30 aircraft
France	2/17/2016	4	520.0	Procurement of two (2) KC-130J and two (2) C-130J-30 aircraft and TPA Sustainment
Iraq	4/7/2015	0	5.0	LCADS and support equipment
India	1/8/2014	7	1108.0	Procurement of seven (7) C-130J-30 aircraft and three (3) years CLS
Australia	12/18/2013	0	51.0	In support of 12 C-130J aircraft
Netherlands	12/4/2013	0	9.0	Sustainment support of four (4) C-130J aircraft
Saudi Arabia	2/13/2013	2	599.0	Procurement of aircraft with minimal support
Norway	12/12/2012	0	105.0	LTS in support of four (4) C-130-30J aircraft
Israel	8/28/2012	0	30.0	In support of C-130J aircraft
Norway	7/20/2012	1	159.0	Replacement aircraft
Oman	1/11/2012	0	11.0	Sustainment support for two (2) C-130J aircraft procured via DCS
Norway	12/5/2011	0	55.0	In support of four (4) C-130J aircraft
Saudi Arabia	6/16/2010	0	332.0	Multiple platforms - Misc support
Iraq	5/28/2010	0	91.0	Sustainment support of six (6) C-130J aircraft
Iraq	5/28/2010	0	12.0	Sustainment support of six (6) C-130J aircraft
Australia	4/22/2010	0	85.0	In support of 12 C-130J aircraft
Qatar	4/2/2010	0	19.0	Sustainment in support of C-130J aircraft
Israel	3/25/2010	7	500.0	Procurement of seventh (7th) aircraft w support
Italy	12/17/2009	1	61.0	In support of 20 C-130J aircraft
Denmark	5/13/2009	0	16.0	In support of four (4) C-130J aircraft
Iraq	10/16/2008	0	578.0	Sustainment support of six (6) C-130J aircraft

Notes

The C-130J FMS Program Management Office continues to manage 24 active FMS production and sustainment cases worth over $4.5B on behalf of 13 countries. Existing workload includes acquisition cases for the production, delivery and retrofit/modification of Australia, Denmark, France, India, Iraq, Israel, Italy, Netherlands, Norway, Oman, Saudi Arabia, and Tunisia.

Sustainment cases for specific countries are now being reported as individual cases rather than being included in the original production case.

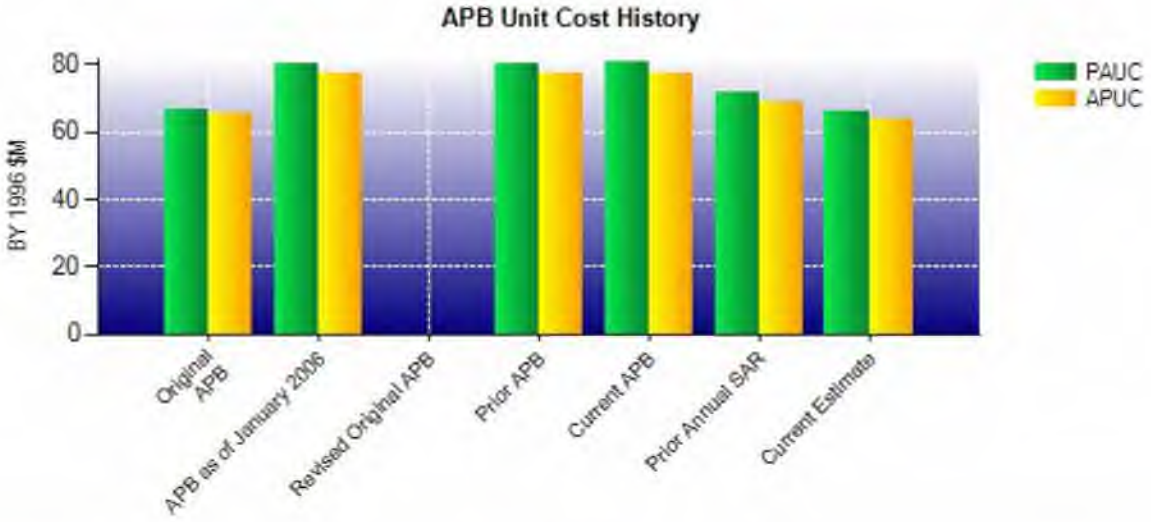
Nuclear Costs

None

Unit Cost

Current UCR Baseline and Current Estimate (Base-Year Dollars)			
Item	BY 1996 $M Current UCR Baseline (Apr 2007 APB)	BY 1996 $M Current Estimate (Dec 2017 SAR)	% Change
Program Acquisition Unit Cost			
Cost	13588.1	11246.3	
Quantity	168	170	
Unit Cost	80.882	66.155	-18.21
Average Procurement Unit Cost			
Cost	13041.0	10797.0	
Quantity	168	170	
Unit Cost	77.625	63.512	-18.18

Original UCR Baseline and Current Estimate (Base-Year Dollars)			
Item	BY 1996 $M Original UCR Baseline (Oct 1996 APB)	BY 1996 $M Current Estimate (Dec 2017 SAR)	% Change
Program Acquisition Unit Cost			
Cost	730.7	11246.3	
Quantity	11	170	
Unit Cost	66.427	66.155	-0.41
Average Procurement Unit Cost			
Cost	721.8	10797.0	
Quantity	11	170	
Unit Cost	65.618	63.512	-3.21



APB Unit Cost History					
Item	Date	BY 1996 $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 2016	71.621	69.054	92.962	89.679
Current Estimate	Dec 2017	66.155	63.512	83.729	80.370

CY 2018 removing Retrofit from the ACAT IC per MDA direction is in final coordination

SAR Unit Cost History

Current SAR Baseline to Current Estimate (TY $M)									
PAUC Production Estimate	Changes								PAUC Current Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
76.336	0.269	-4.743	-3.801	1.189	0.433	0.000	14.046	7.393	83.729

Current SAR Baseline to Current Estimate (TY $M)									
Initial APUC Production Estimate	Changes								APUC Current Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
75.500	0.211	-3.960	-3.775	0.000	-1.652	0.000	14.046	4.870	80.370

SAR Baseline History				
Item	SAR Planning Estimate	SAR Development Estimate	SAR Production Estimate	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	14234.0
Total Quantity	N/A	11	11	170
PAUC	N/A	76.336	76.336	83.729

Cost Variance

Summary TY $M					
Item	RDT&E	Procurement	MILCON	Acq O&M	Total
SAR Baseline (Production Estimate)	9.2	830.5	--	--	839.7
Previous Changes					
Economic	+4.5	+66.8	+3.7	+6.2	+81.2
Quantity	--	+11331.1	--	--	+11331.1
Schedule	--	-656.6	-4.5	--	-661.1
Engineering	+175.5	--	+26.7	--	+202.2
Estimating	+164.2	+1273.6	+155.1	+17.5	+1610.4
Other	--	--	--	--	--
Support	--	+2400.0	--	--	+2400.0
Subtotal	+344.2	+14414.9	+181.0	+23.7	+14963.8
Current Changes					
Economic	-0.2	-30.9	-0.2	-4.2	-35.5
Quantity	--	--	--	--	--
Schedule	--	+14.9	--	--	+14.9
Engineering	--	--	--	--	--
Estimating	+13.2	-1554.4	+0.2	+4.2	-1536.8
Other	--	--	--	--	--
Support	--	-12.1	--	--	-12.1
Subtotal	+13.0	-1582.5	--	--	-1569.5
Total Changes	+357.2	+12832.4	+181.0	+23.7	+13394.3
CE - Cost Variance	366.4	13662.9	181.0	23.7	14234.0
CE - Cost & Funding	366.4	13662.9	181.0	23.7	14234.0

Summary BY 1996 $M					
Item	RDT&E	Procurement	MILCON	Acq O&M	Total
SAR Baseline (Production Estimate)	8.9	721.8	--	--	730.7
Previous Changes					
Economic	--	--	--	--	--
Quantity	--	+8705.2	--	--	+8705.2
Schedule	--	-408.6	-3.0	--	-411.6
Engineering	+130.8	--	+17.7	--	+148.5
Estimating	+136.1	+776.2	+128.5	+17.3	+1058.1
Other	--	--	--	--	--
Support	--	+1944.6	--	--	+1944.6
Subtotal	+266.9	+11017.4	+143.2	+17.3	+11444.8
Current Changes					
Economic	--	--	--	--	--
Quantity	--	--	--	--	--
Schedule	--	--	--	--	--
Engineering	--	--	--	--	--
Estimating	+9.1	-942.0	+0.2	+3.7	-929.0
Other	--	--	--	--	--
Support	--	-0.2	--	--	-0.2
Subtotal	+9.1	-942.2	+0.2	+3.7	-929.2
Total Changes	+276.0	+10075.2	+143.4	+21.0	+10515.6
CE - Cost Variance	284.9	10797.0	143.4	21.0	11246.3
CE - Cost & Funding	284.9	10797.0	143.4	21.0	11246.3

Previous Estimate: December 2016

RDT&E	$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-0.2
Revised estimate due to Congressional mark in FY 2016. (Estimating)	+4.6	+6.4
Revised estimate to reflect Block 8.1 Trainers Upgrades actuals. (Estimating)	+4.4	+6.7
Adjustment for current and prior escalation. (Estimating)	+0.1	+0.1
RDT&E Subtotal	+9.1	+13.0

Procurement	$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-30.9
Stretch-out of procurement buy profile due to two Congressionally added aircraft in FY 2017 and reduction of aircraft buys in FY 2024. (Schedule)	0.0	+14.9
Revised estimate due to the removal of BU 7.0/8.1 Retrofit modification from the ACAT I program. (Estimating)	-888.2	-1464.4
Decrease in Diminishing Manufacturing Sources and Material Shortage costs and Government Furnished Equipment costs to support updates to the aircraft buy profile. (Estimating)	-77.6	-123.3
Revised estimate to reflect actuals. (Estimating)	+16.2	+23.7
Adjustment for current and prior escalation. (Estimating)	+7.6	+9.6
Adjustment for current and prior escalation. (Support)	+0.6	+1.5
Increase in Other Support to reflect actuals. (Support)	+54.7	+78.0
Decrease in Initial Spares to reflect actuals. (Support)	-55.5	-91.6
Procurement Subtotal	-942.2	-1582.5

MILCON	$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-0.2
Adjustment for current and prior escalation. (Estimating)	+0.2	+0.2
MILCON Subtotal	+0.2	0.0

Acq O&M	$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-4.2
Adjustment for current and prior escalation. (Estimating)	+3.7	+4.2
Acq O&M Subtotal	+3.7	0.0

Contracts

Contract Identification

Appropriation: RDT&E
Contract Name: C-130J - BUIC: Blk 8.1
Contractor: Lockheed Martin
Contractor Location: 86 South Cobb Drive
Marietta, GA 30063-0001
Contract Number: FA8625-04-D-6452/7
Contract Type: Cost Plus Award Fee (CPAF)
Award Date: November 18, 2011
Definitization Date: November 18, 2011

Contract Price							
Initial Contract Price ($M)			Current Contract Price ($M)			Estimated Price At Completion ($M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
154.2	N/A	N/A	211.3	N/A	N/A	211.3	211.3

Target Price Change Explanation

The difference between the Initial Contract Price Target and the Current Contract Price Target is due to increases associated with Block 7/8.1 Trial Kit Installations, USCG 7/8.1 Combined Time Compliance Technical Orders (TCTOs), and BU 8.1 mods for Statement Of Work revision, Flight Management System (FMS) Datalink Qualification, USAF National Integration CLINs, Capability Incorporation Into Color Multi-Function Display Unit (CMDU), and Additional Block 8.1 Common Core Funding

Initial target was incorrectly stated. The update reflects what can be substantiated (previously reported as 166.7).

Contract Variance		
Item	Cost Variance	Schedule Variance
Cumulative Variances To Date (12/24/2017)	-5.0	-8.8
Previous Cumulative Variances	-6.4	-5.0
Net Change	+1.4	-3.8

Cost and Schedule Variance Explanations

The favorable net change in the cost variance is due to drawing updates for the United States Coast Guard (USCG) effort.

The unfavorable net change in the schedule variance is due to the USCG Block 8.1 kitting effort. The plan delivery date slipped from November 2017 to March 2018.

This contract is more than 90% complete. No new work is being performed. This will be removed from SAR reporting next year.

Contract Identification

Appropriation: Procurement
Contract Name: C-130J FYOC IV
Contractor: Lockheed Martin
Contractor Location: 86 South Cobb Drive
Marietta, GA 39963-0290
Contract Number: FA8625-11-C-6597
Contract Type: Firm Fixed Price (FFP), Fixed Price Incentive(Firm Target) (FPIF)
Award Date: March 16, 2011
Definitization Date: March 16, 2011

Contract Price							
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	0	4400.0	N/A	0	4400.0	4400.0

Target Price Change Explanation

The difference between the Initial Contract Price Target and the Current Contract Price Target is due to the addition of aircraft buys for the USG (AMC, AFSOC, USMC, and USCG) and FMS partners, spares, support equipment, engineering changes, Diminishing Manufacturing Sources effort, and other production related efforts.

Initial target was incorrectly stated. The update reflects what can be substantiated (previously was reported as 6.4)

Cost and Schedule Variance Explanations

Cost and Schedule Variance reporting is not required on this (FFP/FPIF) contract.

Contract Identification

Appropriation: Procurement
Contract Name: C-130J Multi-Year II Procurement Contract
Contractor: Lockheed Martin Aeronautics Company
Contractor Location: 86 South Cobb Drive
Marietta, GA 39963-0290
Contract Number: FA8625-14-C-6450
Contract Type: Fixed Price Incentive(Firm Target) (FPIF)
Award Date: December 09, 2013
Definitization Date: December 30, 2015

Contract Price							
Initial Contract Price ($M)			Current Contract Price ($M)			Estimated Price At Completion ($M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
50.8	50.8	0	5600.0	5700.0	0	0.0	0.0

Target Price Change Explanation

The difference between the Initial Contract Price Target and the Current Contract Price Target is due to the Initial Contract award being only for Advanced Procurement in December 2013. The current contract reflects the definitization of 83 aircraft (Air Mobility Command, Air Force Special Operations Command, United States Marine Corps, and United States Coast Guard).

Cost and Schedule Variance Explanations

Cost and Schedule Variance reporting is not required on this (FPIF) contract.

Notes

Contract has a class deviation from Earned Value Management reporting (DFARS 234.203). The program office will receive reports which provide insight to the contractor's status by each fiscal year buy. Report administration will be overseen by the program office.

Contract Identification

Appropriation: RDT&E
Contract Name: FORD
Contractor: Lockheed Martin
Contractor Location: GA
Contract Number: FA8625-15-D-6591
Contract Type: Cost Plus Fixed Fee (CPFF), Firm Fixed Price (FFP)
Award Date: June 24, 2015
Definitization Date: June 24, 2015

Contract Price							
Initial Contract Price ($M)			Current Contract Price ($M)			Estimated Price At Completion ($M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
93.8	N/A	N/A	93.8	N/A	N/A	0.0	0.0

Cost and Schedule Variance Explanations

Cost and Schedule Variance reporting is not required on this (CPFF/FFP) contract.

Notes

This is the first time this contract is being reported.

Deliveries and Expenditures

Deliveries				
Delivered to Date	Planned to Date	Actual to Date	Total Quantity	Percent Delivered
Development	0	0	0	--
Production	139	139	170	81.76%
Total Program Quantity Delivered	139	139	170	81.76%

Expended and Appropriated (TY $M)			
Total Acquisition Cost	14234.0	Years Appropriated	25
Expended to Date	10966.6	Percent Years Appropriated	64.10%
Percent Expended	77.05%	Appropriated to Date	12832.0
Total Funding Years	39	Percent Appropriated	90.15%

The above data is current as of February 12, 2018.

There was an aircraft delivered on February 12, 2018 which is included in the Delivered to Date information, but the associated expenditures are TBD.

Operating and Support Cost

Cost Estimate Details

Date of Estimate:	August 11, 2017
Source of Estimate:	POE
Quantity to Sustain:	168
Unit of Measure:	Aircraft
Service Life per Unit:	30.00 Years
Fiscal Years in Service:	FY 1999 - FY 2056

There have been two C-130J aircraft lost in Afghanistan. A total of two Overseas Contingency Operations (OCO) aircraft were added in the FY 2015 and FY 2017 PBs. Both lost aircraft are included in the procurement total of 170. Therefore, the POE is based on the cost to sustain 168 aircraft.

Sustainment Strategy

The C-130J ensures continued aircraft availability to the warfighter within the financial constraints defined by the owning commands and the United States Air Force (USAF) by using a Long Term Sustainment contract with Lockheed Martin, a cost-per-flying-hour propulsion contract with Rolls Royce based, and C-130 Legacy common organic resources.

Antecedent Information

The C-130H1 and C-130H2 are antecedent aircraft. The Air Force Total Ownership Cost (AFTOC) database for the fourth quarter of CY 2016 was used to obtain costs. Costs assume a 30 year life span.

Annual O&S Costs BY1996 $M		
Cost Element	**C-130J Average Annual Cost Per Aircraft**	**C-130H1 & H2 (Antecedent) Avg Annual Cost Per Aircraft**
Unit-Level Manpower	2.926	2.497
Unit Operations	0.999	0.962
Maintenance	1.439	1.528
Sustaining Support	0.330	0.010
Continuing System Improvements	0.025	0.044
Indirect Support	0.239	0.323
Other	0.000	0.000
Total	5.958	5.364

Item	Total O&S Cost $M			
	C-130J			C-130H1 & H2 (Antecedent)
	Current Production APB Objective/Threshold		Current Estimate	
Base Year	N/A	N/A	30026.1	35402.4
Then Year	N/A	N/A	54536.1	N/A

There are no O&S cost Objective or Threshold values listed in the APB.

Equation to Translate Annual Cost to Total Cost

The unitized cost ($5.958M) multiplied by the quantity (168) multiplied by the service life (30 yrs) equals the Total O&S cost in BY$.

O&S Cost Variance		
Category	**BY 1996 $M**	**Change Explanations**
Prior SAR Total O&S Estimates - Dec 2016 SAR	31958.6	
Programmatic/Planning Factors	-822.3	Decrease in Annual Flying Hours, Reduction in Fuel
Cost Estimating Methodology	0.0	
Cost Data Update	-697.7	Decrease in Demand for Consumable Materials & Repair Parts
Labor Rate	-412.5	Reduction in Manpower and Pay Rates at Defense Contractors
Energy Rate	0.0	
Technical Input	0.0	
Other	0.0	
Total Changes	-1932.5	
Current Estimate	30026.1	

Disposal Estimate Details

Date of Estimate: August 11, 2017

Source of Estimate: POE

Disposal/Demilitarization Total Cost (BY 1996 $M): Total costs for disposal of all Aircraft are 7.5

The disposal cost estimate will be refined as the System Disposal Plan Annex to the Life Cycle Sustainment Plan is developed.