

UNCLASSIFIED

Exhibit P-40, Budget Line Item Justification: PB 2016 Navy **Date:** February 2015

Appropriation / Budget Activity / Budget Sub Activity: 1506N: Aircraft Procurement, Navy / BA 01: Combat Aircraft / BSA 1: Combat Aircraft	P-1 Line Item Number / Title: 0195 / E-2D AHE
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ID Code (A=Service Ready, B=Not Service Ready) : A	Program Elements for Code B Items:	Other Related Program Elements:
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Line Item MDAP/MAIS Code: 000	Item MDAP/MAIS Code(s):
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Resource Summary	Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total	FY 2017	FY 2018	FY 2019	FY 2020	To Complete	Total
Procurement Quantity (<i>Units in Each</i>)	64	5	5	5	-	5	6	5	4	4	16	114
Gross/Weapon System Cost (<i>\$ in Millions</i>)	7,793.170	1,068.588	1,044.691	1,032.831	-	1,032.831	1,172.594	1,022.381	958.485	996.591	4,266.819	19,356.150
Less PY Advance Procurement (<i>\$ in Millions</i>)	1,241.109	123.016	125.500	175.177	-	175.177	238.086	271.003	105.708	131.562	473.712	2,884.873
Net Procurement (P1) (<i>\$ in Millions</i>)	6,552.061	945.572	919.191	857.654	-	857.654	934.508	751.378	852.777	865.029	3,793.107	16,471.277
Plus CY Advance Procurement (<i>\$ in Millions</i>)	1,364.125	263.623	225.765	195.336	-	195.336	125.042	105.708	131.562	134.193	339.519	2,884.873
Total Obligation Authority (<i>\$ in Millions</i>)	7,916.186	1,209.195	1,144.956	1,052.990	-	1,052.990	1,059.550	857.086	984.339	999.222	4,132.626	19,356.150

(The following Resource Summary rows are for informational purposes only. The corresponding budget requests are documented elsewhere.)

Initial Spares (<i>\$ in Millions</i>)	-	7.449	7.582	7.786	-	7.786	7.583	14.224	13.154	16.658	Continuing	Continuing
Flyaway Unit Cost (<i>\$ in Thousands</i>)	107,434.484	174,374.200	173,596.200	166,523.200	-	166,523.200	161,588.833	169,026.800	200,209.000	206,074.000	224,797.063	144,603.746
Gross/Weapon System Unit Cost (<i>\$ in Thousands</i>)	121,768.281	213,717.600	208,938.200	206,566.200	-	206,566.200	195,432.333	204,476.200	239,621.250	249,147.750	266,676.188	169,790.789

Description:

The E-2D Advanced Hawkeye (AHE) is an all-weather, twin engine, carrier-based, Airborne Command, Control and Surveillance aircraft designed to extend task force defense perimeters. The AHE mission is to provide advance warning of approaching enemy surface units and aircraft, to vector interceptors or strike aircraft to attack, and to provide area surveillance, intercept, search and rescue, communications relay, and strike/air traffic control. Key AHE objectives include: improved battle space target detection and situational awareness, especially in the littorals; support of Theater Air Missile Defense operations; and improved Operational Availability.

Approved for Full Rate Production, IOC 10 October 2014.

Proper Values for Cost To Complete (CTC)

Procurement Quantity: 16

Gross/Weapon System Cost: 4,257.820

Less PY Advance Procurement: -473.712

Net Procurement (P1): 3,784.109

Plus CY Advance Procurement: 339.519

Total Obligation Authority: 4,123.627

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Exhibit P-40, Budget Line Item Justification: PB 2016 Navy **Date:** February 2015

Appropriation / Budget Activity / Budget Sub Activity: 1506N: Aircraft Procurement, Navy / BA 01: Combat Aircraft / BSA 1: Combat Aircraft	P-1 Line Item Number / Title: 0195 / E-2D AHE
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ID Code (A=Service Ready, B=Not Service Ready) : A	Program Elements for Code B Items:	Other Related Program Elements:
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Line Item MDAP/MAIS Code: 000	Item MDAP/MAIS Code(s):
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Exhibits Schedule			Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total
Title*	Exhibits	ID CD	Quantity / Total Cost (Each) / (\$ M)	Quantity / Total Cost (Each) / (\$ M)	Quantity / Total Cost (Each) / (\$ M)	Quantity / Total Cost (Each) / (\$ M)	Quantity / Total Cost (Each) / (\$ M)	Quantity / Total Cost (Each) / (\$ M)
1 / E-2D	P-5, P-5a, P-21		64 / 7,793.170	5 / 1,068.588	5 / 1,044.691	5 / 1,032.831	- / -	5 / 1,032.831
Total Gross/Weapon System Cost			64 / 7,793.170	5 / 1,068.588	5 / 1,044.691	5 / 1,032.831	- / -	5 / 1,032.831

*Title represents 1) the Number / Title for Items; 2) the Number / Title [DODIC] for Ammunition; and/or 3) the Number / Title (Modification Type) for Modifications.

Note: Totals in this Exhibit P-40 set may not be exact or add due to rounding.

Justification:

FY 2016 funding is requested to procure five E-2D AHE Full Rate Production Lot 4 aircraft and associated support. This budget request includes funding to support a FY 2014 through FY 2018 multiyear procurement contract.

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Exhibit P-5, Cost Analysis: PB 2016 Navy		Date: February 2015
Appropriation / Budget Activity / Budget Sub Activity: 1506N / 01 / 1	P-1 Line Item Number / Title: 0195 / E-2D AHE	Item Number / Title [DODIC]: 1 / E-2D

ID Code (A=Service Ready, B=Not Service Ready) :	MDAP/MAIS Code:
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Resource Summary	Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total
Procurement Quantity (<i>Units in Each</i>)	64	5	5	5	-	5
Gross/Weapon System Cost (<i>\$ in Millions</i>)	7,793.170	1,068.588	1,044.691	1,032.831	-	1,032.831
Less PY Advance Procurement (<i>\$ in Millions</i>)	1,241.109	123.016	125.500	175.177	-	175.177
Net Procurement (P1) (<i>\$ in Millions</i>)	6,552.061	945.572	919.191	857.654	-	857.654
Plus CY Advance Procurement (<i>\$ in Millions</i>)	1,364.125	263.623	225.765	195.336	-	195.336
Total Obligation Authority (<i>\$ in Millions</i>)	7,916.186	1,209.195	1,144.956	1,052.990	-	1,052.990

(The following Resource Summary rows are for informational purposes only. The corresponding budget requests are documented elsewhere.)

Initial Spares (<i>\$ in Millions</i>)	-	7.449	7.582	7.786	-	7.786
Gross/Weapon System Unit Cost (<i>\$ in Thousands</i>)	121,768.281	213,717.600	208,938.200	206,566.200	-	206,566.200

Note: Subtotals or Totals in this Exhibit P-5 may not be exact or add, due to rounding.

Cost Elements	Prior Years			FY 2014			FY 2015			FY 2016 Base			FY 2016 OCO			FY 2016 Total		
	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)
Flyaway Cost																		
Recurring Cost																		
1.1.1) Airframe/CFE ^(t)	61,259.766	64	3,920.625	85,876.253	5	429.381	89,471.990	5	447.360	87,367.093	5	436.835	-	-	-	87,367.093	5	436.835
1.1.2) CFE Electronics ^(t)	31,626.141	64	2,024.073	60,355.800	5	301.779	58,863.511	5	294.318	59,195.398	5	295.977	-	-	-	59,195.398	5	295.977
1.1.3) GFE Electronics	4,474.984	64	286.399	4,974.522	5	24.873	5,059.075	5	25.295	5,152.120	5	25.761	-	-	-	5,152.120	5	25.761
1.1.4) Engine/Engine Accessories	-	-	251.428	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.1.5) Other GFE	892.125	64	57.096	1,330.881	5	6.654	1,353.502	5	6.768	1,378.395	5	6.892	-	-	-	1,378.395	5	6.892
1.1.6) Recurring Flyaway ECO	1,026.891	64	65.721	12,631.106	5	63.156	8,662.209	5	43.311	3,060.310	5	15.302	-	-	-	3,060.310	5	15.302
Subtotal: Recurring Cost	-	-	6,605.342	-	-	825.843	-	-	817.052	-	-	780.767	-	-	-	-	-	780.767
Non Recurring Cost																		
1.2.1) Non-Recurring Cost	-	-	270.465	-	-	46.028	-	-	50.929	-	-	51.849	-	-	-	-	-	51.849
Subtotal: Non Recurring Cost	-	-	270.465	-	-	46.028	-	-	50.929	-	-	51.849	-	-	-	-	-	51.849
Subtotal: Flyaway Cost	-	-	6,875.807	-	-	871.871	-	-	867.981	-	-	832.616	-	-	-	-	-	832.616
Support Cost																		
2.1) Airframe PGSE	-	-	38.276	-	-	10.932	-	-	1.537	-	-	1.565	-	-	-	-	-	1.565
2.2) Engine PGSE	-	-	11.297	-	-	4.643	-	-	4.720	-	-	4.553	-	-	-	-	-	4.553
2.3) Avionics PGSE ⁽¹⁾	-	-	137.779	-	-	70.893	-	-	83.518	-	-	91.650	-	-	-	-	-	91.650

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Exhibit P-5, Cost Analysis: PB 2016 Navy												Date: February 2015					
Appropriation / Budget Activity / Budget Sub Activity: 1506N / 01 / 1						P-1 Line Item Number / Title: 0195 / E-2D AHE						Item Number / Title [DODIC]: 1 / E-2D					
ID Code (A=Service Ready, B=Not Service Ready) :												MDAP/MAIS Code:					

Note: Subtotals or Totals in this Exhibit P-5 may not be exact or add, due to rounding.

Cost Elements	Prior Years			FY 2014			FY 2015			FY 2016 Base			FY 2016 OCO			FY 2016 Total		
	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)
2.4) Peculiar Training Equipment ⁽²⁾	-	-	189.613	-	-	39.125	-	-	9.906	-	-	31.999	-	-	-	-	-	31.999
2.5) Pub/Tech Eq	-	-	55.669	-	-	11.256	-	-	15.134	-	-	8.421	-	-	-	-	-	8.421
2.6) Production Engineering Support	-	-	366.319	-	-	33.140	-	-	25.668	-	-	25.133	-	-	-	-	-	25.133
2.7) Other ILS	-	-	118.410	-	-	26.728	-	-	36.227	-	-	36.894	-	-	-	-	-	36.894
<i>Subtotal: Support Cost</i>	-	-	917.363	-	-	196.717	-	-	176.710	-	-	200.215	-	-	-	-	-	200.215
Gross/Weapon System Cost	121,768.281	64	7,793.170	213,717.600	5	1,068.588	208,938.200	5	1,044.691	206,566.200	5	1,032.831	-	-	-	206,566.200	5	1,032.831

(†) indicates the presence of a P-5a

Footnotes:

(1) Cost code 2.3 Avionics PGSE increases from FY15 to FY16 due to Depot Test Program Set (TPS) requirements.

(2) Cost Code 2.4 Peculiar Training Equipment increases from FY15 to FY16 due to incorporation of additional functionality and maintain concurrency with Trainer Software Support Activity (TSSA) and the E-2D Hawkeye Integrated Training System (HITS) Naval Integrated Fire Control-Counter Air (NIFC-CA).

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Exhibit P-5a, Procurement History and Planning: PB 2016 Navy **Date:** February 2015

Appropriation / Budget Activity / Budget Sub Activity: 1506N / 01 / 1	P-1 Line Item Number / Title: 0195 / E-2D AHE	Item Number / Title [DODIC]: 1 / E-2D
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Cost Elements	O C O	FY	Contractor and Location	Method/Type or Funding Vehicle	Location of PCO	Award Date	Date of First Delivery	Qty <i>(Each)</i>	Unit Cost <i>(\$ K)</i>	Specs Avail Now?	Date Revision Available	RFP Issue Date
1.1.1) Airframe/CFE ^(†)		2011	Northrop Grumman Systems / New York	SS / FFP	NAVAIR	Jul 2011	Dec 2013	4	96,133.750	Y		Jul 2010
1.1.1) Airframe/CFE ^(†)	✓	2011	Northrop Grumman Systems / New York	SS / FFP	NAVAIR	Jul 2011	Sep 2014	1	96,133.000	Y		Jul 2010
1.1.1) Airframe/CFE ^(†)		2012	Northrop Grumman Systems / New York	SS / FFP	NAVAIR	Feb 2012	Dec 2014	5	96,098.000	Y		Jul 2010
1.1.1) Airframe/CFE ^(†)		2013	Northrop Grumman Systems / New York	SS / FPIF	NAVAIR	May 2013	Oct 2015	5	90,384.200	Y		Nov 2011
1.1.1) Airframe/CFE ^(†)		2014	Northrop Grumman Systems / New York	SS / FPIF	NAVAIR	Jun 2014	Sep 2016	5	85,876.253	Y		Nov 2012
1.1.1) Airframe/CFE ^(†)		2015	Northrop Grumman Systems / New York	SS / FPIF	NAVAIR	Mar 2015	Sep 2017	5	89,471.990	Y		Nov 2012
1.1.1) Airframe/CFE ^(†)		2016	Northrop Grumman Systems / New York	SS / FPIF	NAVAIR	Mar 2016	Sep 2018	5	87,367.093	Y		Nov 2012
1.1.2) CFE Electronics ^(†)		2011	Northrop Grumman Systems / New York	SS / FFP	NAVAIR	Jul 2011	Dec 2013	4	60,166.250	Y		Jul 2010
1.1.2) CFE Electronics ^(†)	✓	2011	Northrop Grumman Systems / New York	SS / FFP	NAVAIR	Jul 2011	Sep 2014	1	60,166.000	Y		Jul 2010
1.1.2) CFE Electronics ^(†)		2012	Northrop Grumman Systems / New York	SS / FFP	NAVAIR	Feb 2012	Dec 2014	5	60,202.000	Y		Jul 2010
1.1.2) CFE Electronics ^(†)		2013	Northrop Grumman Systems / New York	SS / FPIF	NAVAIR	May 2013	Oct 2015	5	64,615.800	Y		Nov 2011
1.1.2) CFE Electronics ^(†)		2014	Northrop Grumman Systems / New York	SS / FPIF	NAVAIR	Jun 2014	Sep 2016	5	60,355.800	Y		Nov 2012
1.1.2) CFE Electronics ^(†)		2015	Northrop Grumman Systems / New York	SS / FPIF	NAVAIR	Mar 2015	Sep 2017	5	58,863.511	Y		Nov 2012
1.1.2) CFE Electronics ^(†)		2016	Northrop Grumman Systems / New York	SS / FPIF	NAVAIR	Mar 2016	Sep 2018	5	59,195.398	Y		Nov 2012

^(†) indicates the presence of a P-21

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Exhibit P-21, Production Schedule: PB 2016 Navy **Date:** February 2015

Appropriation / Budget Activity / Budget Sub Activity: 1506N / 01 / 1	P-1 Line Item Number / Title: 0195 / E-2D AHE	Item Number / Title [DODIC]: 1 / E-2D
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Cost Elements <i>(Units in Each)</i>					Fiscal Year 2013													Fiscal Year 2014															
O C C #	M F R #	FY	SERVICE	PROC QTY	ACCEPT PRIOR TO 1 OCT 2012	BAL DUE AS OF 1 OCT	Calendar Year 2013													Calendar Year 2014													
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	B A L		
1.1.1) Airframe/CFE																																	
Prior Years Deliveries: 49																																	
	1	2011	NAVY	4	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
✓	1	2011	NAVY	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-
	1	2012	NAVY	5	-	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5
	1	2013	NAVY	5	-	5								A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5
	1	2014	NAVY	5	-	5																											5
	1	2015	NAVY	5	-	5																											5
	1	2016	NAVY	5	-	5																											5
1.1.2) CFE Electronics																																	
Prior Years Deliveries: 49																																	
	2	2011	NAVY	4	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
✓	2	2011	NAVY	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-
	2	2012	NAVY	5	-	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5
	2	2013	NAVY	5	-	5								A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5
	2	2014	NAVY	5	-	5																											5
	2	2015	NAVY	5	-	5																											5
	2	2016	NAVY	5	-	5																											5
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	B A L		

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Exhibit P-21, Production Schedule: PB 2016 Navy **Date:** February 2015

Appropriation / Budget Activity / Budget Sub Activity: 1506N / 01 / 1 **P-1 Line Item Number / Title:** 0195 / E-2D AHE **Item Number / Title [DODIC]:** 1 / E-2D

Cost Elements <i>(Units in Each)</i>					Fiscal Year 2017												Fiscal Year 2018														
O C C #	M F R #	FY	SERVICE	PROC QTY	ACCEP T P R I O R T O 1 O C T 2 0 1 6	BAL D U E A S O F 1 O C T	Calendar Year 2017												Calendar Year 2018												B A L
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	
1.1.1) Airframe/CFE																															
Prior Years Deliveries: 49																															
	1	2011	NAVY	4	4	-																							-		
✓	1	2011	NAVY	1	1	-																							-		
	1	2012	NAVY	5	5	-																							-		
	1	2013	NAVY	5	5	-																							-		
	1	2014	NAVY	5	1	4	-	-	1	-	1	-	1	-	-	1													-		
	1	2015	NAVY	5	-	5	-	-	-	-	-	-	-	-	-	-	1	-	-	1	-	1	-	-	1	-	1		-		
	1	2016	NAVY	5	-	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	4		
1.1.2) CFE Electronics																															
Prior Years Deliveries: 49																															
	2	2011	NAVY	4	4	-																							-		
✓	2	2011	NAVY	1	1	-																							-		
	2	2012	NAVY	5	5	-																							-		
	2	2013	NAVY	5	5	-																							-		
	2	2014	NAVY	5	1	4	-	-	1	-	1	-	1	-	-	1													-		
	2	2015	NAVY	5	-	5	-	-	-	-	-	-	-	-	-	-	1	-	-	1	-	1	-	-	1	-	1		-		
	2	2016	NAVY	5	-	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	4		
							O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P	B A L

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Exhibit P-21, Production Schedule: PB 2016 Navy **Date:** February 2015

Appropriation / Budget Activity / Budget Sub Activity: 1506N / 01 / 1	P-1 Line Item Number / Title: 0195 / E-2D AHE	Item Number / Title [DODIC]: 1 / E-2D
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MFR Ref #	MFR Name - Location	Production Rates (Each / Year)			Procurement Leadtime (Months)							
		MSR For 2016	1-8-5 For 2016	MAX For 2016	Initial				Reorder			
					ALT Prior to Oct 1	ALT After Oct 1	Mfg PLT	Total After Oct 1	ALT Prior to Oct 1	ALT After Oct 1	Mfg PLT	Total After Oct 1
1	Northrop Grumman Systems - New York	4	6	8	-	-	-	-	7	6	42	48
2	Northrop Grumman Systems - New York	4	6	8	-	-	-	-	7	5	42	47

"A" in the Delivery Schedule indicates the Contract Award Date.

Note: Due to space limitations, quantities in the Exhibit P-21 delivery calendar are truncated and rounded based on the maximum quantity in the calendar as follows. If the maximum quantity is less than or equal to than 9,999, all quantities are shown as each. If the maximum quantity is between 10,000 and 999,999 all quantities are shown in thousands. If the maximum quantity is between 1,000,000 and 999,999,999 all quantities are shown in millions (rounded to the nearest thousand). If the maximum quantity is equal or greater than 1,000,000,000 all quantities are shown in billions (rounded to the nearest million).

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Exhibit P-40, Advance Procurement Budget Line Item Justification: PB 2016 Navy **Date:** February 2015

Appropriation / Budget Activity / Budget Sub Activity: 1506N: Aircraft Procurement, Navy / BA 01: Combat Aircraft / BSA 1: Combat Aircraft	P-1 Line Item Number / Title: 0195 / E-2D AHE
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Program Elements for Code B Items:	Other Related Program Elements:
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Line Item MDAP/MAIS Code: 000	Item MDAP/MAIS Code(s):
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Resource Summary	Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total	FY 2017	FY 2018	FY 2019	FY 2020	To Complete	Total
Gross/Weapon System Cost (<i>\$ in Millions</i>)	1,364.125	263.623	225.765	195.336	-	195.336	125.042	105.708	131.562	134.193	339.519	2,884.873
Net Procurement (P1) (<i>\$ in Millions</i>)	1,364.125	263.623	225.765	195.336	-	195.336	125.042	105.708	131.562	134.193	339.519	2,884.873
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Description:

The E-2D Advanced Hawkeye (AHE) is an all-weather, twin engine, carrier-based, Airborne Command, Control and Surveillance aircraft designed to extend task force defense perimeters. The AHE mission is to provide advance warning of approaching enemy surface units and aircraft, to vector interceptors or strike aircraft to attack, and to provide area surveillance, intercept, search and rescue, communications relay, and strike/air traffic control. Key AHE objectives include: improved battle space target detection and situational awareness, especially in the littorals; support of Theater Air Missile Defense operations; and improved Operational Availability.

Approved for Full Rate Production, IOC 10 October 2014.

UNCLASSIFIED

Exhibit P-40, Advance Procurement Budget Line Item Justification: PB 2016 Navy **Date:** February 2015

Appropriation / Budget Activity / Budget Sub Activity: 1506N: Aircraft Procurement, Navy / BA 01: Combat Aircraft / BSA 1: Combat Aircraft	P-1 Line Item Number / Title: 0195 / E-2D AHE
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Program Elements for Code B Items:	Other Related Program Elements:
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Line Item MDAP/MAIS Code: 000	Item MDAP/MAIS Code(s):
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Exhibits Schedule			Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total
Title*	Exhibits	ID CD	Quantity / Total Cost (Each) / (\$ M)	Quantity / Total Cost (Each) / (\$ M)	Quantity / Total Cost (Each) / (\$ M)	Quantity / Total Cost (Each) / (\$ M)	Quantity / Total Cost (Each) / (\$ M)	Quantity / Total Cost (Each) / (\$ M)
1 / E-2D	P-10		- / 1,364.125	- / 263.623	- / 225.765	- / 195.336	- / -	- / 195.336
Total Gross/Weapon System Cost			- / 1,364.125	- / 263.623	- / 225.765	- / 195.336	- / -	- / 195.336

*Title represents 1) the Number / Title for Items; 2) the Number / Title [DODIC] for Ammunition; and/or 3) the Number / Title (Modification Type) for Modifications.

Note: Totals in this Exhibit P-40 set may not be exact or add due to rounding.

Justification:
 FY 2016 Advance Procurement funding is requested for the long-lead requirements associated with the procurement of six E-2D aircraft in FY2017. Airframe requirements are calculated on a supplier's commitment, reflecting contractor's funding requirements for procurement of long lead parts and materials necessary to protect the delivery schedule. This budget request also includes EOQ funding in FY2015 to support a FY 2015 through FY 2018 multiyear procurement contract.

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Exhibit P-10, Advance Procurement Requirements Analysis (page 1 - Budget Funding Justification): PB 2016 Navy					Date: February 2015		
Appropriation / Budget Activity / Budget Sub Activity: 1506N / 01 / 1			P-1 Line Item Number / Title: 0195 / E-2D AHE			P-5 Number / Title: 1 / E-2D	
First System (2016) Award Date: February 2012		First System (2016) Completion Date: July 2015			Interval Between Systems: 0 Months		
E-2D		Production Leadtime <i>(Months)</i>	Prior Years <i>(Each)</i>	FY 2014 <i>(Each)</i>	FY 2015 <i>(Each)</i>	FY 2016 <i>(Each)</i>	
Quantity			64	5	5	5	
Cost Element		When Rqd <i>(Months)</i>	Prior Years <i>(\$ M)</i>	FY 2014 <i>(\$ M)</i>	FY 2015 <i>(\$ M)</i>	FY 2016 <i>(\$ M)</i>	
CFE							
CFE - Airframe T.L.		0	761.495	-	-	-	
Prior Years EOQ/Long Lead		0	538.598	-	-	-	
For FY 2015 EOQ/Long Lead		0	-	125.500	-	-	
For FY 2016 EOQ/Long Lead		0	-	51.007	124.170	-	
For FY 2017 EOQ/Long Lead		0	-	44.108	50.797	143.181	
For FY 2018 EOQ/Long Lead		0	-	43.008	50.798	52.155	
Total: CFE			1,300.093	263.623	225.765	195.336	
GFE							
Other GFE		0	32.177	-	-	-	
JTIDS		0	16.955	-	-	-	
Engines		0	14.900	-	-	-	
Total: GFE			64.032	-	-	-	
Total Advance Procurement/Obligation Authority			1,364.125	263.623	225.765	195.336	

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Exhibit P-10, Advance Procurement Requirements Analysis (page 2 - Budget Funding Justification): PB 2016 Navy						Date: February 2015	
Appropriation / Budget Activity / Budget Sub Activity: 1506N / 01 / 1			P-1 Line Item Number / Title: 0195 / E-2D AHE			P-5 Number / Title: 1 / E-2D	
Cost Elements	QPA <i>(Each)</i>	FY 2016					
		Production Leadtime <i>(Months)</i>	Unit Cost <i>(\$ K)</i>	Contract Forecast Date	2016 Qty <i>(Each)</i>	For FY	Total Cost Request <i>(\$ M)</i>
CFE							
CFE - Airframe T.L.	1						-
Prior Years EOQ/Long Lead	1						-
For FY 2015 EOQ/Long Lead	1						-
For FY 2016 EOQ/Long Lead	1						-
For FY 2017 EOQ/Long Lead	1						143.181
For FY 2018 EOQ/Long Lead	1						52.155
<i>Total: CFE</i>							195.336
GFE							
Other GFE	1						-
JTIDS	1						-
Engines	1						-
<i>Total: GFE</i>							-
Total Advance Procurement/Obligation Authority							195.336

Description:
 The Advance Procurement (AP) funding will be used to procure long lead CFE items (14 months or greater production lead time) such as raw materials (inclusive of steel, titanium, aluminum, composites), castings, forgings, bearings, actuators, mission equipment, antenna assemblies, panel assemblies, gearboxes and airframe structural components. E-2D lead times for components have been as high as 42 months. The E-2D program has been actively pursuing lead time reductions and the current longest lead component is 36 months (APY-9 Radar). Some specific material lead items are the ADS-18 antenna assembly (32 months), TARA assembly (20 months), landing gear including forgings (26 months) and empennage assembly including composite core materials and forged torque tubes for the empennage (31 months). All of these long lead items and special milling for "oversized" sheet stock required for the Fuselage skins at the beginning of aircraft assembly (14 months) are essential to maintaining the current schedule in support of the Fleet Forces transition to the E-2D.

Any reduction or delay in approval of advance procurement funding for the CFE Airframe would result in risk to supplier critical skill retention and schedule delays which then increases the cost to the E-2D program.