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**Exhibit P-40, Budget Line Item Justification:** PB 2015 Navy **Date:** March 2014

**Appropriation / Budget Activity / Budget Sub Activity:**  
1506N: Aircraft Procurement, Navy / BA 01: Combat Aircraft / BSA 1: Combat Aircraft

**P-1 Line Item Number / Title:**  
0193 / P-8A Poseidon

**ID Code** (A=Service Ready, B=Not Service Ready) : B **Program Elements for Code B Items:** 0605500N **Other Related Program Elements:**

**Line Item MDAP/MAIS Code:** 334 **Item MDAP/MAIS Code(s):**

| Resource Summary  | Prior Years      | FY 2013          | FY 2014          | FY 2015 Base     | FY 2015 OCO# | FY 2015 Total    | FY 2016          | FY 2017          | FY 2018          | FY 2019          | To Complete      | Total             |
|---|------------------|------------------|------------------|------------------|--------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Procurement Quantity ( <i>Units in Each</i> )             | 24               | 13               | 16               | 8                | -            | 8                | 15               | 13               | 13               | 7                | 8                | 117               |
| Gross/Weapon System Cost ( <i>\$ in Millions</i> )        | 5,600.657        | 2,529.396        | 3,347.044        | 2,166.487        | -            | 2,166.487        | 3,108.302        | 2,591.284        | 2,730.591        | 1,871.627        | 1,945.618        | 25,891.006        |
| Less PY Advance Procurement ( <i>\$ in Millions</i> )     | 433.868          | 244.894          | 300.679          | 163.160          | -            | 163.160          | 185.249          | 275.973          | 283.396          | 158.411          | * ***            | 2,045.630         |
| Net Procurement (P1) ( <i>\$ in Millions</i> )            | 5,166.789        | 2,284.502        | 3,046.365        | 2,003.327        | -            | 2,003.327        | 2,923.053        | 2,315.311        | 2,447.195        | 1,713.216        | 1,945.618        | 23,845.376        |
| Plus CY Advance Procurement ( <i>\$ in Millions</i> )     | 678.763          | 300.679          | 313.160          | 48.457           | -            | 48.457           | 282.135          | 272.407          | 150.030          | -                | * ***            | 2,045.631         |
| <b>Total Obligation Authority (<i>\$ in Millions</i>)</b> | <b>5,845.552</b> | <b>2,585.181</b> | <b>3,359.525</b> | <b>2,051.784</b> | -            | <b>2,051.784</b> | <b>3,205.188</b> | <b>2,587.718</b> | <b>2,597.225</b> | <b>1,713.216</b> | <b>1,945.618</b> | <b>25,891.007</b> |

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

|  |             |             |             |             |   |             |             |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Initial Spares ( <i>\$ in Millions</i> )                 | -           | 151.170     | 21.858      | 0.204       | - | 0.204       | 9.802       | 16.206      | 16.504      | -           | * ***       | 215.744     |
| Flyaway Unit Cost ( <i>\$ in Thousands</i> )             | 195,810.000 | 171,492.692 | 177,848.375 | 175,234.875 | - | 175,234.875 | 168,791.867 | 180,605.308 | 184,970.385 | 219,497.429 | -           | 170,915.744 |
| Gross/Weapon System Unit Cost ( <i>\$ in Thousands</i> ) | 233,360.708 | 194,568.923 | 209,190.250 | 270,810.875 | - | 270,810.875 | 207,220.133 | 199,329.538 | 210,045.462 | 267,375.286 | 243,202.250 | 221,290.650 |

# The FY 2015 OCO Request will be submitted at a later date.

**Description:**

The P-8A Multi-mission Maritime Aircraft (MMA) system is a commercial derivative aircraft based on Boeing's 737-800 ERX. The P-8A is the replacement system for the P-3C. The P-8A will sustain and improve the armed maritime and littoral Intelligence, Surveillance, and Reconnaissance capabilities for U.S. Naval Forces in traditional, joint and combined roles to counter changing and emerging threats. The P-8A will have a substantial role in Sea Power 21 and will satisfy several mission requirements in Sea Shield, Sea Strike and FORCEnet. The primary roles of the P-8A are persistent Anti-Submarine Warfare (ASW) and Anti-Surface Warfare (ASuW). The procurement funds the production of the aircraft, trainers and associated support equipment.

Note: Cost To Complete and Total should reflect the following: Procurement Quantity: To Complete: 0 Total: 109; Gross Weapon System Cost To Complete: 57.075 Total Cost: 24,002.463; Net Procurement (P1) To Complete: 57.075. Total Cost: 21,956.833; Total Obligation Authority: To Complete: 57.075 Total Cost: 24,002.464

| Exhibits Schedule                                     |          | Prior Years |                    |            | FY 2013           |                    |            | FY 2014           |                    |            | FY 2015 Base      |                    |            | FY 2015 OCO       |                  |            | FY 2015 Total     |                    |            |                   |
|---|----------|-------------|--------------------|------------|-------------------|--------------------|------------|-------------------|--------------------|------------|-------------------|--------------------|------------|-------------------|------------------|------------|-------------------|--------------------|------------|-------------------|
| Title*  | Exhibits | ID CD       | 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) |
| Item - 1 / P-8A MULTI-MISSION MARITIME AIRCRAFT (MMA) | P-5      |             | 233,360.708        | 24         | 5,600.657         | 194,568.923        | 13         | 2,529.396         | 209,190.250        | 16         | 3,347.044         | 270,810.875        | 8          | 2,166.487         | -                | -          | -                 | 270,810.875        | 8          | 2,166.487         |
| <b>Total Gross/Weapon System Cost</b>                 |          |             | <b>233,360.708</b> | <b>24</b>  | <b>5,600.657</b>  | <b>194,568.923</b> | <b>13</b>  | <b>2,529.396</b>  | <b>209,190.250</b> | <b>16</b>  | <b>3,347.044</b>  | <b>270,810.875</b> | <b>8</b>   | <b>2,166.487</b>  | <b>-</b>         | <b>-</b>   | <b>-</b>          | <b>270,810.875</b> | <b>8</b>   | <b>2,166.487</b>  |

\*For Items, Title represents the Item Number / Title [DODIC].

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

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| <b>Exhibit P-40, Budget Line Item Justification:</b> PB 2015 Navy  |  | <b>Date:</b> March 2014                                      |
| <b>Appropriation / Budget Activity / Budget Sub Activity:</b><br>1506N: Aircraft Procurement, Navy / BA 01: Combat Aircraft / BSA 1: Combat Aircraft |  | <b>P-1 Line Item Number / Title:</b><br>0193 / P-8A Poseidon |
| <b>ID Code</b> (A=Service Ready, B=Not Service Ready) : B  | <b>Program Elements for Code B Items:</b> 0605500N | <b>Other Related Program Elements:</b>                       |
| <b>Line Item MDAP/MAIS Code:</b> 334   | <b>Item MDAP/MAIS Code(s):</b>                     |  |

**Justification:**  
 FY 2015 procurement funds are required for 8 Full Rate Production #2 aircraft with associated trainers and support.

Increase in Airframe/CFE costs from FY13 to FY14 based on the incorporation of Advanced Airborne Sensor into the Production Line.

Realignment of requirements from CFE to GFE due to a change in acquisition strategy as part of the program's overall Should Cost Plan to reduce costs. This change in strategy, which was implemented as part of DoD's Better Buying Power initiative will continue through the end of the program. All cost savings associated with this initiative were consumed with the change in aircraft profile across the FYDP. FY15 GFE increase is due to the procurement of an additional 9 GFE items which were previously procured as CFE (13 GFE items procured in FY14, 22 GFE items procured in FY15 and out). Embedded in this GFE acquisition strategy is the procurement of fifty-six (56) APY-10 Radars via a multi-year procurement. The requirement of fifty-six (56) production radars is composed of eight (8) radars in FY15, fifteen (15) radars in FY16, thirteen (13) radars in FY17, thirteen (13) radars in FY18 and seven (7) radars in FY19 with a savings of \$21 million.

ECO funding profile reflects funding required to address remaining aircraft deficiency corrections and a higher rate of change orders anticipated in the first year of the AAS A-kit procurement and in line incorporation in the production configuration.

In FY15, program begins the procurement of Advanced Airborne Sensor A-Kits in the Ancillary Equipment line.

Airframe, Avionics and Engine Peculiar Ground Support Equipment (PGSE) requirements are derived by three factors:

- Aircraft quantities.
- Scheduled site stand up of two CONUS Main Operating Bases (MOB) and four OCONUS Primary Deployment Sites (PDS). The FY14/15/16 Airframe PGSE increases are in support of the FY15 Site Stand-up of Bahrain PDS, FY16 Site Stand-up of Whidbey Island MOB and the FY18 Site Stand-ups of Kaneohe Bay PDS and Sigonella PDS.
- The establishment of Depot repair capability for the entire weapon system. P-8A depot investment requirements are derived from Title 10 USC 2464 - Core depot level maintenance and repair - and the Inter-Service Depot Source of Repair (DSOR) Process.

Due to the PGSE Congressional Mark in the FY14 Appropriations bill, requirements have been realigned throughout the FYDP and in To Complete.

The Training System requirements are directly aligned to the scheduled site stand up of two CONUS Main Operating Bases (Jacksonville MOB and Whidbey Island MOB) and three OCONUS Primary Deployment Sites (Kadena PDS, Bahrain PDS, and Sigonella PDS).

Tech Pub funding profile reflects the requirement to develop source data and publish technical publications, such as the structural repair manual, needed as the P-8A enters its operational life cycle.

Other ILS requirements are derived by transition from interim support, procurement of Technical Requirements Documentation (TRD) related to depot-level repair capability. In FY14 and FY15, ILS increase due to supply chain management directly associated with increased Flight Hours needed to support fleet transition training.

Note: P-8A will combine FY-14 AP (\$150M) with FY-15 AP (\$29M) funds for long lead-time components, material and associated effort in support of the FY-16 Lot 7 production buy. FY-14 AP funds are available due to the decrease in the FY-15 aircraft quantity. This provides total of \$179M for AP vice the normally required \$300M. The program plans to execute this strategy by accelerating award of the Lot 7 contract from June 2016 to February 2016. This accelerated award date will reduce Lot 7 AP requirements to the \$179M available. Accelerated contract award is possible in FY16 only because Lot 7 will be a priced option on the Lot 6 base contract.

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| <b>Exhibit P-5, Cost Analysis: PB 2015 Navy</b>                                 |  | <b>Date:</b> March 2014   |
| <b>Appropriation / Budget Activity / Budget Sub Activity:</b><br>1506N / 01 / 1 | <b>P-1 Line Item Number / Title:</b><br>0193 / P-8A Poseidon | <b>Item Number / Title [DODIC]:</b><br>1 / P-8A MULTI-MISSION MARITIME AIRCRAFT (MMA) |

| <b>Resource Summary</b>                            | <b>Prior Years</b> | <b>FY 2013</b>   | <b>FY 2014</b>   | <b>FY 2015 Base</b> | <b>FY 2015 OCO#</b> | <b>FY 2015 Total</b> |
|--|--------------------|------------------|------------------|---------------------|---------------------|----------------------|
| Procurement Quantity (Units in Each)               | 24                 | 13               | 16               | 8                   | -                   | 8                    |
| Gross/Weapon System Cost (\$ in Millions)          | 5,600.657          | 2,529.396        | 3,347.044        | 2,166.487           | -                   | 2,166.487            |
| Less PY Advance Procurement (\$ in Millions)       | 433.868            | 244.894          | 300.679          | 163.160             | -                   | 163.160              |
| Net Procurement (P1) (\$ in Millions)              | 5,166.789          | 2,284.502        | 3,046.365        | 2,003.327           | -                   | 2,003.327            |
| Plus CY Advance Procurement (\$ in Millions)       | 678.763            | 300.679          | 313.160          | 48.457              | -                   | 48.457               |
| <b>Total Obligation Authority (\$ in Millions)</b> | <b>5,845.552</b>   | <b>2,585.181</b> | <b>3,359.525</b> | <b>2,051.784</b>    | <b>-</b>            | <b>2,051.784</b>     |

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

|   |             |             |             |             |   |             |
|---|-------------|-------------|-------------|-------------|---|-------------|
| Initial Spares (\$ in Millions)                 | -           | 151.170     | 21.858      | 0.204       | - | 0.204       |
| Gross/Weapon System Unit Cost (\$ in Thousands) | 233,360.708 | 194,568.923 | 209,190.250 | 270,810.875 | - | 270,810.875 |

# The FY 2015 OCO Request will be submitted at a later date.

| <b>Cost Elements</b>                | <b>ID CD</b> | <b>Prior Years</b>      |                   |                          | <b>FY 2013</b>          |                   |                          | <b>FY 2014</b>          |                   |                          | <b>FY 2015 Base</b>     |                   |                          | <b>FY 2015 OCO</b>      |                   |                          | <b>FY 2015 Total</b>    |                   |                          |
|-------------------------------------|--------------|-------------------------|-------------------|--------------------------|-------------------------|-------------------|--------------------------|-------------------------|-------------------|--------------------------|-------------------------|-------------------|--------------------------|-------------------------|-------------------|--------------------------|-------------------------|-------------------|--------------------------|
|                                     |              | <b>Unit Cost (\$ K)</b> | <b>Qty (Each)</b> | <b>Total Cost (\$ M)</b> | <b>Unit Cost (\$ K)</b> | <b>Qty (Each)</b> | <b>Total Cost (\$ M)</b> | <b>Unit Cost (\$ K)</b> | <b>Qty (Each)</b> | <b>Total Cost (\$ M)</b> | <b>Unit Cost (\$ K)</b> | <b>Qty (Each)</b> | <b>Total Cost (\$ M)</b> | <b>Unit Cost (\$ K)</b> | <b>Qty (Each)</b> | <b>Total Cost (\$ M)</b> | <b>Unit Cost (\$ K)</b> | <b>Qty (Each)</b> | <b>Total Cost (\$ M)</b> |
| <b>Flyaway Cost</b>                 |              |                         |                   |                          |                         |                   |                          |                         |                   |                          |                         |                   |                          |                         |                   |                          |                         |                   |                          |
| <b>Recurring Cost</b>               |              |                         |                   |                          |                         |                   |                          |                         |                   |                          |                         |                   |                          |                         |                   |                          |                         |                   |                          |
| 1.1.1) Airframe/CFE                 |              | 127,873.000             | 24                | 3,068.952                | 133,307.615             | 13                | 1,732.999                | 138,300.063             | 16                | 2,212.801                | 132,648.750             | 8                 | 1,061.190                | -                       | -                 | -                        | 132,648.750             | 8                 | 1,061.190                |
| 1.1.2) CFE Electronics              |              | -                       | -                 | 1,281.305                | -                       | -                 | 317.478                  | -                       | -                 | 381.919                  | -                       | -                 | 160.444                  | -                       | -                 | -                        | -                       | -                 | 160.444                  |
| 1.1.3) GFE Electronics              |              | -                       | -                 | 13.497                   | -                       | -                 | 99.652                   | -                       | -                 | 137.030                  | -                       | -                 | 110.103                  | -                       | -                 | -                        | -                       | -                 | 110.103                  |
| 1.1.4) Other GFE                    |              | -                       | -                 | 1.521                    | -                       | -                 | -                        | -                       | -                 | -                        | -                       | -                 | -                        | -                       | -                 | -                        | -                       | -                 | -                        |
| 1.1.5) Rec Flyaway ECO              |              | -                       | -                 | 218.990                  | -                       | -                 | 46.964                   | -                       | -                 | 82.910                   | -                       | -                 | 40.618                   | -                       | -                 | -                        | -                       | -                 | 40.618                   |
| <b>Subtotal: Recurring Cost</b>     |              | <b>-</b>                | <b>-</b>          | <b>4,584.265</b>         | <b>-</b>                | <b>-</b>          | <b>2,197.093</b>         | <b>-</b>                | <b>-</b>          | <b>2,814.660</b>         | <b>-</b>                | <b>-</b>          | <b>1,372.355</b>         | <b>-</b>                | <b>-</b>          | <b>-</b>                 | <b>-</b>                | <b>-</b>          | <b>1,372.355</b>         |
| <b>Non Recurring Cost</b>           |              |                         |                   |                          |                         |                   |                          |                         |                   |                          |                         |                   |                          |                         |                   |                          |                         |                   |                          |
| 1.2.1) Ancillary Equip              |              | -                       | -                 | 10.698                   | -                       | -                 | -                        | -                       | -                 | -                        | -                       | -                 | 7.328                    | -                       | -                 | -                        | -                       | -                 | 7.328                    |
| 1.2.2) Non-Recur Cost               |              | -                       | -                 | 104.477                  | -                       | -                 | 32.312                   | -                       | -                 | 30.914                   | -                       | -                 | 22.196                   | -                       | -                 | -                        | -                       | -                 | 22.196                   |
| <b>Subtotal: Non Recurring Cost</b> |              | <b>-</b>                | <b>-</b>          | <b>115.175</b>           | <b>-</b>                | <b>-</b>          | <b>32.312</b>            | <b>-</b>                | <b>-</b>          | <b>30.914</b>            | <b>-</b>                | <b>-</b>          | <b>29.524</b>            | <b>-</b>                | <b>-</b>          | <b>-</b>                 | <b>-</b>                | <b>-</b>          | <b>29.524</b>            |
| <b>Subtotal: Flyaway Cost</b>       |              | <b>-</b>                | <b>-</b>          | <b>4,699.440</b>         | <b>-</b>                | <b>-</b>          | <b>2,229.405</b>         | <b>-</b>                | <b>-</b>          | <b>2,845.574</b>         | <b>-</b>                | <b>-</b>          | <b>1,401.879</b>         | <b>-</b>                | <b>-</b>          | <b>-</b>                 | <b>-</b>                | <b>-</b>          | <b>1,401.879</b>         |
| <b>Support Cost</b>                 |              |                         |                   |                          |                         |                   |                          |                         |                   |                          |                         |                   |                          |                         |                   |                          |                         |                   |                          |
| 2.1) Airframe PGSE                  |              | -                       | -                 | 47.504                   | -                       | -                 | 5.436                    | -                       | -                 | 19.935                   | -                       | -                 | 73.418                   | -                       | -                 | -                        | -                       | -                 | 73.418                   |
| 2.2) Engine PGSE                    |              | -                       | -                 | 4.336                    | -                       | -                 | 0.544                    | -                       | -                 | 5.411                    | -                       | -                 | 4.980                    | -                       | -                 | -                        | -                       | -                 | 4.980                    |
| 2.3) Avionics PGSE                  |              | -                       | -                 | 52.228                   | -                       | -                 | 49.730                   | -                       | -                 | 120.903                  | -                       | -                 | 297.593                  | -                       | -                 | -                        | -                       | -                 | 297.593                  |
| 2.4) Pec Trng Eq                    |              | -                       | -                 | 601.514                  | -                       | -                 | 140.609                  | -                       | -                 | 225.969                  | -                       | -                 | 253.260                  | -                       | -                 | -                        | -                       | -                 | 253.260                  |
| 2.5) Pub/Tech Eq                    |              | -                       | -                 | 50.594                   | -                       | -                 | 22.862                   | -                       | -                 | 55.977                   | -                       | -                 | 50.165                   | -                       | -                 | -                        | -                       | -                 | 50.165                   |

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|---|--|--|--|--|--|--|--|--|--|--|--|---|-------------------------|--|--|--|--|--|--|
| <b>Exhibit P-5, Cost Analysis:</b> PB 2015 Navy                                 |  |  |  |  |  |  |  |  |  |  |  |   | <b>Date:</b> March 2014 |  |  |  |  |  |  |
| <b>Appropriation / Budget Activity / Budget Sub Activity:</b><br>1506N / 01 / 1 |  |  |  |  |  | <b>P-1 Line Item Number / Title:</b><br>0193 / P-8A Poseidon |  |  |  |  |  | <b>Item Number / Title [DODIC]:</b><br>1 / P-8A MULTI-MISSION MARITIME AIRCRAFT (MMA) |                         |  |  |  |  |  |  |

| Cost Elements                   | ID CD | Prior Years        |            |                   | FY 2013            |            |                   | FY 2014            |            |                   | FY 2015 Base       |            |                   | FY 2015 OCO      |            |                   | FY 2015 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) |
| 2.6) Prod Eng Supt              |       | -                  | -          | 64.575            | -                  | -          | 29.712            | -                  | -          | 30.247            | -                  | -          | 36.932            | -                | -          | -                 | -                  | -          | 36.932            |
| 2.7) Other ILS                  |       | -                  | -          | 80.466            | -                  | -          | 51.098            | -                  | -          | 43.028            | -                  | -          | 48.260            | -                | -          | -                 | -                  | -          | 48.260            |
| <i>Subtotal: Support Cost</i>   |       | -                  | -          | 901.217           | -                  | -          | 299.991           | -                  | -          | 501.470           | -                  | -          | 764.608           | -                | -          | -                 | -                  | -          | 764.608           |
| <b>Gross/Weapon System Cost</b> |       | <b>233,360.708</b> | <b>24</b>  | <b>5,600.657</b>  | <b>194,568.923</b> | <b>13</b>  | <b>2,529.396</b>  | <b>209,190.250</b> | <b>16</b>  | <b>3,347.044</b>  | <b>270,810.875</b> | <b>8</b>   | <b>2,166.487</b>  | -                | -          | -                 | <b>270,810.875</b> | <b>8</b>   | <b>2,166.487</b>  |

**Remarks:**  
NOTES: Totals may not add due to rounding.

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**Exhibit P-40, Advance Procurement Budget Line Item Justification:** PB 2015 Navy **Date:** March 2014

|  |  |
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| <b>Appropriation / Budget Activity / Budget Sub Activity:</b><br>1506N: Aircraft Procurement, Navy / BA 01: Combat Aircraft / BSA 1: Combat Aircraft | <b>P-1 Line Item Number / Title:</b><br>0193 / P-8A Poseidon |
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| <b>ID Code</b> (A=Service Ready, B=Not Service Ready) : B | <b>Program Elements for Code B Items:</b> 0605500N | <b>Other Related Program Elements:</b> |
|---|--|--|

|                                      |                                |
|--------------------------------------|--------------------------------|
| <b>Line Item MDAP/MAIS Code:</b> 334 | <b>Item MDAP/MAIS Code(s):</b> |
|--------------------------------------|--------------------------------|

| Resource Summary  | Prior Years    | FY 2013        | FY 2014        | FY 2015 Base  | FY 2015 OCO <sup>#</sup> | FY 2015 Total | FY 2016        | FY 2017        | FY 2018        | FY 2019 | To Complete | Total            |
|---|----------------|----------------|----------------|---------------|--------------------------|---------------|----------------|----------------|----------------|---------|-------------|------------------|
| Gross/Weapon System Cost <i>(\$ in Millions)</i>          | 678.763        | 300.679        | 313.160        | 48.457        | -                        | 48.457        | 282.135        | 272.407        | 150.030        | -       | ****        | 2,045.631        |
| Net Procurement (P1) <i>(\$ in Millions)</i>              | 678.763        | 300.679        | 313.160        | 48.457        | -                        | 48.457        | 282.135        | 272.407        | 150.030        | -       | ****        | 2,045.631        |
| <b>Total Obligation Authority</b> <i>(\$ in Millions)</i> | <b>678.763</b> | <b>300.679</b> | <b>313.160</b> | <b>48.457</b> | -                        | <b>48.457</b> | <b>282.135</b> | <b>272.407</b> | <b>150.030</b> | -       | ****        | <b>2,045.631</b> |

**Description:**

The P-8A Multi-mission Maritime Aircraft (MMA) system is a commercial derivative aircraft based on Boeing's 737-800 ERX. The P-8A is the replacement system for the P-3C. The P-8A will sustain and improve the armed maritime and littoral Intelligence, Surveillance, and Reconnaissance capabilities for U.S. Naval Forces in traditional, joint and combined roles to counter changing and emerging threats. The P-8A will have a substantial role in Sea Power 21 and will satisfy several mission requirements in Sea Shield, Sea Strike and FORCEnet. The primary roles of the P-8A are persistent Anti-Submarine Warfare (ASW) and Anti-Surface Warfare (ASuW). The Advanced Procurement funds the long lead time items required for production of the aircraft.

Note: P-8A will combine FY-14 AP (\$150M) with FY-15 AP (\$29M) funds for long lead-time components, material and associated effort in support of the FY-16 Lot 7 production buy. FY-14 AP funds are available due to the decrease in the FY-15 aircraft quantity. This provides total of \$179M for AP vice the normally required \$300M. The program plans to execute this strategy by accelerating award of the Lot 7 contract from June 2016 to February 2016. This accelerated award date will reduce Lot 7 AP requirements to the \$179M available. Accelerated contract award is possible in FY16 only because Lot 7 will be a priced option on the Lot 6 base contract.

| Exhibits Schedule                                     |          | Prior Years |                  |            | FY 2013           |                  |            | FY 2014           |                  |            | FY 2015 Base      |                  |            | FY 2015 OCO       |                  |            | FY 2015 Total     |                  |            |                   |
|---|----------|-------------|------------------|------------|-------------------|------------------|------------|-------------------|------------------|------------|-------------------|------------------|------------|-------------------|------------------|------------|-------------------|------------------|------------|-------------------|
| Title*  | Exhibits | ID CD       | 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) |
| Item - 1 / P-8A MULTI-MISSION MARITIME AIRCRAFT (MMA) | P-10     |             |                  |            | 678.763           |                  |            | 300.679           |                  |            | 313.160           |                  |            | 48.457            |                  |            | -                 |                  |            | 48.457            |
| <b>Total Gross/Weapon System Cost</b>                 |          |             |                  |            | <b>678.763</b>    |                  |            | <b>300.679</b>    |                  |            | <b>313.160</b>    |                  |            | <b>48.457</b>     |                  |            | <b>-</b>          |                  |            | <b>48.457</b>     |

\*For Items, Title represents the Item Number / Title [DODIC].

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

**Justification:**

BASIS FOR FY 2015 BUDGET REQUEST:

Advanced procurement (AP) funding is required in FY 2015 for long lead requirements associated with the procurement of 15 aircraft in FY 2016.

FY15 requests Advanced Procurement (AP) to combine with previously appropriated FY14 AP (\$150M) and FY16 Regular Aircraft Procurement funds to execute long lead requirements associated with the procurement of 15 aircraft in FY 2016.

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| <b>Exhibit P-40, Advance Procurement Budget Line Item Justification:</b> PB 2015 Navy  |  | <b>Date:</b> March 2014                                      |
| <b>Appropriation / Budget Activity / Budget Sub Activity:</b><br>1506N: Aircraft Procurement, Navy / BA 01: Combat Aircraft / BSA 1: Combat Aircraft |  | <b>P-1 Line Item Number / Title:</b><br>0193 / P-8A Poseidon |
| <b>ID Code</b> (A=Service Ready, B=Not Service Ready) : B  | <b>Program Elements for Code B Items:</b> 0605500N | <b>Other Related Program Elements:</b>                       |
| <b>Line Item MDAP/MAIS Code:</b> 334   | <b>Item MDAP/MAIS Code(s):</b>                     |  |

The Advance Procurement (AP) funding will be used to procure long lead CFE items such as basic commercial aircraft long lead requirements (33 months); mission/weapons systems components and P-8A unique airframe components (24 months or greater production lead time). AP funding will also be used to procure long lead mission/weapons systems GFE components (up to 24 months production lead time) due to the change in acquisition strategy as part of the program's overall Should Cost Plan to reduce costs per the DoD's Better Buying Power initiative. FY15-FY18 procures EOQ items for the GFE APY10 Radar Multi-year Procurement. All of these long lead items are essential to maintaining the current schedule in support of the US Navy Fleet Maritime Patrol and Reconnaissance (MPRA) force transition from P-3C to P-8A.

Procurement Quantity should reflect: To Complete: 0 Total: 109

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| <b>Exhibit P-10, Advance Procurement Requirements Analysis (page 1 - Budget Funding Justification):</b> PB 2015 Navy |  | <b>Date:</b> March 2014  |
| <b>Appropriation / Budget Activity / Budget Sub Activity:</b><br>1506N / 01 / 1                                      | <b>P-1 Line Item Number / Title:</b><br>0193 / P-8A Poseidon | <b>P-5 Number / Title:</b><br>1 / P-8A MULTI-MISSION MARITIME AIRCRAFT (MMA) |

**ID Code** (A=Service Ready, B=Not Service Ready) : B

|  |   |  |
|--|---|--|
| <b>First System (2015) Award Date:</b><br>January 2013 | <b>First System (2015) Completion Date:</b><br>January 2013 | <b>Interval Between Systems:</b><br>0 Months |
|--|---|--|

| <b>P-8A MULTI-MISSION MARITIME AIRCRAFT (MMA)</b> | <b>Production Leadtime</b><br><i>(Months)</i> | <b>Prior Years</b><br><i>(Each)</i> | <b>FY 2013</b><br><i>(Each)</i> | <b>FY 2014</b><br><i>(Each)</i> | <b>FY 2015</b><br><i>(Each)</i> |
|---|---|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Quantity  |   | 24                                  | 13                              | 16                              | 8                               |

| <b>Cost Element</b> | <b>When Rqd</b><br><i>(Months)</i> | <b>Prior Years</b><br><i>(\$ M)</i> | <b>FY 2013</b><br><i>(\$ M)</i> | <b>FY 2014</b><br><i>(\$ M)</i> | <b>FY 2015</b><br><i>(\$ M)</i> |
|---------------------|------------------------------------|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|
|---------------------|------------------------------------|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|

**CFE**

|   |   |                |                |                |               |
|---|---|----------------|----------------|----------------|---------------|
| CFE - Airframe T.L. <sup>(1)</sup>                | 0 | 678.763        | -              | -              | -             |
| For FY 14 CFE - Airframe TL                       | 0 | -              | 300.679        | -              | -             |
| For FY 15 CFE - Airframe TL                       | 0 | -              | -              | 156.028        | -             |
| For FY 16 CFE - Airframe TL                       | 0 | -              | -              | 150.000        | 15.619        |
| GFE - Mission/Weapons Systems T.L. <sup>(2)</sup> | 0 | -              | -              | 7.132          | 13.627        |
| <b>Total: CFE</b>                                 |   | <b>678.763</b> | <b>300.679</b> | <b>313.160</b> | <b>29.246</b> |

**EOQ**

|   |   |                |                |                |               |
|---|---|----------------|----------------|----------------|---------------|
| For FY 2016 EOQ/Long Lead                             | 0 | -              | -              | -              | 6.003         |
| For FY 2017 EOQ/Long Lead                             | 0 | -              | -              | -              | 5.203         |
| For FY 2018 EOQ/Long Lead                             | 0 | -              | -              | -              | 5.203         |
| For FY 2019 EOQ/Long Lead                             | 0 | -              | -              | -              | 2.802         |
| <b>Total: EOQ</b>                                     |   | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>19.211</b> |
| <b>Total Advance Procurement/Obligation Authority</b> |   | <b>678.763</b> | <b>300.679</b> | <b>313.160</b> | <b>48.457</b> |

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| <b>Exhibit P-10, Advance Procurement Requirements Analysis (page 2 - Budget Funding Justification):</b> PB 2015 Navy |  | <b>Date:</b> March 2014  |
| <b>Appropriation / Budget Activity / Budget Sub Activity:</b><br>1506N / 01 / 1                                      | <b>P-1 Line Item Number / Title:</b><br>0193 / P-8A Poseidon | <b>P-5 Number / Title:</b><br>1 / P-8A MULTI-MISSION MARITIME AIRCRAFT (MMA) |

**ID Code** (A=Service Ready, B=Not Service Ready) :

| Cost Elements   | QPA<br>(Each) | FY 2015                         |                     |                        |                    |        | Total Cost Request<br>(\$ M) |
|---|---------------|---------------------------------|---------------------|------------------------|--------------------|--------|------------------------------|
|   |               | Production Leadtime<br>(Months) | Unit Cost<br>(\$ K) | Contract Forecast Date | 2015 Qty<br>(Each) | For FY |                              |
| <b>CFE</b>  |               |                                 |                     |                        |                    |        |                              |
| CFE - Airframe T.L. <sup>(1)</sup>                    | -             |                                 |                     |                        |                    |        | -                            |
| For FY 14 CFE - Airframe TL                           | -             |                                 |                     |                        |                    |        | -                            |
| For FY 15 CFE - Airframe TL                           | -             |                                 |                     |                        |                    |        | -                            |
| For FY 16 CFE - Airframe TL                           | -             |                                 |                     |                        |                    |        | 15.619                       |
| GFE - Mission/Weapons Systems T.L. <sup>(2)</sup>     | -             |                                 |                     |                        |                    |        | 13.627                       |
| <i>Total: CFE</i>                                     |               |                                 |                     |                        |                    |        | <b>29.246</b>                |
| <b>EOQ</b>  |               |                                 |                     |                        |                    |        |                              |
| For FY 2016 EOQ/Long Lead                             | -             |                                 |                     |                        |                    |        | 6.003                        |
| For FY 2017 EOQ/Long Lead                             | -             |                                 |                     |                        |                    |        | 5.203                        |
| For FY 2018 EOQ/Long Lead                             | -             |                                 |                     |                        |                    |        | 5.203                        |
| For FY 2019 EOQ/Long Lead                             | -             |                                 |                     |                        |                    |        | 2.802                        |
| <i>Total: EOQ</i>                                     |               |                                 |                     |                        |                    |        | <b>19.211</b>                |
| <b>Total Advance Procurement/Obligation Authority</b> |               |                                 |                     |                        |                    |        | <b>48.457</b>                |

**Description:**

Advance Procurement will be used to procure long lead items.

**Footnotes:**

<sup>(1)</sup> The P-8A Multi-mission Maritime Aircraft (MMA) program provides the replacement systems for the aging P-3 aircraft. The Advanced Procurement funds the long lead time items required for production of the aircraft. PLT reflects the production of the aircraft as reflected on P-21. Advanced procurement (AP) funding is required in FY 2015 for long lead requirements associated with the procurement of 15 aircraft in FY 2016. FY15 requests Advanced Procurement (AP) to combine with previously appropriated FY14 AP and FY16 Regular Aircraft Procurement funds to execute long lead requirements associated with the procurement of 15 aircraft in FY 2016. The Advance Procurement (AP) funding will be used to procure long lead CFE items such as basic commercial aircraft long lead requirements (35 months); mission/ weapons systems components and P-8A unique airframe components (24 months or greater production lead time). All of these long lead items are essential to maintaining the current schedule in support of the US Navy Fleet Maritime Patrol and Reconnaissance (MPRA) force transition from P-3C to P-8A.

<sup>(2)</sup> AP funding will be used to procure long lead mission/weapons systems GFE components due to the change in acquisition strategy as part of the program's overall Should Cost Plan to reduce costs per the DoD's Better Buying Power initiative. FY15-FY18 procures EOQ items for the GFE APY10 Radar Multi-year Procurement. All of these long lead items are essential to maintaining the current schedule in support of the US Navy Fleet Maritime Patrol and Reconnaissance (MPRA) force transition from P-3C to P-8A.