

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 04: Other Aircraft / BSA 1: Other Aircraft **P-1 Line Item Number / Title:** 0443 / MQ-8 UAV

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

Line Item MDAP/MAIS Code: 253 **Item MDAP/MAIS Code(s):**

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 (Units in Each)	38	2	5	2	-	2	2	2	2	2	9	64
Gross/Weapon System Cost (\$ in Millions)	620.548	74.080	109.663	120.020	-	120.020	98.501	88.670	97.363	84.345	342.226	1,635.416
Less PY Advance Procurement (\$ in Millions)	-	-	-	-	-	-	-	-	-	-	-	-
Net Procurement (P1) (\$ in Millions)	620.548	74.080	109.663	120.020	-	120.020	98.501	88.670	97.363	84.345	342.226	1,635.416
Plus CY Advance Procurement (\$ in Millions)	-	-	-	-	-	-	-	-	-	-	-	-
Total Obligation Authority (\$ in Millions)	620.548	74.080	109.663	120.020	-	120.020	98.501	88.670	97.363	84.345	342.226	1,635.416

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

Initial Spares (\$ in Millions)	-	12.261	12.573	-	-	-	-	-	-	-	83.457	108.291
Flyaway Unit Cost (\$ in Thousands)	13,715.211	28,078.000	14,867.400	29,925.500	-	29,925.500	28,629.000	30,850.500	29,022.500	29,467.500	23,484.778	18,106.625
Gross/Weapon System Unit Cost (\$ in Thousands)	16,330.211	37,040.000	21,932.600	60,010.000	-	60,010.000	49,250.500	44,335.000	48,681.500	42,172.500	38,025.111	25,553.375

Description:

The MQ-8 Fire Scout Unmanned Air System (popular name "Fire Scout") program went through a Title 10 Section 2433 (Nunn-McCurdy Breach) review in 2014 due to a unit cost breach. The Department certified a restructured program to Congress on 16 June 2014. The restructured program that was certified includes MQ-8B air vehicles procured under the original program of record, MQ-8C air vehicles procured under the Department of the Navy's Rapid Deployment Capability (RDC) procurement process, and an additional 21 MQ-8C air vehicles to be procured to complete the program Fleet requirements of 70 air vehicles (61 procurement and 9 RDT&E), and associated Mission Control Stations (MCS), Unmanned Aerial Vehicle Common Automatic Recovery Systems (UCARS) and support equipment. The restructured program also includes the endurance upgrade, radar, and weapons capabilities, such as those developed under the Navy's RDC authorities. All acquisition actions previously planned under the RDCs have transitioned into the restructured program of record.

The MQ-8B based system had an approved Milestone C (MS C) in May 2007. The Nunn-McCurdy certification process revoked the MS C approval. MS C for the restructured MQ-8 program is currently scheduled in the 2QFY16.

The MQ-8 Fire Scout provides real-time and non-real-time Intelligence, Surveillance and Reconnaissance (ISR) data to tactical users without the use of manned aircraft or reliance on limited joint theater or national assets. The baseline MQ-8 can accomplish missions including over-the-horizon tactical reconnaissance, classification, targeting and laser designation and battle management (including voice relay). The MQ-8 launches and recovers vertically, and can operate from air capable ships, as well as area land bases. Interoperability is achieved through the use of the Tactical Control System (TCS) software in the Mission Control Station (MCS) (also referred to as Ground Control Station (GCS)) and through the use of the Tactical Common Data Link (TCDL). The data from the MQ-8 will be provided through standard DoD Command, Control, Communications, Computers and ISR system architectures and protocols.

A deployed MQ-8 system is comprised of: air vehicle(s), payloads (i.e. electro-optical/infra-red/laser designator-range finder, Automated Identification System, communications relay, radar, weapons, and other specialty payloads), MCS (with TCS and TC DL integrated for interoperability), a UCARS for automatic take-off and landings, and associated spares and support equipment. A limited number of land-based mission control stations supplement the shipboard systems to support shore based operations, such as pre-deployment or acceptance functional check flights. These land based mission control stations will also support depot level maintenance/post-maintenance activities.

Training devices will be procured for pre-deployment, proficiency, and maintenance training. Non-Recurring efforts include Diminishing Manufacturing Sources and Material Shortages (DMSMS), evaluation and studies on system obsolescence and replacement, and Engineering Change Proposals focused on performance and supportability requirements identified during testing and deployments. In addition, specialty payloads and communications equipment may be procured in support of deployment requirements.

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 04: Other Aircraft / BSA 1: Other Aircraft		P-1 Line Item Number / Title: 0443 / MQ-8 UAV
ID Code (A=Service Ready, B=Not Service Ready) : A	Program Elements for Code B Items:	Other Related Program Elements:
Line Item MDAP/MAIS Code: 253	Item MDAP/MAIS Code(s):	
<p>MQ-8 systems will support missions on suitably equipped air capable ships, including the Littoral Combat Ship (LCS). Quantities of air vehicles derived from bona fide need of air capable ship deployment requirements.</p> <p>Note 1: Controls locked prior to updating the "To Complete" column for actual cost and quantities. In order to reflect the correct Program funding profile, the "To Complete" Gross/Weapon System Cost, Net Procurement, and Total Obligation Authority should read \$322.199. The "To Complete" Procurement Quantity should be 6 for a total Procurement quantity of 61.</p>		

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 04: Other Aircraft / BSA 1: Other Aircraft **P-1 Line Item Number / Title:** 0443 / MQ-8 UAV

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

Line Item MDAP/MAIS Code: 253 **Item MDAP/MAIS Code(s):**

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 / MQ-8 UAV	P-5, P-5a, P-21		38 / 620.548	2 / 74.080	5 / 109.663	2 / 120.020	- / -	2 / 120.020
Total Gross/Weapon System Cost			38 / 620.548	2 / 74.080	5 / 109.663	2 / 120.020	- / -	2 / 120.020

*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:
 Basis for FY16 budget request: Fully funds 2 MQ-8 air vehicles; ancillary equipment such as Mission Control Station (MCS), UCARs, special payloads, and shipboard TCDL systems; Peculiar Training Equipment; Peculiar support equipment for airframe and avionics requirements; Production engineering support for production line technology insertion; and logistics production reach back, depot standup, technical publications, and government logistics support requirements necessary to field the MQ-8 system. The Peculiar Training increase supports procurement of a MQ-8 Mission Systems Trainer (MST), MQ-8C Composite Maintenance Trainer (CMT), MQ-8C Avionics Maintenance Trainer (AMT), MQ-8 MCS Maintenance Trainer, Proficiency Training Devices, Courseware (Operator End State, Maintenance, and MCS), and associated training support in order to meet Fleet training throughput requirements.

UNCLASSIFIED

Exhibit P-5, Cost Analysis: PB 2016 Navy		Date: February 2015
Appropriation / Budget Activity / Budget Sub Activity: 1506N / 04 / 1	P-1 Line Item Number / Title: 0443 / MQ-8 UAV	Item Number / Title [DODIC]: 1 / MQ-8 UAV

ID Code (A=Service Ready, B=Not Service Ready) :	MDAP/MAIS Code:
---	------------------------

Resource Summary	Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total
Procurement Quantity (Units in Each)	38	2	5	2	-	2
Gross/Weapon System Cost (\$ in Millions)	620.548	74.080	109.663	120.020	-	120.020
Less PY Advance Procurement (\$ in Millions)	-	-	-	-	-	-
Net Procurement (P1) (\$ in Millions)	620.548	74.080	109.663	120.020	-	120.020
Plus CY Advance Procurement (\$ in Millions)	-	-	-	-	-	-
Total Obligation Authority (\$ in Millions)	620.548	74.080	109.663	120.020	-	120.020

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

Initial Spares (\$ in Millions)	-	12.261	12.573	-	-	-
Gross/Weapon System Unit Cost (\$ in Thousands)	16,330.211	37,040.000	21,932.600	60,010.000	-	60,010.000

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 ⁽¹⁾	9,299.000	38	353.362	12,580.000	2	25.160	8,637.250	5	43.186	16,990.000	2	33.980	-	-	-	16,990.000	2	33.980
1.1.2) GFE Electronics	-	-	47.786	-	-	8.692	-	-	22.145	-	-	9.077	-	-	-	-	-	9.077
1.1.3) Rec Flyaway ECO	-	-	4.263	-	-	0.429	-	-	0.423	-	-	1.154	-	-	-	-	-	1.154
Subtotal: Recurring Cost	-	-	405.411	-	-	34.281	-	-	65.754	-	-	44.211	-	-	-	-	-	44.211
Non Recurring Cost																		
1.2.1) Non-Recur Cost	-	-	17.072	-	-	2.577	-	-	-	-	-	2.227	-	-	-	-	-	2.227
1.2.2) Ancillary Equipment	-	-	98.695	-	-	19.298	-	-	8.583	-	-	13.413	-	-	-	-	-	13.413
Subtotal: Non Recurring Cost	-	-	115.767	-	-	21.875	-	-	8.583	-	-	15.640	-	-	-	-	-	15.640
Subtotal: Flyaway Cost	-	-	521.178	-	-	56.156	-	-	74.337	-	-	59.851	-	-	-	-	-	59.851
Support Cost																		
2.1) Airframe PGSE	-	-	4.936	-	-	2.350	-	-	3.631	-	-	5.805	-	-	-	-	-	5.805
2.2) Avionics PGSE	-	-	-	-	-	1.514	-	-	0.320	-	-	0.320	-	-	-	-	-	0.320
2.3) Peculiar Training Equipment	-	-	14.477	-	-	0.843	-	-	11.861	-	-	31.770	-	-	-	-	-	31.770
2.4) Pubs/Tech Equipment	-	-	1.277	-	-	0.127	-	-	2.149	-	-	2.179	-	-	-	-	-	2.179
2.5) Production Engineering Support	-	-	58.170	-	-	10.105	-	-	9.266	-	-	11.741	-	-	-	-	-	11.741
2.6) Other ILS Support	-	-	20.510	-	-	2.985	-	-	8.099	-	-	8.354	-	-	-	-	-	8.354

UNCLASSIFIED

Exhibit P-5, Cost Analysis: PB 2016 Navy		Date: February 2015
Appropriation / Budget Activity / Budget Sub Activity: 1506N / 04 / 1	P-1 Line Item Number / Title: 0443 / MQ-8 UAV	Item Number / Title [DODIC]: 1 / MQ-8 UAV
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)
<i>Subtotal: Support Cost</i>	-	-	99.370	-	-	17.924	-	-	35.326	-	-	60.169	-	-	-	-	-	60.169
Gross/Weapon System Cost	16,330.211	38	620.548	37,040.000	2	74.080	21,932.600	5	109.663	60,010.000	2	120.020	-	-	-	60,010.000	2	120.020

Remarks:

All current and future year air vehicle production is MQ-8C airframes.

The FY14 Airframe CFE unit cost reflects a FY13/FY14 consolidated procurement of 5 air vehicles.

Summary of the FY16-FY20 increase from PB15:

Provides MQ-8 air vehicles, ancillary equipment which includes Mission Control Station (MCS), UCARs, special payloads, and shipboard TCDL systems; quantity and cost can vary by shipboard deployment need date and requirement. Support costs include peculiar training equipment peculiar support equipment for airframe and avionics requirements, publications, and production support. Other ILS includes production reach back, depot standup, and government logistics support requirements necessary to field the MQ-8 system.

The Ancillary Equipment increase results from procurement of Mission Control Station (MCS) equipment to align with LCS delivery requirements and support MCS integration for Special Operations Command requirements.

The Airframe CFE unit cost increase results from procurement quantities being below a minimum sustaining rate production profile.

The Airframe PGSE increase results from procurement of MQ-8C air vehicle support equipment to support FY17 deployment requirements. Timeline supports delivery lead-time for integration, maintenance planning, and shipboard familiarization.

The Peculiar Training Equipment increase results from the transition of MQ-8C into the program requiring procurement of multiple Trainers and Courseware requirements to meet Fleet requirements. The FY16 procurement includes a MQ-8 Mission Systems Trainer (MST) (3 of 3), MQ-8C Composite Maintenance Trainer (CMT), MQ-8C Avionics Maintenance Trainer (AMT), MQ-8 MCS Maintenance Trainer, Proficiency Training Devices, Courseware (Operator End State, Maintenance, and MCS), and associated training support.

The Production Engineering Support increase results from government engineering and technical support required to initiate planning and integration requirements for endurance upgrade, radar, and weapons capabilities in future production lots.

(t) indicates the presence of a P-5a

UNCLASSIFIED

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

Appropriation / Budget Activity / Budget Sub Activity: 1506N / 04 / 1	P-1 Line Item Number / Title: 0443 / MQ-8 UAV	Item Number / Title [DODIC]: 1 / MQ-8 UAV
---	---	---

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 ^(†)		2012	Northrop Grumman ⁽¹⁾ / San Diego	SS / CPIF	NAVAIR	Apr 2012	Feb 2015	10	11,713.800	Y		Aug 2011
1.1.1) Airframe/CFE ^(†)		2013	Northrop Grumman ⁽¹⁾ / San Diego	SS / CPIF	NAVAIR	May 2013	Sep 2015	5	9,983.800	Y		May 2012
1.1.1) Airframe/CFE ^(†)		2014	Northrop Grumman ⁽¹⁾ / San Diego	SS / CPIF	NAVAIR	Mar 2014	Feb 2016	1	17,634.000	Y		May 2013
1.1.1) Airframe/CFE ^(†)	✓	2014	Northrop Grumman ⁽¹⁾ / San Diego	SS / CPIF	NAVAIR	Mar 2014	Feb 2016	1	7,526.000	Y		May 2013
1.1.1) Airframe/CFE ^(†)	✓	2015	Northrop Grumman ⁽¹⁾ / San Diego	SS / CPIF	NAVAIR	Mar 2015	May 2017	5	8,637.250	Y		Jul 2014
1.1.1) Airframe/CFE ^(†)		2016	Northrop Grumman ⁽¹⁾ / San Diego	SS / FPIF	NAVAIR	Mar 2016	May 2018	2	16,990.000	Y		Nov 2015

^(†) indicates the presence of a P-21

Footnotes:

⁽¹⁾ Current production rate of 2 air vehicles per year is below MSR increasing unit cost. The current production rate is tied to bona fide need of air vehicles to support LCS.

UNCLASSIFIED

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

Appropriation / Budget Activity / Budget Sub Activity: 1506N / 04 / 1	P-1 Line Item Number / Title: 0443 / MQ-8 UAV	Item Number / Title [DODIC]: 1 / MQ-8 UAV
---	---	---

Cost Elements <i>(Units in Each)</i>				Fiscal Year 2012												Fiscal Year 2013															
O C O	M F R #	FY	SERVICE	PROC QTY	ACCEPT PRIOR TO 1 OCT 2011	BAL DUE AS OF 1 OCT	Calendar Year 2012												Calendar Year 2013												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: 23																															
	1	2012	NAVY	10 ⁽²⁾	-	10																							10		
	1	2013	NAVY	5 ⁽³⁾	-	5																					A -	-	5		
	1	2014	NAVY	1 ⁽⁴⁾	-	1																							1		
✓	1	2014	NAVY	1 ⁽⁵⁾	-	1																							1		
✓	1	2015	NAVY	5	-	5																							5		
	1	2016	NAVY	2	-	2																							2		
							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

UNCLASSIFIED

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

Appropriation / Budget Activity / Budget Sub Activity: 1506N / 04 / 1 **P-1 Line Item Number / Title:** 0443 / MQ-8 UAV **Item Number / Title [DODIC]:** 1 / MQ-8 UAV

Cost Elements <i>(Units in Each)</i>					Fiscal Year 2014													Fiscal Year 2015																	
O C C #	M F R #	FY	SERVICE	PROC QTY	ACCEPT PRIOR TO 1 OCT 2013	BAL DUE AS OF 1 OCT	Calendar Year 2014													Calendar Year 2015															
							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: 23																																			
	1	2012	NAVY	10 ⁽²⁾	-	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	1	2013	NAVY	5 ⁽³⁾	-	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	4
	1	2014	NAVY	1 ⁽⁴⁾	-	1																													1
✓	1	2014	NAVY	1 ⁽⁵⁾	-	1																													1
✓	1	2015	NAVY	5	-	5																													5
	1	2016	NAVY	2	-	2																													2

UNCLASSIFIED

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

Appropriation / Budget Activity / Budget Sub Activity: 1506N / 04 / 1 **P-1 Line Item Number / Title:** 0443 / MQ-8 UAV **Item Number / Title [DODIC]:** 1 / MQ-8 UAV

Cost Elements <i>(Units in Each)</i>						Fiscal Year 2016												Fiscal Year 2017													
O C C #	M F R #	FY	SERVICE	PROC QTY	ACCEPT PRIOR TO 1 OCT 2015	BAL DUE AS OF 1 OCT	Calendar Year 2016												Calendar Year 2017												
							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: 23																															
	1	2012	NAVY	10 ⁽²⁾	10	-																									
	1	2013	NAVY	5 ⁽³⁾	1	4	1	1	1	1																					
	1	2014	NAVY	1 ⁽⁴⁾	-	1	-	-	-	-																					
✓	1	2014	NAVY	1 ⁽⁵⁾	-	1	-	-	-	-																					
✓	1	2015	NAVY	5	-	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	1	-	3	
	1	2016	NAVY	2	-	2																									
							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

UNCLASSIFIED

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

Appropriation / Budget Activity / Budget Sub Activity: 1506N / 04 / 1 **P-1 Line Item Number / Title:** 0443 / MQ-8 UAV **Item Number / Title [DODIC]:** 1 / MQ-8 UAV

Cost Elements <i>(Units in Each)</i>						Fiscal Year 2018												Fiscal Year 2019													
O C C #	M F R #	FY	SERVICE	PROC QTY	ACCEPT PRIOR TO 1 OCT 2017	BAL DUE AS OF 1 OCT	Calendar Year 2018												Calendar Year 2019												
							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: 23																															
	1	2012	NAVY	10 ⁽²⁾	10	-																									
	1	2013	NAVY	5 ⁽³⁾	5	-																									
	1	2014	NAVY	1 ⁽⁴⁾	1	-																									
✓	1	2014	NAVY	1 ⁽⁵⁾	1	-																									
✓	1	2015	NAVY	5	2	3	1	-	1	-	1																				
	1	2016	NAVY	2	-	2	-	-	-	-	-	-	-	1	-	-	1														
							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

UNCLASSIFIED

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

Appropriation / Budget Activity / Budget Sub Activity: 1506N / 04 / 1	P-1 Line Item Number / Title: 0443 / MQ-8 UAV	Item Number / Title [DODIC]: 1 / MQ-8 UAV
---	---	---

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 ⁽¹⁾ - San Diego	6	10	33	-	-	-	-	5	5	24	29

"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).

Footnotes:

- (1) Current production rate of 2 air vehicles per year is below MSR increasing unit cost. The current production rate is tied to bona fide need of air vehicles to support LCS.
- (2) Program changed delivery schedule due to consolidated FY12 and partial FY13 procurement.
- (3) Program changed delivery schedule due to a consolidated FY12 and partial FY13 procurement.
- (4) Program changed delivery schedule due to a consolidated FY13/FY14 procurement.
- (5) Program changed delivery schedule due to a consolidated FY13/FY14 procurement.