Washington Watch

By John A. Tirpak, Executive Editor

Old Aircraft Problems Need Attention; Unfunded List of $3 Billion; Teets Voices Disappointments ....

Jumper Pushes Recapitalization

Replenishing the Air Force's aged fleets of aircraft is an urgent need—and one which the service, the Defense Department, and Congress must move quickly to address, declares Gen. John P. Jumper, the Air Force Chief of Staff.

"Recapitalization is our No. 1 concern right now," Jumper said in a late March interview with *Air Force* Magazine.

He emphasized that the last-minute budget cuts proposed by the Administration would worsen the problem of aging aircraft, bringing onerous expenses in maintaining and repairing them. Even if the service's planned buys of new aircraft had been left untouched, the average age of Air Force aircraft would have grown from today's 23 years to 27 years before the new aircraft were delivered.

The Chief maintained that the situation calls for nothing less than a thorough review of how the military services replenish combat and combat-support aircraft—systems used no matter what the conflict. Among those systems, Jumper said, were transports, aerial tankers, and intelligence-surveillance-reconnaissance (ISR) aircraft.

The Pentagon leadership is focused on "transformation," which Jumper described as "this ... notion that we need to stop what we're doing now and do something different." This is indeed being done "in some cases," he said, adding, "The fact of the matter is, some of the things we do—like transportation and mobility and ISR—are going to continue in one form or another." There continues to be high demand for "the older platforms to do this job," he said.

The US should develop a formula that routinely identifies when it would be more economical to replace an aircraft than to continue propping it up with repairs and spare parts. Flying hours and airframe fatigue alone have proved not to be sufficient indicators that aircraft are beyond economical operations, Jumper asserted.

"We're getting surprised by these age issues that are creeping up on us because we have never dealt with them before," Jumper said. Among the issues the Air Force has tagged as acute aging aircraft problems are corrosion, avionics obsolescence, and the disappearance of suppliers. The latter problem has obliged depots to commit a great deal of money, manpower, and time to the fabrication of parts that have long since gone out of production.

AP photo by Gerald Herbert

Jumper is worried about aircraft recapitalization.

He said the shift by USAF depots from their intended mission of maintenance to "remanufacturing of parts" will mean greater and greater cost of ownership for aircraft and decreasing aircraft availability as the airplanes must spend longer and longer periods in depot.

Jumper would like to see Congress hold hearings about preserving aerospace industrial capability and not focus solely on shipbuilding. Maintaining a healthy aerospace defense industrial base is also essential to the nation's military strength, he said.

Moreover, Jumper thinks a new model of aircraft acquisition is needed to address escalation in the cost of aircraft. He noted that C-130s purchased in 1964 cost about $1.5 million a copy. Adjusted for inflation, that cost is $11.8 million today. Yet, "compare that with what we're paying for a C-130J, which is somewhere [around] $65 million apiece," he said.

Jumper acknowledged that increasing cost of labor and greater capabilities have added to rising costs, but he said a major culprit is buying airplanes in small, inefficient lots.

The Pentagon has some well-meaning people trying to address the aging equipment issue, but the approach has been to "work the problem by bits and pieces," Jumper reported. What is needed, he maintained, is to call together all interested parties and "deal with this as a holistic problem."

He has discussed the issue with House Armed Services Committee Chairman Rep. Duncan Hunter (R-Calif.) and said there is interest among the committee staffs on Capitol Hill to find a solution.

Hunter "agrees that something needs to be done," said

AP photo by J. Scott Applewhite

Hunter agrees it's time to fix old aircraft problem.

Jumper, who has also written to Senate Armed Services Committee Chairman John W. Warner (R-Va.) to take up the issue.

"It's got to be a cooperative effort" between Congress, the military services, and the Administration, said Jumper. Urgently needed is "a good diagnosis" of why recapitalization is so expensive, followed by "a list of possible cures," he added.

With the failure of the Air Force's attempt to address the tanker recapitalization problem through leasing, Jumper said he'd like Congress to say what alternative approaches it would consider.

AP photo by Dennis Cook

Warner will be a key player.

"If what we've tried so far doesn't work, what would be acceptable?" Jumper asked.

The issue of aging aircraft has been prominent for at least the last 10 years, but it has not been dealt with by the Pentagon leadership in a definitive way. When asked what the Pentagon's response has been to the issues of aging aircraft, Jumper said, "I don't think there has been an answer."

Industry leaders are also unhappy with the system as it is, he said.

They are, in many cases, said Jumper, "aware and upset at the fact that we tend to pay a lot more for inefficiency." Multiyear buys might be one approach to get aircraft purchases down to more reasonable costs, and increased use of contractor maintenance of systems might defray some costs as well, according to Jumper. He maintains that there need to be more "tools" in the acquisition toolbox than are there now.

Without attention, said Jumper, the fear is that whole types of aircraft could suddenly be grounded for a fleet-wide problem that may not be quickly fixed. That has the potential for leaving the US without a military option in some scenarios.

The Air Force has told lawmakers that it is "approaching [the] risk threshold" with regard to aging aircraft.

For instance, failure to replace the F-15 with sufficient numbers of F/A-22s means the Air Force will not be able to gain access to enemy airspace and will have no effective defense against cruise missiles.

Current ISR and command and control aircraft do not offer adequate global coverage and lack the bandwidth to keep up with modern battlefield communications.

For mobility aircraft—airlifters and tankers—the problems include what USAF calls the "vanishing vendors syndrome," deteriorating aircraft, and the fact that more and more people, parts, and money are needed to keep each aircraft working.

Charts prepared for Congress carried the bottom line comment that the force is "Stressed Now, Broken Tomorrow."

Unfunded List Comes to $3 Billion

The annual "unfunded priorities" list that the Air Force submitted to Congress in late February included 55 items collectively worth $3 billion.

There was no attempt to regain any of the combined $15 billion slashed from the F/A-22 and C-130J programs in the Fiscal 2006 defense budget proposal. Such a move would be considered an end run around Pentagon leadership that set the Defense Department and service toplines. USAF has promised to battle those cuts during the Quadrennial Defense Review.

The top dollar item on the unfunded priorities list was $854 million in military construction to recapitalize real property and to improve mission beddown facilities. Such requests frequently take a backseat to more pressing operational or programmatic accounts.

The list is presented in order of priority, which is not necessarily in order of dollar value. The milcon item, for example, was listed as "not prioritized."

The five items the Air Force considers most urgent, beyond its stated budget, are:

- 21 (of 100 required) advanced targeting pods for strike aircraft, at $41.9 million.
- New radar modes for Joint STARS aircraft, at $12.9 million.
- $37.7 million to buy items to fix C-130s now grounded due to cracks in their center wing boxes.
- $51.9 million worth of mobile approach control systems for aircraft operating in Iraq and Afghanistan.
- $97 million worth of defensive countermeasures for the C-17 transport to thwart surface-launched anti-aircraft missiles.

Other notable items in the list include $360 million to buy 29 additional MQ-1 armed Predator unmanned aircraft, along with supporting onboard equipment and handling gear, and $511 million to fix up airfields worldwide that have been "degraded" by age or by an aggressive operating tempo.

USAF photo by SrA. Aaron D. Allmon II

Cracks grounded older C-130s, like this E model.

The 48th item on the list was $130 million to complete the purchase of two F-15E aircraft to be delivered in Fiscal

USAF photo

Congress pushes USAF to re-engine the E-8C.

2008. No. 49 was $13.5 million to re-engine Joint STARS aircraft.

Congress has said the Air Force is not moving fast enough to re-engine the Joint STARS aircraft, which suffer from poor reliability and don't meet international standards for noise and emissions control.

The service also made a general request (not prioritized) for $88.9 million to get USAF investment in science and technology up to the level of three percent real growth recommended in the Pentagon's Strategic Planning Guidance.

E-10 Postponed Five Years

As part of the Fiscal 2006 defense budget, DOD directed the Air Force to restructure the service's E-10A airborne battle management aircraft program, cutting it by more than $600 million over two years. Consequently, USAF announced in March that it would delay the start of the project until 2010.

The E-10 is one of USAF's emerging top priorities. The service expects it to be the successor to both the E-8 Joint STARS aircraft, which tracks the movement of ground objects, and the E-3 AWACS air battle controller. The new aircraft may also serve as the replacement for the RC-135 Rivet Joint signals intelligence aircraft.

Under a new timeline, USAF has delayed initial operational capability from 2015 to 2018.

According to Gen. John P. Jumper, opponents of the program believe that sensors on unmanned aircraft and in space, supported by analysts in reachback facilities in the US, can perform the E-10 mission at less cost. The Chief of Staff maintains that the E-10 is vital to preserve line-of-sight communications and command and control with combat aircraft over the battlefield. Jumper also has acknowledged that opponents may simply be waiting for him to retire, which should be this fall, to kill the program entirely.

The Air Force plans to use the five-year program delay to further explore the role of the E-10 in conjunction with new systems such as the Space Radar, which is also slated to observe and track air and ground traffic.

Teets Sees More Headaches in Space

Current problems in military space programs will continue into the near future, said outgoing Undersecretary of the Air Force Peter B. Teets in March, because they were structured inadequately in the beginning.

He called that situation and the lack of a "breakthrough" propulsion system for cheaper, easier, and faster access to space the biggest disappointments of his tenure.

On the eve of his retirement, Teets, who was the first undersecretary to also bear responsibility as the Pentagon's executive for space, said he expects more turbulence ahead on some key space programs such as the Space Based Infrared System, known as SBIRS High, and the Advanced Extremely High Frequency communications satellite system. SBIRS High is intended to provide warning of a nuclear missile launch against the US.

Teets said the fundamental problem facing the Air Force on these and other programs stems from "improperly formed contracts." He added, "I think we can expect to continue to see a few surprises on that because these programs have long gestation periods."

Contractors put in lowball bids to secure the contracts and got away with it, according to Teets, because the government failed to have good cost-estimating processes in place to validate the bids.

He said the Air Force has taken big steps in restoring a "solid" cost-estimating capability. He does not think new programs will face the same problems as SBIRS High, which Teets called "a snake-bitten program" that has seen repeated big cost overruns.

"The SBIRS High program, if properly formed at the outset, and with the right work content in it and everything else, … would probably have run out somewhere in the vicinity of the $10 billion point," Teets observed.

Instead, he said, "it was bid at four [billion dollars] and it's probably going to run out at 11 to 12 [billion dollars]."

He said it's difficult to cancel a program "when you are three … or five billion dollars" into it—and even harder when the sunk cost is up to $8 billion, as is the case with SBIRS High now. Fortunately, he said, the Defense Support Program satellites that SBIRS High will replace are lasting longer than expected. There is also one available to replace any that fail. The Air Force has time to get the program working right, he said.

Nevertheless, SBIRS High will provide an essential capability.

"We are talking about the early warning system for the country," Teets pointed out. "You can't go blind" in that mission area.

Still, he said that he put discipline into the contracting program to avoid future SBIRS-like headaches. Teets said that if a contractor says a new design doesn't need to be tested before it's committed to hardware, "you don't believe it; you insist upon [it]." He believes there is a "healthier relationship" between the government and its space systems contractors than there has been for some time.

Teets added that he's "somewhat disappointed" that he has seen no new technology as revolutionary for spaceflight as the jet engine was for aviation. He is also leaving without a "solid roadmap" in place to advance US launch capability in the future.

He believes that a "hybrid" vehicle consisting of a disposable booster and a "fully reusable" spacecraft will be available by 2020, but the hoped-for single-stage-to-orbit capability is still well in the future.

The hybrid he described is able to take 40,000 pounds to low Earth orbit or 10,000 to 12,000 pounds to geostationary orbit.

Teets said he thinks it's "very important" for the undersecretary to function as DOD and Air Force executive agents for space and head of the National Reconnaissance Office, welding single-point authority on military space programs.

"It's vitally important to maintain that focus" on space that the reshaped job has in its portfolio, said Teets. ▪