



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

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MISSION ANALYSIS AND
SYSTEMS ACQUISITION DIVISION

B-206613

APRIL 19, 1982

The Honorable Carl M. Levin
United States Senate



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Dear Senator Levin:

Subject: B-1B Bomber Program Baseline Costs
(MASAD-82-32)

In accordance with your letter of April 12, 1982, and further discussions with Mr. Peter Lennon of your staff, we have examined whether (1) research and development costs for the Common Strategic Rotary Launcher (CSRL) should be included in the baseline cost estimate for the B-1B program and (2) all the costs associated with fully equipping the B-1B to carry and launch air-launched cruise missiles were included in the baseline cost estimate.

CSRL COSTS SHOULD NOT BE
INCLUDED IN BASELINE ESTIMATES

Since the CSRL is to be a common system planned to be used in the B-52H, B-1B, and eventually a new bomber, we do not believe that research and development costs for the CSRL should be included as an integral part of the baseline cost estimate for the B-1B bomber program. Such total costs should be shown as a related cost to the B-1B program in a clearly identifiable manner.

The current B-1B estimate includes costs for a launcher which is unique to the B-1B. If the Department of Defense decides to use the CSRL for the B-1B, then the programmed cost associated with the unique launcher currently in the baseline should be reconciled with the CSRL program.

COSTS TO BE INCLUDED
IN BASELINE ESTIMATES

The costs associated with fully equipping the B-1B, including all components, avionics, hardware, and software, may be higher than what is included in the current baseline estimate. Although we have been unable to fully determine these additional costs and associated equipment, some additional costs would be incurred if a second inertial navigation system is added.

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Defense officials have indicated that a second inertial navigation system may be added to the B-1B as a backup capability which could add about \$10 to \$20 million to the total program costs, depending on the particular system used. Currently, B-52 cruise missile carriers are being equipped with two inertial navigation systems for ensuring a backup capability. Again, we caution these cost estimates may be incomplete because all data have not been available to us at this time.

ACCESS PROBLEMS

As you know, we have been denied access to certain B-1B cost estimate information. We believe this information is essential to fully answering your request as well as to doing our current review of the Air Force's strategic long range combat aircraft (B-1B). We have been in touch with your staff regarding this and we plan to provide additional information on this matter as soon as it can be developed.

We hope this information will be useful to you and we plan to provide any additional information as it occurs.

Sincerely yours,



W. H. Sheley, Jr.
Director