

12 Aug 2005

Inquiry Response

Re: BI-0208, CT-0844, B-1s Flying Hours and AEF Cycle

Requester: BRAC Commission (Art Beauchamp, Air Force Analyst)

Request: Request information on the following:

Question 1: What is the B-1 cost per flying hour at Ellsworth and Dyess?

Response: See attachment for B-1 flying hour costs. We provided the information requested, however, flying hour costs are unique to an installation and comparing Cost Per Flying Hour (CPFH) at face value is misleading (see attachment). Variables cause variations in the costs incurred, such as: missions they support, support equipment conditions, experience of maintenance personnel, number of deployments and contingency hours flown. No two wings are alike even if they fly the same airframe.

Accounting procedures can affect the CPFH at different wings. For example, home station fuel costs reflect deployed aircraft costs while spare costs are captured in a separate contingency account. A centralized repair facility supports all B-1 engines and this cost is also separate since it cannot be tied directly to any one base (Dyess, Ellsworth, or contingency locations).

We caution against simple head-to-head flying hour cost comparisons as incorrect conclusions may be drawn if extenuating circumstances are not known or understood fully.

Question 2: Does the Air Force expect to reduce the B-1 cost per flying hours if the B-1s are consolidated at Dyess? If yes, what is the estimated savings and in what areas do the savings occur?

Response: The Air Force did not conduct flying hour cost reduction analysis. BRAC savings do not reflect expected operational and logistical savings in the way your question implies. Instead, applicable savings come from infrastructure reductions (manpower, BOS, etc.) due to realignment and closure. These requirements are determined not by the hours flown, but the infrastructure needed to support the overall mission.

Question 3: The AF recommendation to consolidate the B-1s at Dyess shows a manpower reduction in personnel. Per certified COBRA data, 3,308 military and 438 civilians will move from Ellsworth and only 1,918 military and 129 civilians are gained by Dyess. This is a substantial reduction of 1,390 and 309 civilian personnel supporting. What is the expected impacted on the ops tempo for B-1 maintenance personnel and other B1 support personnel due to this consolidation? Will they support more AEF rotations (i.e. will the number of their deployments increase)?

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Response: Consolidating forces and logistics reduces organizational overhead and creates efficiency of operations. Ops tempo will be dependent upon scheduling and phasing of maintenance/flying activities to support mission requirements.

Question 4: Closing one of only five bomber bases (i.e. Dyess, Barksdale, Minot, Ellsworth, Whiteman) implies that the AEF rotation cycle for bomber bases will increase. Will it? If yes, to what degree?

Response: Because the number of B-1 units remains constant and the number of operational UTCs supporting the AEF does not change, the Air Force does not expect the AEF rotation cycle for bomber units to change.

Approved

A handwritten signature in black ink, appearing to read 'DAVID L. JOHANSEN', with a long horizontal line extending to the right.

DAVID L. JOHANSEN, Lt Col, USAF
Chief, Base Realignment and Closure Division

Attachment:
As stated

Attachment:

During a review of the FY06 ACC Flying Hour Program, questions were raised about the difference in Cost Per Flying Hour (CPFH) rates on B-1 aircraft at Dyess (7 BW) and Ellsworth (28 BW). The chart below is based on data as of 30 June 05. The CPFH rate is separated into three sections: Aviation Petroleum, Oils and Lubricants (AVPOL), Materiel Support Division (MSD)/Depot Level Repairables (DLRs), and Consumables. The following chart breaks down the 7 BW and 28 BW variances:

	Dyess/7 BW	Ellsworth/28 BW
AVPOL (Note 1)	12,091.30	8,990.60
MSD/DLRs (Note 2)	17,004.70	12,537.60
Consumables	<u>2,423.90</u>	<u>2,045.80</u>
Actual CPFH Total	31,519.90	23,574.00

Note 1: The primary driver for the AVPOL variance is the result of accounting procedures established to record and track fuel costs. Each individual aircraft carries a fuel credit card and all expenses accrued against that card, regardless of where the fuel is purchased, are recorded at the aircraft's home station. Even though the 7 BW flew 5,614 contingency hours versus 2,700 hours flown by the 28 BW, these hours are not factored into the CPFH equation for computing fuel costs. The 7 BW recorded ~\$55.4M in fuel expenditures divided by 4,578 home station hours flown for a CPFH rate \$12,091 per hour compared to the 28 BW fuel expenditures of ~\$38.9M divided by 4,330 home station hours flown for a CPFH rate of \$8,891 per hour.

Note 2: There are three primary reasons for the MSD/DLRs variance. 1) Dyess spent \$2M to pay for parts to repair a fire damaged aircraft. 2) Ellsworth repairs all of its LRUs locally, where as Dyess sends many avionics assets to the Georgia ANG for repairs. Each wing has one string of AIS test equipment. Dyess' one set cannot absorb the additional LRUs driven by their more robust mission (more aircraft, more hours flown, WIC support, and Test support and more contingency hours). 3) Dyess flew more contingency hours resulting in more phase inspections at home station, which is paid for by home station. These factors ultimately contribute to the \$4.5K CPFH delta.