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MISSION ANALYSIS AND SYSTEMS ACQUISITION DIVISION

B-203651

NOVEMBER 12, 1981



The Honorable Caspar W. Weinberger The Secretary of Defense

Attention: Assistant for Audit Reports

Dear Mr. Secretary:

Subject: DOD Should Defer Buying New TACAN Equipment and Evaluate Other Alternatives (MASAD-82-6)

We have completed a followup review to our March 21, 1978, report entitled "Navigation Planning -- Need for a New Direction" (LCD-77-109). That report pointed out that because the Department of Defense (DOD) planned to replace the Tactical Air Navigation (TACAN) System with the NAVSTAR/Global Positioning System (GPS), expenditures to modernize and buy new TACAN equipment were questionable. In May 1979, the Surveys and Investigations Staff of the House Appropriations Committee issued a report on the Federal Government's navigation, position, and location systems which recommended that the procurement of new replacement TACAN equipment be deferred as long as GPS remained its potential replacement. After these reports, both the fiscal year 1980 House Appropriations Committee and the Appropriations Committees Conference reports gave specific guidance to DOD that any interim fielding of new TACAN equipment could result in unnecessary expenditures and duplication and that to maximize GPS's cost effectiveness, DOD should avoid buying new equipment that GPS could replace.

The Navy has spent approximately \$12 million for 37 replacement land-based TACAN transmitters. As shown below, the Navy and Air Force plan to spend from 1982-86 approximately \$49 million for additional replacement TACAN equipment.

- -- The Navy plans to spend from 1982-86 approximately \$14 million to procure an additional 38 land-based TACAN transmitters.
- -- The Air Force plans to spend from 1982-85 approximately \$30 million to buy and install approximately 132 TACANS,

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- 34 very high frequency, omnidirectional range systems (VORS), and 18 VORTACs. 1/
- --The Air Force is requesting for fiscal year 1982 approximately \$5 million to buy and install new TACAN systems for C-5A aircraft.

PROCURING NEW TACAN, VORTAC, and VOR TRANSMITTERS

The Navy and Air Force explained that current and projected problems in supporting and maintaining existing transmitters will prevent the transmitters from providing adequate coverage until they are phased out. Thus, they are buying new transmitters to replace existing equipment. However, the Air Force and Navy can provide adequate navigation until existing equipment is phased out in a more cost-effective manner by using selected Federal Aviation Administration's (FAA's) VORTACs instead of DOD's TACANS, VORTACs, and VORs where possible and by maintaining the remaining transmitters with spare parts obtained from DOD equipment and surplus FAA tube-type VORTACs as they become available. Thus not only could DOD avoid most of the \$49 million procurement cost, but it could reduce the approximately \$19.7 million spent annually to operate and maintain land-based TACANS, VORTACs, and VORs.

Air Force and Navy surveys indicate that while the Air Force and Navy could use many of FAA's VORTACs, unit commanders believe this could adversely affect tactical air navigation, including the unit's operational effectiveness. However, the Air Force and Navy have not yet identified and measured the impact on tactical air navigation and its significance from using FAA's VORTACs instead of DOD equipment.

PROCURING NEW TACAN RECEIVERS FOR C-5A AIRCRAFT

The Air Force explained that because a basic component in the C-5A TACAN receivers is no longer manufactured, it has become increasingly difficult to maintain the system. At the time of our review, we found that the mission availability of the C-5A TACAN equipment is satisfactory and that there are potentially adequate supplies of this basic component which should enable the Air Force to support existing C-5A TACAN receivers until the TACAN system is replaced. The Air Force plans to install GPS user equipment on the C-5A aircraft by the end of 1987.

^{1/}A VORTAC facility consists of a VOR collocated with a TACAN and thus provides the same type distance and bearing information as TACAN.

CONCLUSIONS AND RECOMMENDATIONS

According to both the Navy and Air Force, certain existing TACAN equipment cannot provide reliable service until TACAN is phased out, and thus they plan to spend by 1986 approximately \$49 million to buy and install new equipment. In our opinion, lower cost alternatives exist which can provide adequate navigation until TACAN is phased out. The Air Force and Navy have not specifically identified and measured the impact of these alternatives on tactical air navigation and consequently cannot adequately weigh such impact against the resulting cost savings. Proceeding with its procurement of replacement TACAN equipment without adequately evaluating all alternatives could result in the unnecessary expenditures and duplication cautioned against by the Appropriations Committees and us.

Accordingly, we recommend that the Secretary of Defense:

- --Direct the Air Force and Navy to defer all actions to buy and install land-based replacement TACAN transmitters.
- --Direct the Air Force and Navy to determine to what extent FAA's VORTACs can be used instead of DOD equipment. This determination should include an analysis to specifically identify and measure the impact on tactical air navigation and evaluate those trade-offs necessary for the cost savings.
- --Direct the Air Force and Navy to work closely with FAA to obtain those critical spare parts necessary for continued TACAN operation.
- --Direct the Air Force to terminate actions to buy and install new replacement TACAN receivers for the C-5A aircraft.

These conclusions and recommendations are dependent on the assumption that GPS will be deployed and providing adequate coverage by the end of 1987. In the past, the Congress has strongly supported GPS, although the House and Senate Armed Services Committees have disagreed over the system's funding for fiscal year 1982. Because of GPS's great potential to replace existing systems, the fiscal year 1980 Appropriations Committees Conference report directed DOD to avoid buying any new equipment that GPS could replace. DOD's fiscal year 1981 Authorization Act Conference report recommended increased funding for GPS and strongly urged DOD to preserve the program's integrity and provide GPS capability as early as possible. The Senate Armed Services Committee's fiscal year 1982 report again supported GPS. However, the House Armed Services Committee report recommended that DOD's fiscal year 1982 budget request for GPS not be funded. We expect the Joint Conference Committee to resolve this issue. If adequate GPS coverage is not available until after 1987, ample time would remain for DOD to assess the need for and cost effectiveness of any TACAN equipment procurements.

Enclosure I contains details which support the conclusions and recommendations and describes the objectives, scope, and methodology used in performing this evaluation. We have obtained agency comments and, to the extent possible, incorporated them in the report along with our evaluation of those comments.

This report contains recommendations to you on page 3. As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the Senate Committee on Governmental Affairs and the House Committee on Government Operations not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

Please send us copies of your statements sent to congressional committees.

Sincerely yours,

W. H. Sheley / Jr.

Director

DOD SHOULD DEFER BUYING

NEW TACAN EQUIPMENT AND

EVALUATE OTHER ALTERNATIVES

BACKGROUND

Several instrument navigation aids are available for use when approaching and landing at the Air Force and Navy airfields. Air Force airfields use both the Precision Approach Radar (PAR) and the Instrument Landing System (ILS) to provide a precision instrument approach and landing capability. Because of operational economies, the Air Force is currently replacing many PARs with ILS. Naval air stations use PAR as their precision instrument approach and landing system. Both the Navy and Air Force use the Tactical Air Navigation System (TACAN) as their nonradar nonprecision instrument approach and landing system. Air Force and Navy pilots can also use the Airport Surveillance Radar with voice communications to execute a nonprecision instrument approach and landing.

All Air Force airfields have an Airport Surveillance Radar, TACAN, and either or both an ILS or PAR. Naval air stations have an Airport Surveillance Radar, TACAN, and PAR. The availability of all these aids is approximately 98 percent.

Although no statistics are available on instrument approach usage, Air Force and Navy officials indicated that while pilots practice all instrument approaches, during inclement weather pilots rely more heavily on precision instrument approaches and landings; for example, ILS or PAR. Air Force regulations identify ILS as the primary instrument approach system.

For en route navigation, military pilots use both the Department of Defense's (DOD's) TACANS and the Federal Aviation Administration's (FAA's) VORTAC facilities. A VORTAC facility consists of a very high frequency, omnidirectional range (VOR) collocated with a TACAN. VORTAC's availability is approximately 100 percent and has approximately a 30-nautical mile range at ground level, 100-nautical miles at 5,000-feet altitude, and approaches 130-nautical miles at over 18,000-feet altitude.

The Air Force operates and maintains approximately 132 TACANS, 18 VORTACS, and 34 VORs. The Navy operates and maintains approximately 75 land-based TACANS as well as approximately 200 ship-based TACANS. Approximately 47 of the Navy's land-based TACANS are located in the continental United States.

According to officials responsible for navigation planning, the Air Force plans to phase out TACAN, replacing it with the NAVSTAR/Global Positioning System (GPS). GPS is a satellite-based navigation system which should provide continuous, highly accurate, three dimensional, worldwide position, time, and velocity information to the user. As scheduled, GPS will begin providing worldwide

two dimensional coverage in 1986 expanding to the three dimensional coverage in 1987. However, the Air Force will have to retain TACAN until the early 1990s when all user platforms have been equipped with GPS user equipment.

Because GPS requires some form of additional data link to provide continuous relative navigation distance and bearing between moving platforms (e.g., a carrier and aircraft), according to the Navy, it must retain TACAN until 1995. As GPS and various data links become available, the Navy will decide the afloat replacement for TACAN. We agree that Navy's shipboard TACANs perform a unique function and have only included Navy's land-based TACANs in the continental United States as part of this review. The alternatives we address apply to both the Air Force and Navy land-based TACANs in the continental United States.

OBJECTIVES, SCOPE, AND METHODOLOGY

As a followup evaluation to our March 21, 1978, report entitled "Navigation Planning--Need for a New Direction" (LCD-77-109), the objective was to identify DOD's current and planned expenditures for new TACAN equipment and evaluate the necessity of these expenditures at this time, given DOD's plans to phase out TACAN in the early to mid-1990s.

The review was performed primarily at the Washington, D.C., headquarters of DOD; the Departments of the Navy and Air Force; and FAA. We visited the Air Force Communications Command, Scott Air Force Base, Illinois; the Air Force's Air Logistics Center, Warner Robins, Georgia; and the Air Force's Air Logistics Center, Sacramento, California, to learn the availability and maintainability of existing TACAN equipment. We also visited the Air Force's Space Division in Los Angeles, California, to learn the status of GPS. We interviewed DOD and FAA operations and maintenance personnel to obtain information on maintainability problems and interchangeability of DOD's and FAA's VORTAC and TACAN parts. We also talked to manufacturers and suppliers of certain TACAN spare parts to learn the availability of these parts.

PROCURING NEW TACAN TRANSMITTERS IS UNNECESSARY AT THIS TIME

Although current TACAN availability is adequate, because of difficulty in obtaining certain spare parts, the Air Force and Navy do not expect existing TACANs to provide effective navigation until the system is phased out in the early to mid-1990s. Thus, the Air Force plans to spend by 1985 approximately \$30 million to buy and install approximately 132 TACANs, 18 VORTACs, and 34 VORs. Thus far, the Navy has procured 37 land-based TACANs at an approximate cost of \$12 million. To complete the program, the Navy plans to spend by 1986 approximately \$14 million to procure an additional 38 land-based TACANs.

Based on our review, we believe there is high potential for the Navy and Air Force to provide reliable terminal and nonprecision approach and landing navigation in a more cost-effective manner by (1) using selected FAA's VORTACs instead of DOD's TACANS, VORTACS, and VORS where possible and (2) maintaining the remaining transmitters through spare parts obtained from surplus FAA tubetype VORTACs and DOD's TACAN transmitters as they become available. Thus, DOD could avoid most of the \$44 million procurement costs for new transmitters at this time and reduce the approximately \$19.7 million spent annually to operate and maintain land-based TACANS, VORTACS, and VORS.

Use of FAA's VORTACs not throughly evaluated

Military and civil pilots currently use FAA's VORTACs for en route navigation. Because many of FAA's VORTACs are located where they provide adequate signal coverage in the same geographical area as the Air Force's and Navy's TACANS, VORTACS, and VORs, military pilots could also use these FAA VORTACs for terminal and nonprecision approach and landing navigation instead of the military equipment. Air Force and Navy surveys indicate that while the Air Force and Navy could use many of these nearby FAA's VORTACs, unit commanders believe this could adversely affect tactical air navigation, including the unit's operational effective-Thus, the Air Force and Navy currently plan to use very few of FAA's VORTACs. However, the Air Force and Navy did not specifically identify or measure how and to what extent this alternative could affect tactical air navigation. In light of the planned phaseout of TACAN and the potential savings from this alternative, we believe that prudent management requires the Air Force and Navy to specifically identify and measure the impact of this alternative, if any, on tactical air navigation. DOD can then make a balanced and valid evaluation of the trade-offs necessary to achieve the savings.

Air Force and Navy pilots, as well as civilian pilots, currently use FAA's VORTACs for en route navigation. Because a VORTAC's range at ground level is 30 miles, it is also used to provide many nearby (within 30 miles) civil airfields with a terminal navigation and nonprecision approach and landing capability. Many civil airfields only have a nonprecision approach and landing capability using a nearby FAA's VORTAC. In our opinion, the Air Force and Navy can also use certain FAA's VORTACs for this purpose. We determined that approximately 43 percent of the TACANs and VORTACs Air Force plans to replace and approximately 60 percent of the land-based transmitters Navy plans to replace in the continental United States have at least one nearby (within 30 miles) FAA's VORTAC. Certain Air National Guard aircraft are currently stationed at civil airfields which use nearby FAA's VORTACs for terminal and nonprecision approach and landing capability.

The Air Force and Navy recently completed surveys indicating that while Air Force and Navy could use many of these nearby FAA's VORTACs, it would require pilots to execute a circling approach

with higher landing minimums than the currently used straight-in approaches. Unit commanders believe this could adversely affect the unit's operational effectiveness as well as potentially create other disadvantages. Such as increased fuel consumption, more congested airspace, more noise pollution, and an increased risk during the approach and landing.

While military regulations require a nonradar, nonprecision instrument approach and landing capability at most airfields, they do not specify that a straight-in approach be used. Minimums for approaches and landings are thresholds expressed in terms of ceiling (altitude) and visibility (nautical miles). A circling nonprecision instrument approach and landing generally requires a higher minimum than a straight-in, nonprecision approach and landing. For example, a minimum of 400/1 for a straight-in, nonprecision instrument approach and landing at a certain airfield means that the cloud ceiling must be at least 400 feet and visibility must be at least 1 nautical mile. The circling minimum at that same airfield could be 500/1-1/2. The use of circling approaches with higher minimums could have minimal impact because if the weather conditions are worse than the specified minimums, military pilots will execute a precision instrument approach and landing, using FAA's VORTACs for the required backup nonprecision capability. As mentioned previously, all Air Force airfields and Naval air stations have precision landing systems.

The Air Force and Navy surveys did not specifically identify or measure how and to what extent the increased circling minimums could affect tactical air navigation, including operational effectiveness. Our analysis of the survey's results indicated that in several instances, using FAA's VORTACs does not raise or only slightly raises the landing minimums. In these cases, the impact from using FAA's VORTACs could be minimal. However, even in these instances neither the Air Force nor Navy plan to use FAA's VORTACs instead of their TACANS.

Spare parts support for DOD's TACANS is available

Current TACAN availability is approximately 98 percent. However, the Air Force and Navy do not expect existing TACANs to provide effective navigation until the system is phased out in the early to mid-1990s because of difficulty in obtaining certain spare parts. As one way to maintain existing TACAN's availability, the Air Force and Navy have obtained parts from their spare TACANs.

In those cases where the Air Force and Navy cannot use FAA's VORTACs instead of their own equipment, we believe they can extend the existing equipment's life by obtaining the necessary critical spare parts from the military TACANs made available because DOD is sharing FAA's VORTACs and from the tube-type VORTACs FAA is currently replacing with new equipment.

Staff responsible for operating and maintaining TACAN explained that, given the necessary spare parts, they could effectively maintain existing equipment. We were able to verify that many of the troublesome TACAN parts are available in FAA's existing VORTACs. Operations and maintenance staff explained that with little or no modification, many of FAA's VORTAC parts can be used in TACANs.

From early 1982 to late 1984, FAA plans to replace approximately 725 existing VORTACs with new equipment. Currently, FAA is developing a data base which will identify the type of parts that will be available, the number that will be available, and when they will be available. According to supply and maintenance staff, FAA will use a small portion of these parts to support the remaining tube-type VORTACs until all are phased out. The Air Force and Navy, however, can have access to the remaining inventory of parts. Supply and maintenance staff indicated that Canada also plans to use these parts to support its equipment. FAA plans to dispose for scrap value those parts not used.

Alternatives potentially more cost effective than buying new transmitters

The cost-effectiveness studies conducted by the Navy and Air Force did not include the alternatives we have identified. In our opinion, these alternatives can provide effective navigation until TACAN is phased out in a more cost-effective manner than buying new replacement transmitters.

In December 1978, a firm contracted by the Navy issued a study which concluded that using a realistic 5-year replacement period, it was more cost effective to buy new TACANs than to overhaul and maintain existing ones. Based on that study, Navy officials estimate the program could pay for itself by 1988 or 1989. The study, however, was not based on factors such as using existing FAA's VORTACs where possible, and use of surplus spare parts from FAA's VORTACS and military TACANs as they become available. As previously mentioned, these factors could significantly reduce the costs of operating and maintaining existing TACANs as well as the number of TACANs Navy has to operate and maintain.

According to the May 1979 report of the House Appropriations Committee's Surveys and Investigations Staff, an Air Force study explained that procuring new transmitters would yield significant savings in electricity and logistics and maintenance costs. However, the Surveys and Investigations Staff report found that the savings were overstated because estimated annual electricity costs were double actual costs, estimated savings in maintenance staff years would not be realized because the Air Force did not plan to reduce numbers of maintenance personnel, and a cost of money factor was not used. The Air Force agreed to prepare another cost benefit study. However, the Air Force was unable to provide any documentation showing that another study had been prepared or

any documentation supporting the cost effectiveness of the replacement program.

On the other hand, because FAA operates and maintains the VORTACs, using them instead of TACANs would be a free service to DOD. Also, by using FAA's VORTACs where possible, the Air Force and Navy could operate less TACANs and VORTACs and save part of the approximately \$19.7 million spent annually to operate and maintain land-based TACANs. Obtaining parts from the phased-out military TACANs and tube-type FAA's VORTACs could involve minimal costs and allow the Air Force and Navy to further reduce maintenance costs in that they could have access to a large inventory of inexpensive spare parts. According to a Navy study, spare parts can account for as high as 12 percent of total operations and maintenance costs. Finally by adopting our alternatives, the Air Force and Navy could avoid most of the \$44 million cost to buy and install the remaining replacement TACAN transmitters.

PROCURING TACAN RECEIVERS FOR C-5A AIRCRAFT IS UNNECESSARY

The Air Force is requesting approximately \$5 million for fiscal year 1982 to buy and install new AN-ARN/118 TACAN receivers in 77 C-5A aircraft. The procuring of new replacement receivers is unnecessary because the Air Force should be able to support and maintain existing C-5A TACAN receivers until they are phased out.

The Air Force explained that because a basic component in the C-5A TACAN receiver is no longer manufactured, the receiver has become increasingly difficult to support. However, we found that (1) an adequate supply of the basic component exists until the scheduled installation of GPS user equipment in the C-5As by approximately 1987, (2) the availability of the C-5A TACAN receiver is satisfactory, and (3) no C-5A TACAN receivers were awaiting repair because of a shortage of the basic component.

The C-5A TACAN system is comprised of several modules which in turn consist of many printed circuit cards. Many of these circuit cards contain a basic solid-state component. However, this component is no longer being manufactured. The major difficulty is when the C-5A TACAN does malfunction as a result of a faulty circuit card which happens to contain the solid-state component no longer manufactured, repairs are difficult because new circuit cards cannot be procured.

Even though this solid-state component is no longer manufactured, we identified potential sources which could provide an adequate supply until TACAN is replaced. More specifically, we found that (1) TACAN receivers from another aircraft will soon be available, (2) the Air Force can recover many of these solid-state components which in the past, although not defective, were disposed of, and (3) the manufacturer of the C-5A TACAN receiver has a multiyear supply of the solid-state component.

According to staff responsible for maintaining C-5A TACAN receivers, the TACAN receivers in the F-15 aircraft have circuit cards which, with little modification, are interchangeable with existing C-5A TACAN.circuit cards. Beginning in October 1982, the Air Force plans to replace the existing TACAN receivers in 280 F-15 aircraft with new ones. Maintenance and supply officials agreed that as they become available, the F-15 TACAN receivers could be used to supply either circuit cards or individual components to support existing C-5A aircraft. Examination of recent parts usage data indicates that the supply should be large enough to support the C-5A TACAN receivers until they are replaced. Since the Air Force already owns the F-15 systems, costs should be minimal.

Another potential source of the component is the recovery of faulty circuit cards which in the past have been disposed of. Recently, the Air Force has arranged to recover faulty circuit cards and send them to the manufacturer. These cards may contain one faulty component and several good ones. In the past, because it was less costly to buy a new card than repair it, the Air Force disposed of the entire card. Now the manufacturer will salvage the good components and provide a reconstructed circuit card. While there is not a one for one exchange, it appears this arrangement has worked well. As of October 30, 1980, the manufacturer was reconstructing approximately 87 percent of the circuit cards the Air Force returned. However, according to the maintenance and supply staff, these cards are very expensive. Thus, the Air Force should use the F-15 TACAN receivers to the maximum extent possible. Also, the C-5A maintenance and supply staff and manufacturer indicated that other military systems contain circuit cards with this component, and it was quite likely these cards are disposed of when faulty. The Air Force may wish to identify those systems containing this component and examine the potential of recovering these faulty circuit cards.

According to representatives of the manufacturer of the C-5A TACAN system, the manufacturer, in 1977, bought a 10-year supply of this solid-state component when the suppliers of that component announced it was no longer going to produce the component. The manufacturer estimates it should have enough components to supply TACAN replacement parts for several more years.

Finally, based on our review of maintenance documents and discussions with personnel responsible for supporting and maintaining the C-5A TACAN receiver, while the C-5A TACAN receiver's reliability is not as high as the AN/ARN-118 receiver, its mission availability is satisfactory because most C-5As have dual receivers. Our review also indicated that no C-5A TACAN receiver was awaiting repair because of a shortage of this component. Maintenance personnel explained that to support the C-5A receiver they have been using parts from spare receivers and other printed circuit cards.

CONCLUSIONS AND RECOMMENDATIONS

According to both the Navy and Air Force, certain existing TACAN equipment cannot provide reliable service until TACAN is phased out and thus they plan to spend by 1986 approximately \$49 million to buy and install new equipment. In our opinion, lower cost alternatives exist which can provide adequate navigation until TACAN is phased out. The Air Force and Navy have not specifically identified and measured the impact of these alternatives on tactical air navigation and consequently cannot adequately weigh such impact against the cost savings. Yet, the Air Force and Navy are continuing efforts to procure new replacement equipment. Proceeding with this procurement without adequately evaluating all alternatives could result in the unnecessary expenditures and duplication cautioned against by the Appropriations Committee and us.

Accordingly, we recommend that the Secretary of Defense:

- --Direct the Air Force and Navy to defer all actions to buy and install land-based replacement TACAN transmitters.
- --Direct the Air Force and Navy to determine to what extent FAA's VORTACs can be used instead of DOD equipment. This determination should include an analysis to specifically identify and measure the impact on tactical air navigation and evaluate those trade-offs necessary for the cost savings.
- --Direct the Air Force and Navy to work closely with FAA to obtain those critical spare parts necessary for continued TACAN operation.
- --Direct the Air Force to terminate actions to buy and install new replacement TACAN receivers for the C-5A air craft.

Agency comments and our evaluation

DOD disagrees with our conclusions and recommendations and commented that using FAA's VORTACs instead of DOD equipment where possible, could adversely affect tactical air navigation, including operational effectiveness. Thus, the Air Force and Navy plan to continue buying replacement TACAN transmitters. However, as previously mentioned we do not believe the Air Force and Navy can prudently proceed with procurement until they have specifically identified and measured this impact and weighed the significance of this impact against the cost savings offered.

DOD also commented that the TACAN receivers being replaced in the F-15 aircraft would not be available for support of the C-5A's systems in a timely manner. The Air Force currently plans to install the new replacement receivers in the C-5A from approximately March 1982 to November 1982, but personnel responsible for the

installation indicated some slippage may occur. TACAN receivers from the F-15 aircraft will be available beginning in approximately October 1982. We believe this timing is reasonable and adequate and will allow the Air Force to extend the life of existing C-5A TACAN receivers until TACAN is phased out.