

Economic Useful Life (EUL) Commodity Matrix-Guide of EUL Values for Cost Estimating

Commodity Group	EUL Value	Rationale
Aircraft (Rotary of Fixed Wing)	17-25 Years	Recapitalization at 17-25 years to extend life or Replace due to Technical/Operational Obsolescence or structural integrity from fatigue issues
Tactical Wheeled Vehicles	20-25 Years	Recapitalization at 20-25 years to extend life or Replace due to Technical/Operational Obsolescence
Combat Vehicles (Tanks, APC, Self Propelled Artillery, Ground Combat Vehicles)	25-30 Years	Recapitalization at 25-30 years to extend life or Replace due to Technical/Operational Obsolescence
Engineering and Construction Equipment	15-40 Years	Condition dependent and use of Industry Standards
Communication Electronics and Sensors	8-15 Years	Technical refresh considered as needed. Non-tactical Computers average replacement every five Years
Missiles – Tactical and Ballistic	10 Years	Can be extended (average of 17+ Years) through depot inspections to determine missile condition
Watercraft	25-40 Years	EUL supported by 3 Year scheduled on-condition cyclic maintenance
Munitions - Conventional (not Missile)	20 Years	For Life cycle Cost estimating purposes EUL of 20 years is used. In reality Ammo is good-until Tested and determined unacceptable (tested on five year cycles), but that doesn't work for EUL cost estimates
Weapons (Individual and Crew Served) - Small Arms, Towed Artillery and Guns	25-50 Years	EUL value selected based on estimated rounds to be fired, intended weapon use (training, field unit or reserve) and durability-based on operational testing
Rail	65 Years	Industry Safety Standard (Ref. American Railroad Assn. Rule 88)
General Equipment (Generators, MHE, Bridging Equip., Pumps, Tanks and Shop Sets)	17-25 Years	Recapitalization at 17-25 years to extend life or replace due to technical/operational obsolescence. Equipment usage/operating hours, repair frequency, down-time and reliability will impact EUL
Commodity Group All Others (CBRNE, TMDE, etc.)	7-20 Years	Recapitalization at 7-20 years. Select applicable value based on history, shelf-life, usage/operating hours, repair frequency, down-time and equipment analysis

Note: The EUL shall be applied to program documentation and reviewed at Milestone (MS) Decision Reviews (MDRs) and Weapon Systems Reviews (WSRs), prior to development of the Army cost position. EUL is defined as: "Estimate of the point in time when the U.S. Army should plan on replacing or recapitalizing a weapon or system, based on the expected impact to readiness (technical or operational obsolescence) and resources (Business Case Analysis/Cost Benefit Analysis)."

Source: Department of the Army memo, SAAL-ZL, date April 22, 2012, Subj: Implementation of Economic Useful Life.