

CLASSIFICATION:

UNCLASSIFIED

EXHIBIT R-2, RDT&E Budget Item Justification					DATE:		
					February 2006		
APPROPRIATION/BUDGET ACTIVITY		R-1 ITEM NOMENCLATURE					
RESEARCH DEVELOPMENT TEST & EVALUATION, NAVY/BA-7		(U) MARITIME TECHNOLOGY (MARITECH)/0708730N					
COST (\$ in Millions)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Total PE Cost	9.896	3.400	0.000	0.000	0.000	0.000	0.000
NSRP/ASE/2466	9.896	0.000	0.000	0.000	0.000	0.000	0.000
9999 Congressional Add	0.000	3.400	0.000	0.000	0.000	0.000	0.000

## A. MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION:

The mission of the Maritime Technology (MARITECH) program is to reduce the cost of naval ship construction, modification and repair by enhancing the efficiency and competitiveness of U.S. commercial shipbuilding and ship repair yards. The primary mechanism for achieving this mission has been the National Shipbuilding Research Program / Advanced Shipbuilding Enterprise (NSRP/ASE), a collaborative, cost-sharing effort by U.S. shipbuilders to manage and focus shipbuilding technology research. NSRP/ASE provides a unique legal mechanism to allow collaboration without anti-trust concerns. NSRP/ASE has achieved documented savings and cost avoidance for the Navy, a positive ROI, and a high research-to-implementation transition rate.

## U) CONGRESSIONAL ADD

The Navy Automatic Identification Technology (AIT) Engineering Support Center (ESC) will support the Navy AIT Project Office (NAVSUP) customers comprised of 35 Navy-wide Echelon II and subordinate commands with AIT integration into supply chain business processes and automated information systems to enhance Fleet readiness and improve logistics

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APPROPRIATION/BUDGET ACTIVITY <b>RDT&amp;E, N/BA-7</b>	PROGRAM ELEMENT AND NAME 0708730N/Maritime Technology			PROJECT NUMBER AND NAME 2466/National Shipbuilding Research Program Advanced Shipbuilding Enterprise			
COST (\$ in Millions)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Project Cost	9.896	0.000	0.000	0.000	0.000	0.000	0.000
RDT&E Articles Qty	N/A	N/A	N/A	N/A	N/A	N/A	N/A

### A. MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION:

Project 2466 – NSRP/ASE (National Shipbuilding Research Program / Advanced Shipbuilding Enterprise) (note Projects 2466 and 2811 are in fact a single project)

NSRP/ASE was created by U.S. shipyards at Navy's request to reduce the cost of building and maintaining U.S. Navy warships. NSRP/ASE is a collaboration of 11 major U.S. shipyards focused on industry-wide implementation of solutions to common cost drivers. The program targets solutions to consensus priority issues that exhibit a compelling business case to improve the efficiency of the U.S. Shipbuilding and Ship Repair Industry. Over 91 companies from 29 states collaborate on NSRP funded activities.

Annual Navy seed funding acts as a catalyst, while NSRP organizational constructs provide the legal safeguards that enable shipyards to collaborate extensively across corporate boundaries. Industry investment exceeds Navy funding because large teams share in the initial costs of joint evaluation and experimentation. Each yard pays the more substantial costs of implementation and capital investment after the risk is reduced through NSRP/ASE-sponsored research. Additionally, projects that would have been carried out by individual yards at a much slower pace and in isolation are accelerated by the multi-yard effort.

Industry has developed a landmark long range Strategic Investment Plan which guides MARITECH investments. This Strategic Investment Plan provides a framework to guide collaborative research and development among all segments of the U.S. ship construction and repair industry, educational and research institutions, and Government. Major initiatives identified in the Strategic Investment Plan include: Shipyard Production Process Technologies, Business Process Technologies, Product Design and Material Technologies, Systems Technologies, Facilities and Tooling, Education and Training, Technology Transfer, Organizational Change, Environmental Protection and Human Resources.

The program has achieved a positive ROI and is demonstrating documented savings and cost avoidance for the Navy.

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<b>B. Accomplishments/Planned Program</b>				
	FY05	FY 06	FY 07	
Accomplishments/Effort/Subtotal Cost	8.451			
RDT&E Articles Quantity	n/a			
Initiated seven development projects from those proposed in response to Research Announcement 4 (RA4). RA4 projects include: SPARS-3, evaluation of variable balance submerged arc welding technology, SHIPWAY, 2nd tier design enhancement, portable automated plate straightener, shipcheck data capture, ISE-4. All projects will be managed by the Executive Control Board (ECB) of the National shipbuilding Research Program (NSRP) to support current and future Navy Shipbuilding programs.				
	FY 05	FY 06	FY 07	
Accomplishments/Effort/Subtotal Cost	0.750			
RDT&E Articles Quantity				
Continued utilization of industry-led major initiative teams and NSRP panels to perform the execution and annual review of the Strategic Investment Plan, including technology projects, technology transfer among the Navy, shipbuilding industry, academia, equipment and material suppliers and the R&D community.				
	FY 05	FY 06	FY 07	
Accomplishments/Effort/Subtotal Cost	0.250			
RDT&E Articles Quantity				
Continued technology transfer of project findings and results to shipbuilding programs.				
	FY 05	FY 06	FY 07	
Accomplishments/Effort/Subtotal Cost	0.445			
RDT&E Articles Quantity				
Operated multi-agency support office to facilitate technology transfer between Government and industry.				

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<p><b>C. PROGRAM CHANGE SUMMARY:</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; width: 50%;">Funding:</th> <th style="text-align: right; width: 15%;">FY 2005</th> <th style="text-align: right; width: 15%;">FY 2006</th> <th style="text-align: right; width: 20%;">FY 2007</th> </tr> </thead> <tbody> <tr> <td>FY 2006 President's Budget</td> <td style="text-align: right;">10.172</td> <td style="text-align: right;">0.000</td> <td style="text-align: right;">0.000</td> </tr> <tr> <td>FY 2007 President's Budget</td> <td style="text-align: right; border-bottom: 1px solid black;">9.896</td> <td style="text-align: right; border-bottom: 1px solid black;">0.000</td> <td style="text-align: right; border-bottom: 1px solid black;">0.000</td> </tr> <tr> <td>Total Adjustments</td> <td style="text-align: right;">-0.276</td> <td style="text-align: right;">0.000</td> <td style="text-align: right;">0.000</td> </tr> <tr> <td colspan="4" style="padding-top: 10px;">Summary of Adjustments</td> </tr> <tr> <td style="padding-left: 20px;">Small Business Innovation Research</td> <td style="text-align: right;">-0.256</td> <td></td> <td></td> </tr> <tr> <td style="padding-left: 20px;">Other Adjustments</td> <td style="text-align: right;">-0.020</td> <td></td> <td></td> </tr> <tr> <td style="padding-top: 10px; padding-left: 40px;">Subtotal</td> <td style="text-align: right;">-0.276</td> <td></td> <td></td> </tr> </tbody> </table> <p style="margin-top: 20px;">Schedule: Not Applicable.</p> <p style="margin-top: 20px;">Technical: Not Applicable.</p>				Funding:	FY 2005	FY 2006	FY 2007	FY 2006 President's Budget	10.172	0.000	0.000	FY 2007 President's Budget	9.896	0.000	0.000	Total Adjustments	-0.276	0.000	0.000	Summary of Adjustments				Small Business Innovation Research	-0.256			Other Adjustments	-0.020			Subtotal	-0.276		
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Exhibit R-2, RDTEN Budget Item Justification

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## R-1 SHOPPING LIST - Item No. 212

EXHIBIT R-2a, RDT&E Project Justification							DATE: <b>February 2006</b>																								
APPROPRIATION/BUDGET ACTIVITY <b>RDT&amp;E, N/BA-7</b>			PROGRAM ELEMENT NUMBER AND NAME 0708730N/Maritime Technology			PROJECT NUMBER AND NAME 2466/National Shipbuilding Research Program Advanced Shipbuilding Enterprise																									
<p><b>D. OTHER PROGRAM FUNDING SUMMARY:</b></p> <table border="1"> <thead> <tr> <th><u>Line Item No. &amp; Name</u></th> <th><u>FY 2004</u></th> <th><u>FY 2005</u></th> <th><u>FY 2006</u></th> <th><u>FY 2007</u></th> <th><u>FY 2008</u></th> <th><u>FY 2009</u></th> <th><u>FY 2010</u></th> <th><u>FY 2011</u></th> <th>To <u>Complete</u></th> <th>Total <u>Cost</u></th> </tr> </thead> <tbody> <tr> <td>None.</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>										<u>Line Item No. &amp; Name</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	To <u>Complete</u>	Total <u>Cost</u>	None.										
<u>Line Item No. &amp; Name</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	To <u>Complete</u>	Total <u>Cost</u>																					
None.																															
<p><b>E. ACQUISITION STRATEGY:</b></p>																															
<p>NOTE: No funding has been received through the Emergency Response Fund, Defense (ERF,D)</p>																															

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Exhibit R-3 Cost Analysis (page 1)										DATE: <b>February 2006</b>		
APPROPRIATION/BUDGET ACTIVITY <b>RDTE&amp;E, N/BA-7</b>			PROGRAM ELEMENT NUMBER AND NAME 0708730N/Maritime Technology			PROJECT NUMBER AND NAME 2466/National Shipbuilding Research Program Advanced Shipbuilding Enterprise						
Cost Categories	Contract Method & Type	Performing Activity & Location	Total PY s Cost	FY 05 Cost	FY 05 Award Date	FY 06 Cost	FY 06 Award Date	FY 07 Cost	FY 07 Award Date	Cost to Complete	Total Cost	Target Value of Contract
											0.000	
Technology Development	SS OT*	ECB NSRP**	72.255	9.381							81.636	
											0.000	
Subtotal Technology Development			72.255	9.381		0.000		0.000		0.000	81.636	
Remarks: * Other Transactions IAW 10 USC 2371 ** Executive Control Board of the National Shipbuilding Research Program												
Gov't Support Services/Other Agencies	IPR/WR		0.157	0.030							0.187	
Support Services/Revolving Accounts	MIPR/WR		0.902	0.400							1.302	
Training Development											0.000	
											0.000	
											0.000	
Technology Development											0.000	
											0.000	
											0.000	
Subtotal Support			1.059	0.430		0.000		0.000		0.000	1.489	
Remarks:												

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Exhibit R-3 Cost Analysis (page 2)						DATE: <b>February 2006</b>						
APPROPRIATION/BUDGET ACTIVITY <b>RDT&amp;E, N/BA-7</b>			PROGRAM ELEMENT NUMBER AND NAME 0708730N/Maritime Technology			PROJECT NUMBER AND NAME 2466/National Shipbuilding Research Program Advanced Shipbuilding Enterprise						
Cost Categories	Contract Method & Type	Performing Activity & Location	Total PY s Cost	FY 05 Cost	FY 05 Award Date	FY 06 Cost	FY 06 Award Date	FY 07 Cost	FY 07 Award Date	Cost to Complete	Total Cost	Target Value of Contract
Developmental Test & Evaluation											0.000	
Operational Test & Evaluation											0.000	
Live Fire Test & Evaluation											0.000	
Test Assets											0.000	
Tooling											0.000	
GFE											0.000	
Award Fees											0.000	
Subtotal T&E			0.000	0.000		0.000		0.000		0.000	0.000	
Remarks:												
Contractor Engineering Support											0.000	
Technology Development		PSU/APL	0.489	0.070							0.559	
Technology Development											0.000	
PM Support											0.000	
NSNET											0.000	
Travel			0.117	0.015							0.132	
SBIR Assessment											0.000	
Subtotal Management			0.606	0.085		0.000		0.000		0.000	0.691	
Remarks: * Procure under GSA Schedule												
Total Cost			73.920	9.896		0.000		0.000		0.000	83.816	
Remarks:												

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APPROPRIATION/BUDGET ACTIVITY <b>RDT&amp;E, N/BA-7</b>	PROGRAM ELEMENT AND NAME 0708730N/Maritime Technology		PROJECT NUMBER AND NAME 9999 Congressional Add				
COST (\$ in Millions)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Project Cost	<b>0.000</b>	<b>3.400</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
RDT&E Articles Qty							

### A. MISSION DESCRIPTION AND BUDGET ITEM JUSTIFICATION:

Project 9858N FY 2006 - Automatic Identification Technology (AIT) Engineering Support Center

The Navy Automatic Identification Technology (AIT) Engineering Support Center (ESC) allows the Navy to incorporate AIT technologies and processes into the upfront planning of ship and aircraft acquisition programs, expeditionary forces, logistics, special operations forces, and all maintenance communities. Navy AIT ESC establishes the infrastructure for core life-cycle support to preclude redundancy and promote standardization as differing Navy organizations institute AIT-enabled systems/processes. AIT is a rapidly developing capability and its introduction and use must be coordinated throughout the Navy to ensure the most appropriate and cost-effective technologies are adopted. The Navy AIT ESC will operate as a Navy Service Office, administratively supported by the Naval Supply Systems Command (NAVSUP) Headquarters.

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Exhibit R-2, RD TEN Budget Item Justification

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