

UNCLASSIFIED

Exhibit R-2, RDT&E Budget Item Justification: FY 2018 Navy	Date: May 2017
---	-----------------------

Appropriation/Budget Activity					R-1 Program Element (Number/Name)							
1319: Research, Development, Test & Evaluation, Navy I BA 7: Operational Systems Development					PE 0708730N I Maritime Tech (MARITECH)							
COST (\$ in Millions)	Prior Years	FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total	FY 2019	FY 2020	FY 2021	FY 2022	Cost To Complete	Total Cost
Total Program Element	17.349	4.162	3.204	4.808	-	4.808	4.373	3.900	4.567	4.659	Continuing	Continuing
2466: NSRP ASE	17.349	4.162	3.204	4.808	-	4.808	4.373	3.900	4.567	4.659	Continuing	Continuing

A. Mission Description and Budget Item Justification

The National Shipbuilding Research Program (NSRP) is an industry and enterprise wide research collaboration that seeks to reduce the Navy's shipbuilding and repair cost. The resulting technologies implemented in NSRP-ASE member shipyards, benefit both the shipyard and the US Navy.

B. Program Change Summary (\$ in Millions)	FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total
Previous President's Budget	4.321	3.204	4.861	-	4.861
Current President's Budget	4.162	3.204	4.808	-	4.808
Total Adjustments	-0.159	0.000	-0.053	-	-0.053
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-0.159	0.000			
• Program Adjustments	0.000	0.000	-0.019	-	-0.019
• Rate/Misc Adjustments	0.000	0.000	-0.034	-	-0.034

UNCLASSIFIED

Exhibit R-2A, RDT&E Project Justification: FY 2018 Navy										Date: May 2017		
Appropriation/Budget Activity 1319 / 7					R-1 Program Element (Number/Name) PE 0708730N / Maritime Tech (MARITECH)				Project (Number/Name) 2466 / NSRP ASE			
COST (\$ in Millions)	Prior Years	FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total	FY 2019	FY 2020	FY 2021	FY 2022	Cost To Complete	Total Cost
2466: NSRP ASE	17.349	4.162	3.204	4.808	-	4.808	4.373	3.900	4.567	4.659	Continuing	Continuing
Quantity of RDT&E Articles		-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification

NSRP ASE is a collaboration of U.S. shipyards working with the Navy customer to reduce the cost of building and repairing naval ships and improving shipbuilding industry productivity through advanced technology and processes. NSRP ASE is an innovative and proven approach to public/private cooperation to manage cost-shared R&D based on a national consensus Strategic Investment Plan. The Plan targets potential industry-wide technology and process solutions which are vetted by industry experts and builds upon the progress made over the previous years. The collaboration's organizational structure promotes teaming of industry, government and academia to achieve the continuous product and process improvements necessary for improved Navy ship affordability. Solutions include both leverage of best commercial practices and creation of industry-wide initiatives with aggressive technology transfer to, and buy-in by, multiple U.S. shipyards. Navy PEOs (Ships, Subs and Carriers) and NAVSEA are directly involved in NSRP. The Plan calls for matching government and industry investments over several years.

B. Accomplishments/Planned Programs (\$ in Millions, Article Quantities in Each)

	FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total
Title: Technology Development Projects	4.162	3.204	4.808	0.000	4.808
Articles:	-	-	-	-	-
<p>Description: The NSRP is an ongoing Research and Development program. This program awards small research projects and large research projects to (1) Improve Quality; (2) Reduce Total Ownership Costs; and, (3) Increase Energy Efficiency. These research projects have been known to produce technological advances in shipbuilding that once implemented have resulted in savings for the Navy.</p> <p>FY 2016 Accomplishments:</p> <p>(1) Completed technology development projects in the four major initiative areas (Ship Design and Material Technologies, Ship Production Technologies, Business Process and Information Systems, and Infrastructure and Support (Regulatory Compliance, Technology Transfer and Workforce Development)) that were competitively selected by industry subject matter experts and Navy stakeholders during FY16, targeting the following priorities in Naval shipbuilding and repair:</p> <p>(1) Improving Quality; (2) Reduction of Total Ownership Costs; and, (3) Increasing Energy Efficiency. The projects that were selected are focused in the following areas:</p> <ul style="list-style-type: none"> - Promotion of Modular Construction - Reduction of Re-work - Improving Production Engineering 					

UNCLASSIFIED

Exhibit R-2A, RDT&E Project Justification: FY 2018 Navy			Date: May 2017			
Appropriation/Budget Activity 1319 / 7		R-1 Program Element (Number/Name) PE 0708730N / Maritime Tech (MARITECH)	Project (Number/Name) 2466 / NSRP ASE			
B. Accomplishments/Planned Programs (\$ in Millions, Article Quantities in Each)		FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total
<div>- Improving Specifications and Standards</div> <div>- Improving Manufacturing Processes</div> <div>- Improving Production Planning</div> <div>- Data Exchange</div> <div>- Improving Safety & Health / Reducing Environmental Impacts</div> <div>- Education and Training</div> <div>- Total Ownership Cost</div> <div>(2) Continued technology transfer among the Navy, shipbuilding industry, academia, equipment and material suppliers and the R&D community</div> <div>FY 2017 Plans:</div> <div>(1) Complete technology development projects in the four major initiative areas (Ship Design and Material Technologies, Ship Production Technologies, Business Process and Information Systems, and Infrastructure and Support (Regulatory Compliance, Technology Transfer and Workforce Development)) that will be competitively selected by industry subject matter experts and Navy stakeholders during GFY17, targeting the following priorities in Naval shipbuilding and repair:</div> <div>(1) Improving Quality; (2) Reduction of Total Ownership Costs; and, (3) Increasing Energy Efficiency. It is anticipated that projects selected will continue to be focused in the following areas:</div> <div>- Promotion of Modular Construction</div> <div>- Reduction of Re-work</div> <div>- Improving Production Engineering</div> <div>- Improving Specifications and Standards</div> <div>- Improving Manufacturing Processes</div> <div>- Improving Production Planning</div> <div>- Data Exchange</div> <div>- Improving Safety & Health / Reducing Environmental Impacts</div> <div>- Education and Training</div> <div>- Total Ownership Cost</div> <div>(2) Continue technology transfer among the Navy, shipbuilding industry, academia, equipment and material suppliers and the R&D community</div> <div>FY 2018 Base Plans:</div> <div>(1) Complete technology development projects in the four major initiative areas (Ship Design and Material Technologies, Ship Production Technologies, Business Process and Information Systems, and Infrastructure and Support (Regulatory Compliance, Technology Transfer and Workforce Development)) that will be</div>						

UNCLASSIFIED

Exhibit R-2A, RDT&E Project Justification: FY 2018 Navy				Date: May 2017		
Appropriation/Budget Activity 1319 / 7		R-1 Program Element (Number/Name) PE 0708730N / <i>Maritime Tech (MARITECH)</i>		Project (Number/Name) 2466 / <i>NSRP ASE</i>		
<u>B. Accomplishments/Planned Programs (\$ in Millions, Article Quantities in Each)</u>						
		FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total
competitively selected by industry subject matter experts and Navy stakeholders during GFY18, targeting the following priorities in Naval shipbuilding and repair: (1) Improving Quality; (2) Reduction of Total Ownership Costs; and, (3) Increasing Energy Efficiency. It is anticipated that projects selected will continue to be focused in the following areas: - Promotion of Modular Construction - Reduction of Re-work - Improving Production Engineering - Improving Specifications and Standards - Improving Manufacturing Processes - Improving Production Planning - Data Exchange - Improving Safety & Health / Reducing Environmental Impacts - Education and Training - Total Ownership Cost (2) Continue technology transfer among the Navy, shipbuilding industry, academia, equipment and material suppliers and the R&D community <i>FY 2018 OCO Plans:</i> N/A						
Accomplishments/Planned Programs Subtotals		4.162	3.204	4.808	0.000	4.808
<u>C. Other Program Funding Summary (\$ in Millions)</u> N/A						
<u>Remarks</u>						
<u>D. Acquisition Strategy</u> R&D projects have been solicited and awarded by an industry collaboration represented by the Executive Control Board (ECB) of the National Shipbuilding Research Program (NSRP). The Navy has entered into an agreement with the industry collaboration using "other transaction" authority pursuant to 10 U.S.C. 2371.						
<u>E. Performance Metrics</u> Quarterly reports and reviews						