

## Ship Clips - June 28, 2011

A compilation of  
articles concerning the Shipbuilding Industry

From the  
Congressional Shipbuilding Caucus

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Tuesday, June 28th, 2011

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17 Back On Course

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New CBO Report Suggest Navy Underestimated  
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Costs  
associated with upgrading and maintaining the Navy's combat fleet over the next 30 years will tack on an additional \$2 billion to the sea service's \$465 billion shipbuilding plan, which could endanger Navy efforts to hit its 328-ship end goal, according to a recent report by the Congressional Budget Office.

According  
to the report, the \$15.5 billion the Navy plans to invest each year for the next three decades in building its fleet of surface warfare ships and submarines only accounts for actual shipbuilding costs.

"However, other  
activities typically funded from the Navy's budget accounts for ship construction...will, in CBO's estimation, add nearly \$2 billion to the Navy's average annual shipbuilding costs under the [current] plan," the report states.

When  
taking into account costly, but necessary, expenditures such as refueling nuclear-powered carriers and retrofitting surface ships with critical system upgrades, that per-year total jumps to \$17.3 billion over the life of the shipbuilding plan, it adds.

That  
vector only gets bigger as time goes on, according to CBO analysts. The office's estimates have pegged total costs for the first 10 years of the plan seven percent higher than service estimates. That increase jumps to 10 percent during the next 10-year block, topping out with a cost estimate 31 percent higher than Navy cost projections in the final 10 years of the plan, according to the report.

Over

the 30-year lifespan of the plan itself, CBO estimates the Navy will have to shell out a total of \$539 billion. That figure takes into account the required but unaccounted for costs associated with upgrades and maintenance.

The

sea service's longstanding shipbuilding plan has the Navy hitting a base fleet size of 313 ships over the next few years, with that number reaching closer to 328 in 2020, according to acquisition officials. That buildup will likely top out by the 2020 time frame, when at that time acquisition will taper off from that 328-ship high, due to scheduled retirements of legacy ships and the introduction of the SSBN(X) submarine program.

"If

the Navy receives the same amount of funding for ship construction in the next 30 years, as it has over the past three decades, it will not be able to afford all of the purchases in the [current] plan," congressional analysts note, citing the \$16 billion annual average the Navy has received for shipbuilding investments.

However,

Navy Secretary Ray Mabus has stated the service will need an additional \$14 billion in shipbuilding investments per year through 2020 to support that plan. "What we have set forth is an average of \$14 billion a year [for] building ships, [and] that is based on history. We can get the ships we need for that amount of money," Mabus told reporters during an April 15 briefing.

But

even with those additional funds, according to the CBO, the Navy will still fall short of its stated shipbuilding goals. "Given the rate at which the Navy plans to retire ships from the fleet, [its] construction plan is insufficient to achieve a 328-ship fleet," the report states.

(DEFENSE DAILY  
28 JUN 11) ... Carlo Munoz

Successful sea trials  
for San Antonio may help put troubled past behind

#### ABOARD

NE AMPHIBIOUS TRANSPORT DOCK SAN ANTONIO - It's been a rough road for the San Antonio. But it's starting to look a lot smoother. On June 15, the ship returned to Naval Station Norfolk, Va., following nine days of sea trials - the second of two phases to test repairs after the ship was taken offline nearly two years ago.

The  
verdict: It works. Just like it's supposed to.

"San Antonio has made that transition from a ship that was needing a lot of help on the maintenance front [to] the level all my ships are at when they've passed through this phase," said Capt. Mark Scovill, commander of Amphibious Squadron 8, who was interviewed as the ship approached Norfolk. "We know we've gotta prove to everybody out there that we're ready to proceed. And that's what we aim to do.

"We're gonna knock their socks off," Scovill said. "I can guarantee you that." San Antonio was troubled out of the starting gates. The ship's 2005 delivery was premature, and construction flaws and training issues limited the ship to one deployment in its first five years of commissioned life. That deployment was marred by emergency repairs to a leaky lube oil system and, three months later, by the death of a Sailor during the lowering of a small boat - an operation for which no formal training plans had been published.

After a short maintenance availability to fix minor discrepancies discovered during the sea trials and an additional independent self-training underway period slated for July, San Antonio will be ready to begin pre-deployment work-ups Aug. 1, leaders said. San Antonio was beset with so many mechanical and electrical problems that Fleet Forces Command chief Adm. John Harvey in late 2009 ordered a judge advocate general manual investigation into the ship's issues and kept the ship from deploying this year so it could be repaired.

The ship's chief engineer for the past six months said - with conviction - that those mechanical and electrical problems have been fixed.

"This ship has come a long way in the last few months," said Lt. Cmdr. William Pikul. "We've maxed out every engine, every shaft rpm, every item that

we've got on board. And we're coming back in still on all four engines, still on ship's power, and we're ready to get back under-way again next month."

The

first set of sea trials, held in late May, validated the diesel engines, testing their ability to power up and operate free of excess vibration. Drive-train vibration emerged as an issue - atop the significant lube oil, communications and other systemic problems - last year, when engineers discovered misaligned or nontightened foundation bolts and an improperly installed main reduction gear.

This

set of trials focused on combat systems and operating with amphibious craft in the ship's well deck. "All tested out 'sat,'" said Cmdr. Neil Koprowski, executive officer. He said the ship also was maneuvered much more stressfully than during the first set of trials.

By

the end of the 20-week basic training phase, he said, the ship will be certified in all mission areas.

That will include

operation of the knuckleboom crane and the Caley davit used for small-boat operations, as well as their operators and boat personnel, Koprowski said.

A

Sailor was killed Feb. 9, 2009, when an 11-meter inflatable boat being lowered into the Gulf of Aden flipped. The ship's commanding officer was punished at captain's mast; the executive officer was cleared at court-martial on a charge of dereliction of duty by a six-member panel of senior officers.

A

Naval Sea Systems Command official testified at the court-martial that there was no written interim or formal written training on deck operations for the ship class. Since then, NAVSEA has published a written standard operating procedure for small boat operations, "that is followed to the T," Koprowski said.

'It's been a tough stretch' The ship's problems roughed up the crew - which has turned over about 15 percent since last summer - but Koprowski said morale has stayed high. Sailors said they feel they're moving past those difficulties and are ready to rejoin the fleet.

"Just

like anything in life - you gotta stumble so you can succeed," said Aviation Boatswain's Mate (Aircraft Handling) 2nd Class (AW) Xavier Fabre, leading petty officer on the ship's flight deck. He noted that San Antonio didn't conduct flight quarters for more than two years, so no one knew what to expect at sea trials.

"It's been a

tough stretch," said Command Master Chief (SW/AW) Michael Hart, acknowledging the ship's substantial growing pains. "But you know, Sailors join the Navy to go out to sea. And the past several weeks of sea trials, I've been able to witness as the crew has come together more and more as a unit. Granted, we're always about self-improvement. We got a long way to go yet. But we are ready to get back into the operational fleet." San Antonio wasn't the only problematic ship in the class - just the worst. The succeeding ships, New Orleans and Mesa Verde, were also delivered to the Navy in incomplete form. San Antonio's shortfall was about 1.1 million man-hours of construction; Mesa Verde's was 45,000 man-hours, according to a March Congressional Research Service report.

New

Orleans had propulsion, communication and well deck/vehicle ramp issues. In late 2009, inspectors discovered a bent crank-shaft in one of New York's four diesel engines caused by contaminated lube oil. Similar problems surfaced on Mesa Verde and Green Bay, and forced repairs last year to three of San Antonio's four main engines.

The

entire class may be following the lead ship's suit. As of June 16, Mesa Verde and Green Bay were deployed. New York was docked in Norfolk following a short underway period for Fleet Week in New York City and unit-level training, while New Orleans was pierside in San Diego preparing for pre-deployment work-ups ahead of a cruise slated for this fall, officials said.

In

March, Chief of Naval Operations Adm. Gary Roughead told the House Armed Services Committee, "I do believe that we are through the woods on the LPD 17 quality issues. ... I'm pleased with how those ships are now starting to perform." Naval Sea Systems Command could not provide a total cost for construction-related repairs on San Antonio as of June 17.

JUN 11) ... William H. McMichael

## Austal Defends Work After Corrosion Reports Surface

MOBILE, Ala. -- Austal Ltd.

defended its work today in response to earlier reports of corrosion issues on the first littoral combat ship built at the company's Mobile shipyard. The Australia-based company's chief executive officer, Andrew Bellamy, told the Sydney Morning-Herald that any corrosion on U.S.S. Independence was the fault of whoever is operating and maintaining it.

"We have built 230 vessels of this type that have not suffered from this type of problem ... where the operator and the maintainer of the ship have followed the procedures in a thorough way," Bellamy told the newspaper. "I suspect there is a problem in the area of operational maintenance if there is a galvanic corrosion issue."

Bellamy told the newspaper that the issue was a "storm in a teacup" and unlikely to threaten Austral's contract with the U.S. Navy to build more of the speedy, shallow-water combat ships.

The Navy did not immediately respond to questions today about Independence's maintenance.

Austal on Friday confirmed media reports that Independence experienced "galvanic corrosion" in its propulsion system.

Chris Johnson, a Navy spokesman said in a written statement Sunday that the Navy blamed the corrosion issue on dissimilar metals used in the ship's construction.

Austal specializes in aluminum-hulled ships, while the Navy has traditionally bought steel ships.

The problem was discovered in 2010, before the ship was delivered to the Navy, said Jim DeMartini, a spokesman for Maine-based Bath Iron Works. Bath is the prime contractor for the first two

littoral combat ships built at Austal, Independence and Coronado, which is set for delivery in summer 2012. Austal in December won a \$3.6 billion contract to act as the prime contractor building 10 more littoral combat ships.

Johnson said that the Navy in 2010 started developing both short- and long-term fixes to the problem. The service will, by the end of July, install "doubler plates" around portions of the Independence propulsion system, which will make it safe to operate in the near future, he said. Next year, when the ship is dry-docked, the Navy will install a cathodic protection system as a long-term fix to the corrosion problem, Johnson said.

Such an anti-corrosion system is going to be added to Coronado before it is launched, Johnson said. And Austal included the protection system in its prime contracting bid, so no changes to the design of those ships need to be made, Johnson said.

Austal is Mobile's largest industrial employer with about 2,200 workers at its Mobile River shipyard. It expects to nearly double that number in the next few years as it ramps up construction of both littoral combat ships and high-speed transport ships for the Navy.

In a written statement issued today, Austal officials said the company is "intimately familiar" with how to properly deal with galvanic corrosion. If Austal is chosen by the Navy to provide post-delivery support for its aluminum littoral combat ships, it will be "a straight-forward process" for the company's engineers to handle such upkeep. Austal said that it has six maintenance hubs worldwide that can handle the work.

"An integral part of any post-delivery support program for a high-performance, high-speed vessel ... is to provide a cadre of qualified maintainers who can help our Navy partners," the statement read in part.

Austal's statement also said the company wants to be included in the investigation of the corrosion, but has not yet been involved in that process.

(MOBILE PRESS-REGISTER 20 JUN 11) ... Dan Murtaugh

## Unmanned Sail Prototype Prepares For Launch

SAN DIEGO - A sleek vessel with a triple hull and 6-story-tall mast will leave San Diego Bay this fall for the open waters of the Pacific Ocean in a show of the potential of unmanned watercraft.

The craft will be the latest prototype of the first "Harbor Wing," which has plied the waters off Pearl Harbor, Hawaii, for several years as a concept vehicle for an autonomous unmanned surface vessel. This unmanned boat is like a seagoing robot that provides the eyes and ears - and information and intelligence - without the need for humans aboard.

"I've removed the sailor from the sailing," said Mark Ott, executive vice president of Harbor Wing Technologies Inc., who built the first prototype with a catamaran he bought for \$12,000 to fill a Navy need for unmanned surface vessels.

Buoyed by the Navy's input and \$10 million in research and development funds, Ott's company intends to get its second Harbor Wing, dubbed X-2, sailing by September once construction and final assembly of the 40-by-50-foot, 10-ton craft is completed. The company showed off a model this month during the annual Coalition Warrior Interoperability Demonstration, hosted by Space and Naval Warfare Systems Center-Pacific's C2 technologies and experimentation division.

With a composite mast mirroring the famous "sail wing" that gives America's Cup contenders their speed, and an all-electric engine for backup, Harbor Wing is designed as a fast and modular sailing platform outfitted with radar, sonar, cameras, navigation and a collision-avoidance system. It also will house advanced network communications and intelligence, surveillance and reconnaissance systems.

The vessel is controlled by radios and a commercial global positioning satellite system that Ott said allows it to sail "within three meters of accuracy." It could be used for missions including coastal surveillance, counterdrug, interception operations and patrols for the Navy and Coast Guard, company officials say. Although Harbor Wing will operate without a captain and crew by sailing on a pre-programmed course, "the man is always in the loop," Ott said. An operator, seated at a computer that could be hundreds of miles away, can control the craft with keystrokes that relay commands via satellite. The transmission gap, from order to receipt, is only 18 seconds, which "on the open ocean is not much," he said, "so you have very close control."

While unmanned, Harbor Wing won't necessarily be a sitting duck if it enters a more hostile environment.

"It will have a multilayered self-defense capability," said Ott, noting possible systems like sound, noxious gases and lasers to thwart threats and prevent someone from commandeering the craft.

"The boat can also be told, it's time to run," he said, and it can reach 15 knots under sail or 30 knots with the engine running. The triple-hull, hydrofoil design planned for the third vessel, X-3, will serve as "great, big shock absorbers" and give the vessel greater sea legs, he added, enabling it to operate up to Sea State 5 - that's 6-foot waves and moderate winds - and survive in rougher waters up to Sea State 8, or 18-foot waves, without upending itself.

The X-2 vessel will encounter higher sea states off San Diego than the first craft endured in Hawaii during longer periods underway at sea to further test technologies, Ott said. President Larry Colangelo said the company hopes to send X-2 to Hawaii and back to San Diego on orders, but with a manned boat trailing along.

"We'll have to see how the process evolves," he said.

(NAVY TIMES 18 JUN 11) ... Gidget Fuentes

### BAE Will Get Up To \$315 Million To Repair Navy Destroyers

The Navy will give BAE Systems Ship Repair of San Diego up to \$315 million over the next five years to fix and upgrade Arleigh Burke-class destroyers, helping stabilize the city's large ship repair industry.

The repair contract is one of the largest the Navy has issued locally in recent years, and represents new work along the entire waterfront. San Diego's major ship repair companies typically share such work because of the size of the projects, and because local yards have different specialities.

"The contract awarded today to BAE for (destroyer) repair, maintenance and modernization in San Diego is important for continued long term support of our fleet units, and also good news for the local economy in creating an opportunity for the local ship repair industry to demonstrate their ability to provide quality workmanship," said Rear Admiral (Elect) David J. Gale, who is commander of the Navy Regional Maintenance Command.

One of the command's unit, the Navy Southwest Regional Maintenance Center, will oversee the contract, which could involve maintenance and repairs on as many as 32 Burke-class destroyers. The ships are considered to be the work horse vessel of the Navy for their durability, versatility, and range.

The repair contract comes less than three weeks after the Navy awarded NASSCO \$744 million to build two Mobile Landing Platform ships, a new type of vessel that will serve as a "pier at sea," enabling the military to more effectively forward-deploy personnel and supplies. NASSCO was badly in need of the work; a downturn in the economy has made it harder for the company to land new construction contracts. And a stalemate over the federal budget delayed the issuing of new ship repair contracts earlier this year, affecting all of the major shipyards.

(SAN DIEGO UNION-TRIBUNE 16 JUN 11) ... Gary Robbins

Ingalls Awarded Contract To Build Destroyer

PASCAGOULA -- Ingalls Shipbuilding has received a contract to build the Arleigh Burke-class destroyer DDG 113 for the U.S. Navy, the company announced Wednesday. The amount of the contract was not released because it includes the potential award of three additional ships, the company said in a news release.

In 2009, Northrop Grumman, the predecessor of Ingalls Shipbuilding, received a \$171 million contract for the advance procurement of long-lead materials to build the DDG 113. "The opportunity to build DDG 113 and the Navy's plan to restart the DDG 51- class production line aligns with our business strategy of building classes of ships in serial production," said Bob Merchant, vice president of surface combatants and U.S. Coast Guard programs for Ingalls Shipbuilding.

"We've built a strong DDG team," he said, "and we're focused on building these ships more efficiently. Focusing on better processes and improved performance ensures our future and gets the Navy

more ships."

The DDG 113 will be capable of simultaneously fighting air, surface and subsurface battles and is armed with offensive and defensive weapons designed to support maritime defense needs well into the 21st century, the company said.

Ingalls Shipbuilding has delivered 28 Arleigh Burke-class ships to the Navy. The company's 28th ship, William P. Lawrence (DDG 110), was commissioned in Mobile on June 4.

(BILOXI (MS) SUN HERALD 15 JUN 11) ... Mary Perez

Former PEO Ships Named U.S. Shipyard Chief

Chuck Goddard, a former program executive officer for ships (PEO Ships) for the U.S. Navy's Naval Sea Systems Command (NAVSEA), has been named president and chief executive of Wisconsin-based Marinette Marine, builders of the LCS 1 Freedom-class littoral combat ships (LCS).

The announcement was made June 13 by Fred Moosally, a former Navy captain and Lockheed executive who is president and CEO of Fincantieri Marine Group, the Italian parent of Marinette Marine.

Goddard, who retired from the Navy in 2008, previously supported a number of programs at Lockheed's Maritime Systems and Sensors division, which oversaw the company's LCS effort.

At Marinette, Goddard replaces Richard McCreary, who was abruptly relieved of his duties at the beginning of this month.

Duane Roehm stepped in "at a moment's notice," according to Moosally, to act as an interim head at Marinette. Goddard has extensive experience in managing ship construction programs for the Navy. From 2001 to 2005, he successfully managed the DDG 1000 destroyer program - then known as DD(X), and perhaps the most technologically ambitious surface ship effort in generations - and followed that up with two years as NAVSEA's vice chief.

Rear Adm. Goddard took over as PEO

Ships, in charge of all the Navy's non-nuclear ship construction programs, in early 2007, at a time when explosive cost growth on the LCS program forced out the previous PEO Ships, Rear Adm. Charlie Hamilton.

Goddard himself, however, was

relieved of command in July 2008 after a Navy Inspector General investigation substantiated misconduct allegations against him. A Navy official confirmed that the allegations involved "inappropriate personal behavior with a subordinate in a social setting while on official travel."

The inappropriate behavior, according to the official, involved Goddard's interactions with women at "various events that Goddard attended in his official capacity in conjunction with ship commissionings and christenings."

But Goddard, who had been nominated for a second star before his relief, was allowed to remain on active duty until his retirement at the end of 2008. He remains highly respected within the Navy for his expertise in program management and ship construction.

At Marinette, Goddard will oversee a shipyard that is expanding in the aftermath of last December's award of up to 10 contract options for new LCS vessels - an award that, if all options are exercised, will be worth about \$3.6 billion. The Freedom, the first LCS, was delivered in 2008, and the second Lockheed LCS, Fort Worth, was launched in December.

Fincantieri is in the midst of a five-year, \$100 million plan to upgrade its U.S. shipbuilding operations. The Italian company broke ground at Marinette in March for a new panel-line fabrication building for the LCS program, and at the same time, it opened a new professional center and completed a project that nearly doubled the main indoor ship construction building, allowing it to simultaneously house two complete LCS hulls.

Goddard's appointment, Moosally said, takes effect immediately at his headquarters in Marinette.

(DEFENSE NEWS 15 JUN 11) ... Christopher P. Cavas

