Ordnance Systems Inc.
NC Program Status Update

October 2017
Nitrocellulose Facility

- Facility Consists of Cutter Warehouse, Acid Tank Farm, Main Facility Building (Nitration, Stabilization, Dewater/Packout, Admin/Lab)

- Modernized Facility Design (20M lbs/yr nominal capacity)
  - State of the Art Facility, Integrated Modern Control System
  - Reduced Footprint, Reduced waste streams and emissions
  - Increased Operational efficiencies - faster cycle times

- Facility Construction Progress
  - ATF & NB Structural Steel Complete
  - Installation of Major Tankage and heat exchangers in progress
  - Acid Tank Farm (ATF) piping, valving and electrical underway
  - Stabilization Building Structural Steel Installation on-going

- Commissioning and Turnover
  - Facility commissioning plan being further refined
  - Joint IPT established to ensure all elements align to support successful transition to operations

- Currently in process of a schedule deep dive to determine areas of challenge and opportunities
Nitrocellulose Facility – Commissioning/First Article

- Contractual Commissioning Requirements
  - Production of MIL-DTL-244C compliant Nitrocellulose
  - Endurance production to demonstrate capacity

- Joint development of commissioning plan underway
  - BAE Systems Commissioning Manager In Place
  - Detailing production run sequencing and quantities

- Propellant First Article Test (FAT)
  - Recommending propellant formulations and testing
  - Consolidating propellant requirements to determine quantities and grades of NC required
  - Coordinating with all commands/customers for timing and requirements

- Focus must be expeditious test and transition to production
Nitrocellulose Facility – Summary

- Major Process Equipment procurement on plan with most long lead items on site
- Construction progressing on major building components
- Commissioning and product FAT planning on track
- Schedule updates in-process; reviews happening concurrently with USG for situational awareness
- BAE Systems remains focused to mitigate risk for all customers and ensure the War Fighter sees no impact