

# U.S. Navy and Coast Guard shipbuilding—a brief overview

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# Navy shipbuilding plan and shipyards

- Navy's 5-year shipbuilding plan for FY15-FY19
  - 44 new-construction ships
    - Avg. of 8.8/year
    - 1 CVN, 10 SSNs, 10 DDGs, 14 LCSs, 1 LHA, 4 TATFs, 1 MLP/AFSB, 3 TAO(X)s
  - \$74.6B in funding for new-construction ships
    - Avg. of \$14.9B/year
- Principal shipyards involved in Navy programs
  - The “big 6” (soon to be big 5)
    - GD's BIW, EB, and NASSCO
    - HII's NNS, Ingalls, and Avondale (Avondale winding down)
  - Two LCS yards
    - Fincantieri's Marinette Marine
    - Austal USA

# Current and upcoming programs

## Current

- Navy
  - CVN-78
  - Virginia-class SSN
  - DDG-51
  - LCS
  - LHA
  - LPD-17
  - MLP/AFSB
- Coast Guard
  - NSC
  - FRC

## Upcoming

- Navy
  - TAO(X) (FY16)
  - TATF (FY17)
  - SSC (FY19)
  - LX(R) (FY20)
  - SSBN(X) (FY21)
- Coast Guard
  - FRC (final 28) (FY15)
  - OPC (FY17)
  - Polar icebreaker (FY?)

# Current issues

- Navy
  - Prospective affordability of shipbuilding plan
    - Particularly in 2020s-2030s, with SSBN(X) and SSN/CG/DDG recapitalization
  - Cost growth, construction quality
    - Navy actions to stabilize programs, improve program execution, control costs
  - Fleet architecture
    - Particularly in light of emerging A2/AD capabilities
- Coast Guard
  - Size of acquisition (AC&I) account

# Outlook—some things to watch

- Factors affecting funding for Navy shipbuilding
  - DOD top line
    - FYDP-proposed level vs. level in Budget Control Act of 2011, as amended
    - Projected federal deficits
    - World events (e.g., Ukraine, East and South China Seas)
  - Navy share of DOD top line
    - Strategic rebalancing to Asia-Pacific
    - Chinese maritime military modernization
    - World events (e.g., Ukraine, East and South China Seas)
  - Shipbuilding share of Navy top line
    - Costs for personnel pay/benefits, “back-office” costs
- Debate on Coast Guard AC&I account
- Efforts to control/reduce costs
  - E.g., CVN-78, SSBN(X)
- Decisions on upcoming programs, particularly
  - Navy: SSC, TAO(X), LX(R)
  - Coast Guard: FRC (final 28), OPC