

The Periscope

Volume 62, No. 8, September 2004

USS ALEXANDRIA (SSN 757)
DMP delivered in 10.8 months

USS ANNAPOLIS (SSN 760)
DMP delivered four weeks early

USS ALBUQUERQUE (SSN 706)
ERO delivered in 22.3 months

**Six ships in a row delivered early
with Portsmouth Quality!**

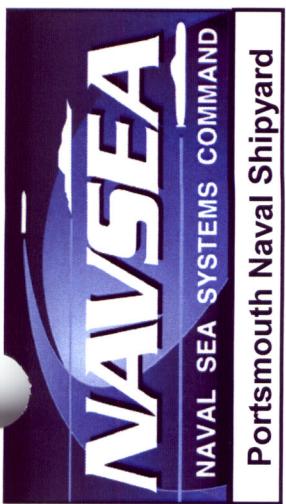
USS CITY OF CORPUS CHRISTI (SSN 705)
ERO delivered in 23.8 months

USS NORFOLK (SSN 714)
ERO delivered in 22.2 months

USS MIAMI (SSN 755)
DMP delivered in 12.3 months

USS NORFOLK SSN 714
VI PERCONCORDE

Portsmouth Naval Shipyard Presentation for Base Realignment and Closure Commissioners



1 June 2005



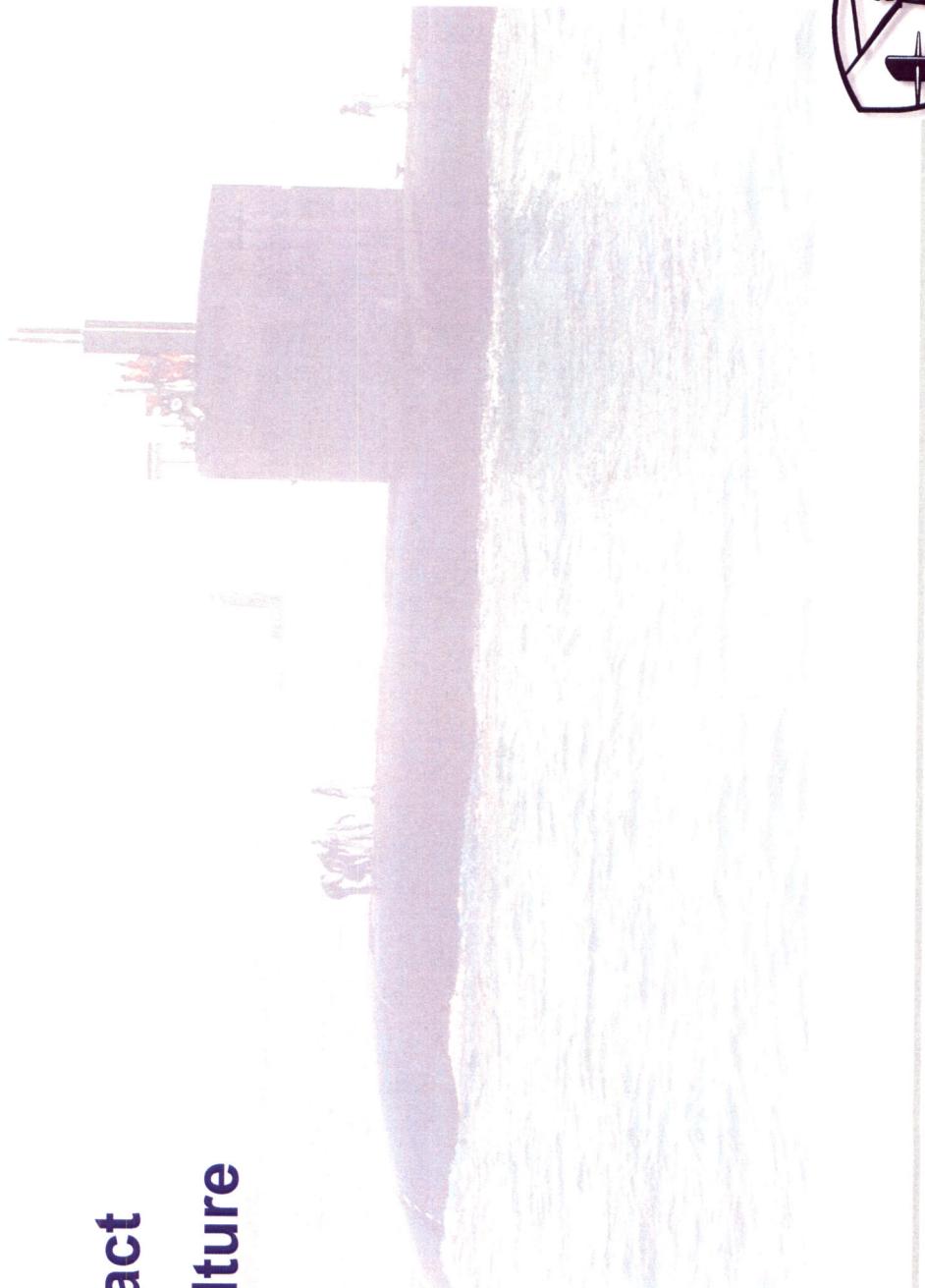
Briefing Focus Areas

Portsmouth Naval Shipyard Role

Quality of Life

Economic Impact

People and Culture

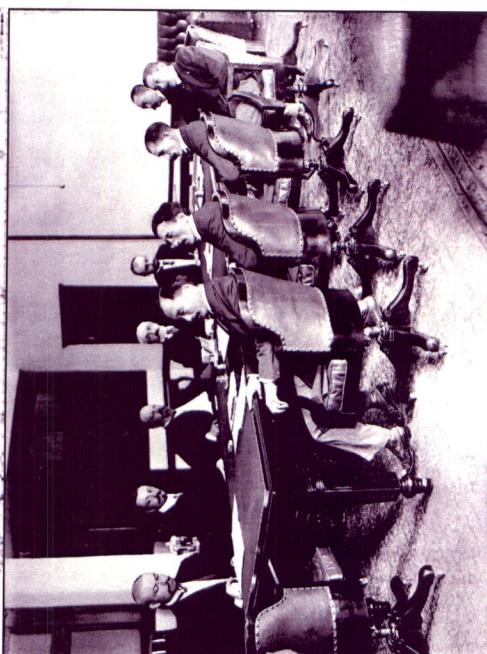




Admiralty Village
200 Units of
Military Housing

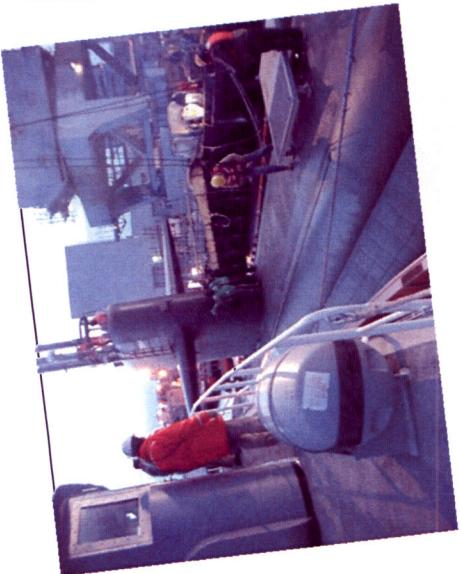
Portsmouth Naval Shipyard Personnel: 3995
Base Support Personnel: 288
Base Military: 109
Tenants & Other Commands: 650
Ships in Port: 800
Coast Guard: 300

Portsmouth Naval Shipyard Rich in History – Sails to Atoms

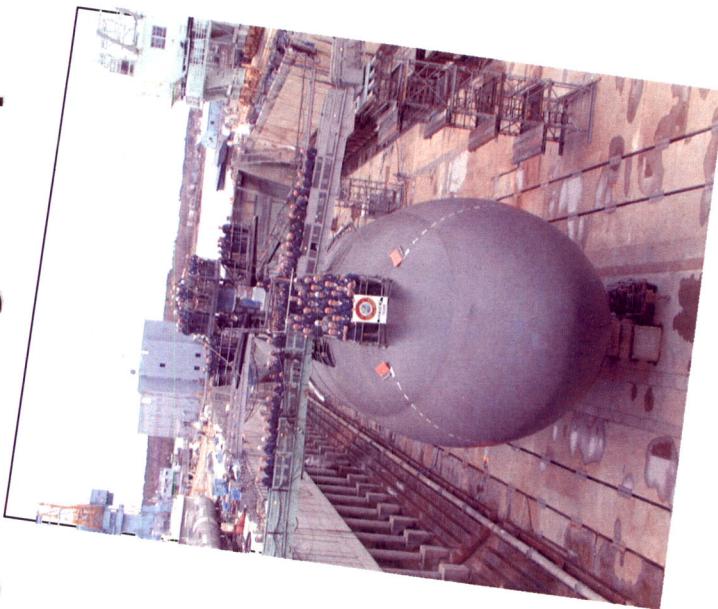


- Established June 12, 1800
- Treaty of Portsmouth signed in 1905
- Constructed 42 Surface Ships and 136 Submarines

Portsmouth Naval Shipyard Roles and Capabilities



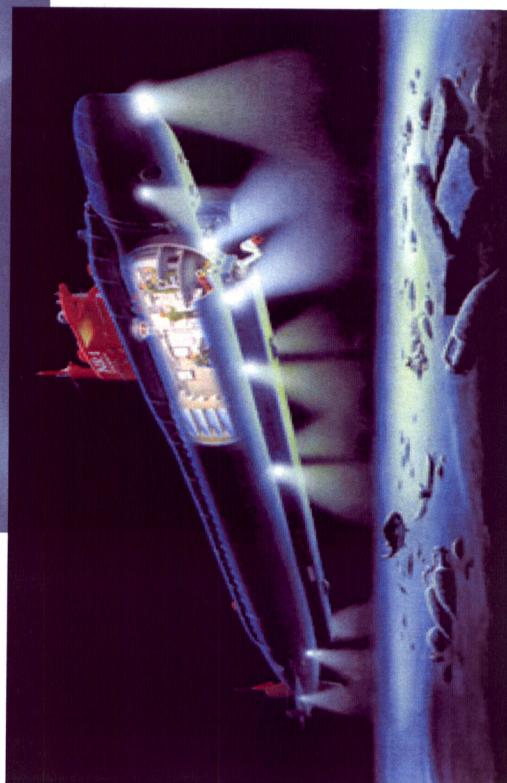
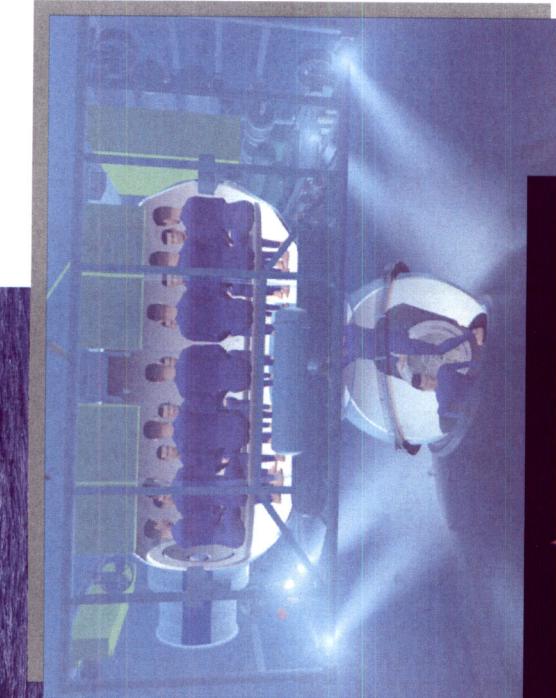
The facilities and people to provide
a full range of submarine
maintenance and modernization
from refueling to emergent repairs



- Industrial Plant
- Engineering Disciplines
- Production Trade Skills
- Materials Testing
- Manufacturing
- Technology Transfer

Portsmouth Naval Shipyard

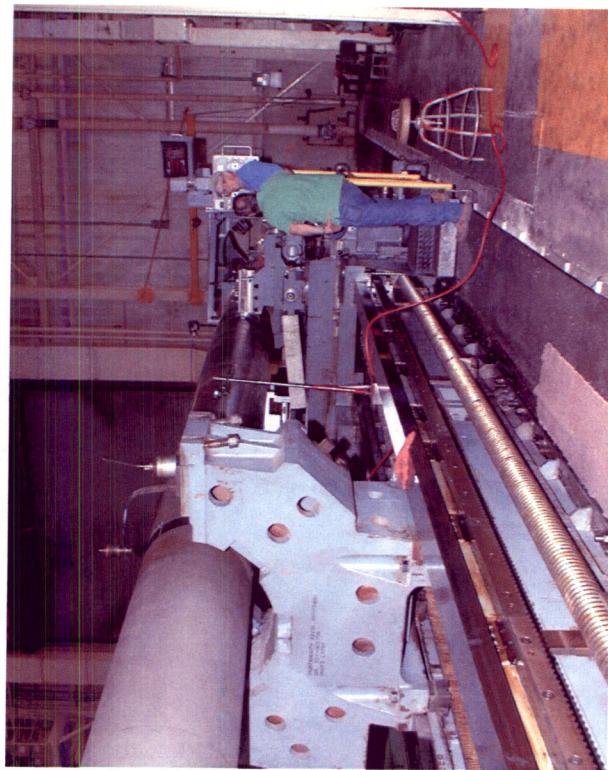
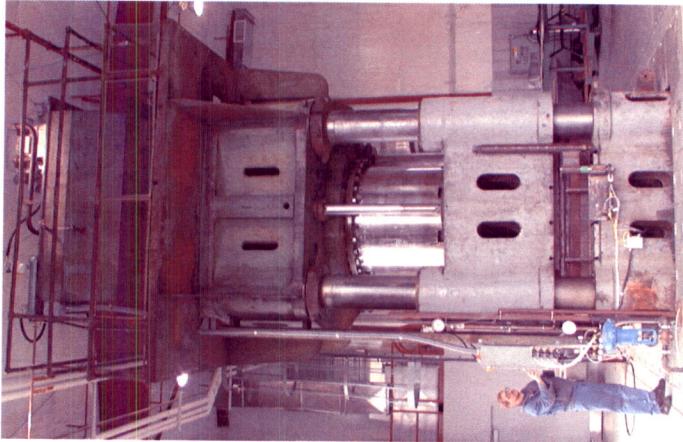
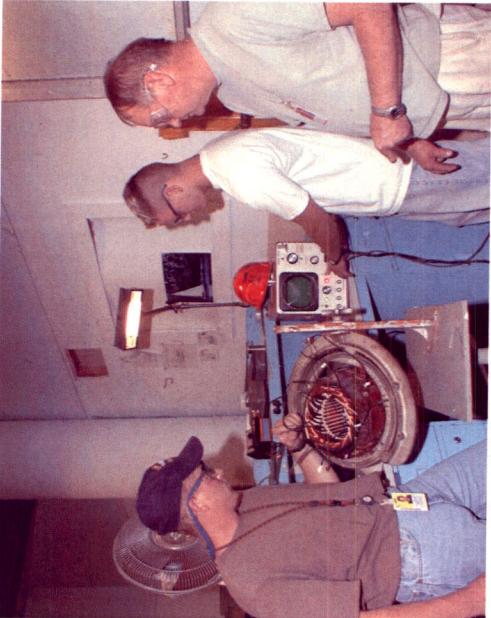
America's Deep Submersible Maintenance Experts

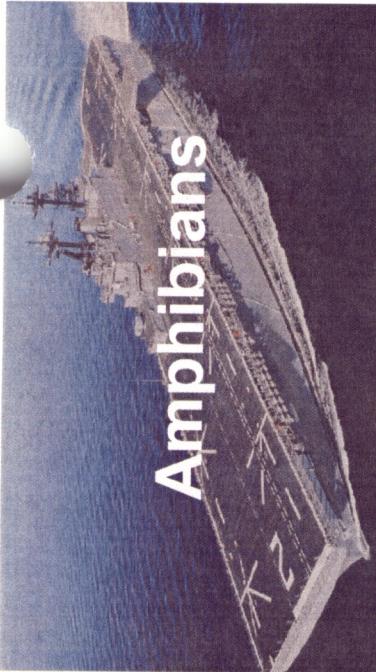


- Advanced SEAL Delivery System
- Drydeck Shelter Conversions & Maintenance
- Atmospheric Diving System
- Submarine Rescue Chamber Fly-away System
- USS DOLPHIN Engineering/ Maintenance Support
- ADS Launch & Recovery System
- Submarine Rescue Diving & Recompression System

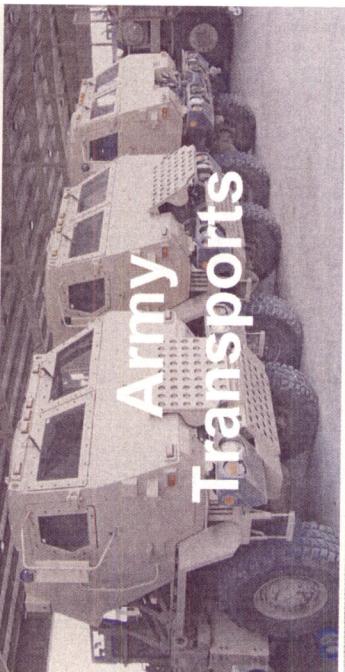
Special and Unique Capabilities

- Submarine Ship Service 500kW Motor Generators
- Special Rubber Product Manufacturing
- Submarine Bow Dome Refurbishment
- Trident Shaft Refurbishment
- Submarine Battery Replacement
- Submarine Transducer & Hydrophone Refurbishment
- Submarine Antenna Refurbishment

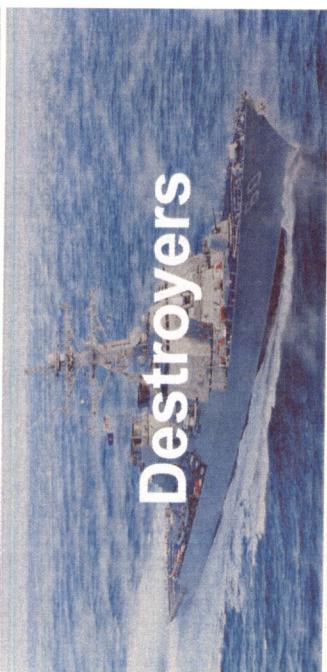




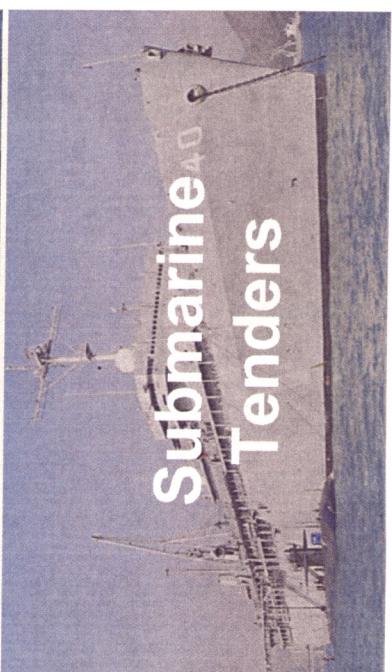
Amphibians



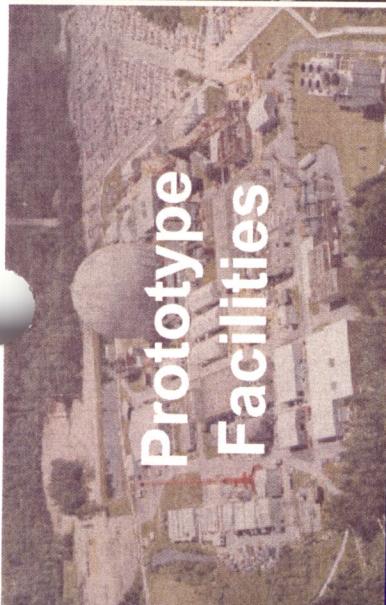
Army
Transports



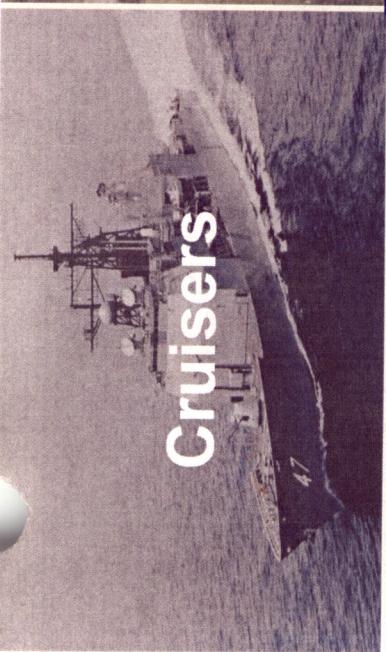
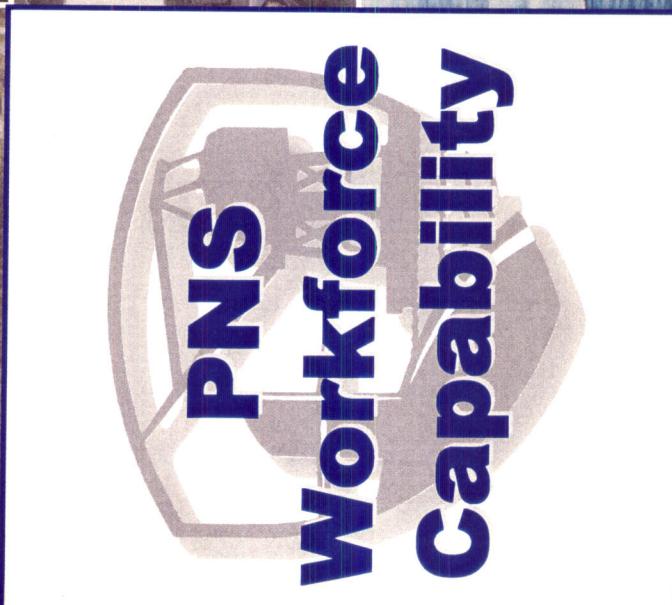
Destroyers



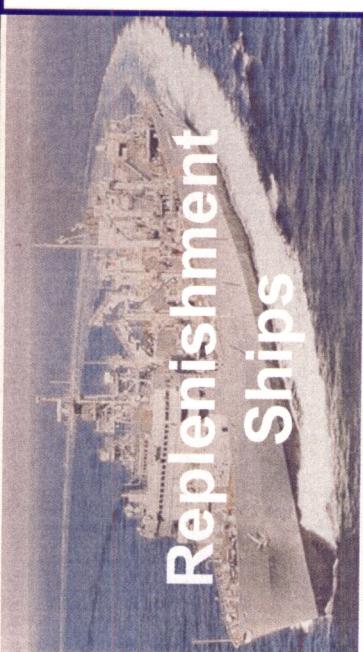
Submarine
Tenders



Prototype
Facilities



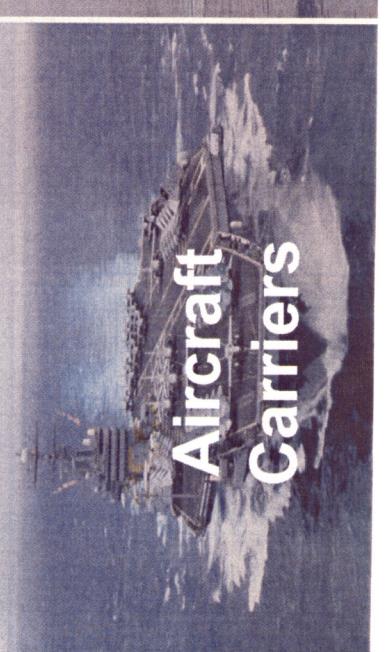
Cruisers



Replenishment
Ships



Coast Guard
Cutters



Aircraft
Carriers

Homeland Defense Role

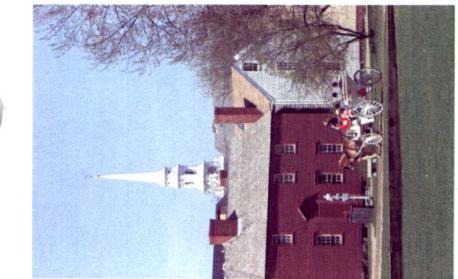
- U. S. Coast Guard Homeporting
- Shipyard and Community Partner
- Effective use of Infrastructure



USCGC CAMPBELL
USCGC TAHOMA
USCGC RELIANCE

Maintenance Augmentation Team



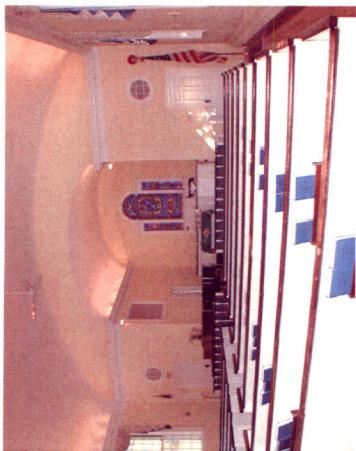


Excellent Quality of Life

Supporting More Than 1000 Active Duty Navy,
Coast Guard and Other Servicemen and Women
And Tens of Thousands of Military Retirees

Top Ten National Ranking Best Places to Live

Excellent Schools
Low Crime Rate
High Community Support of Military
Desirable Four-Season Climate



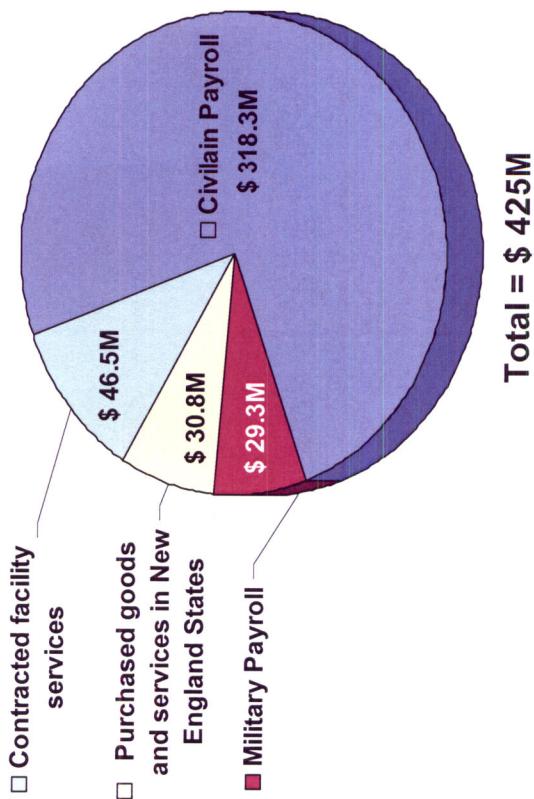
Four Star Accreditation for Navy
Bachelor Housing

Community Integration

Economic



Emergency Response



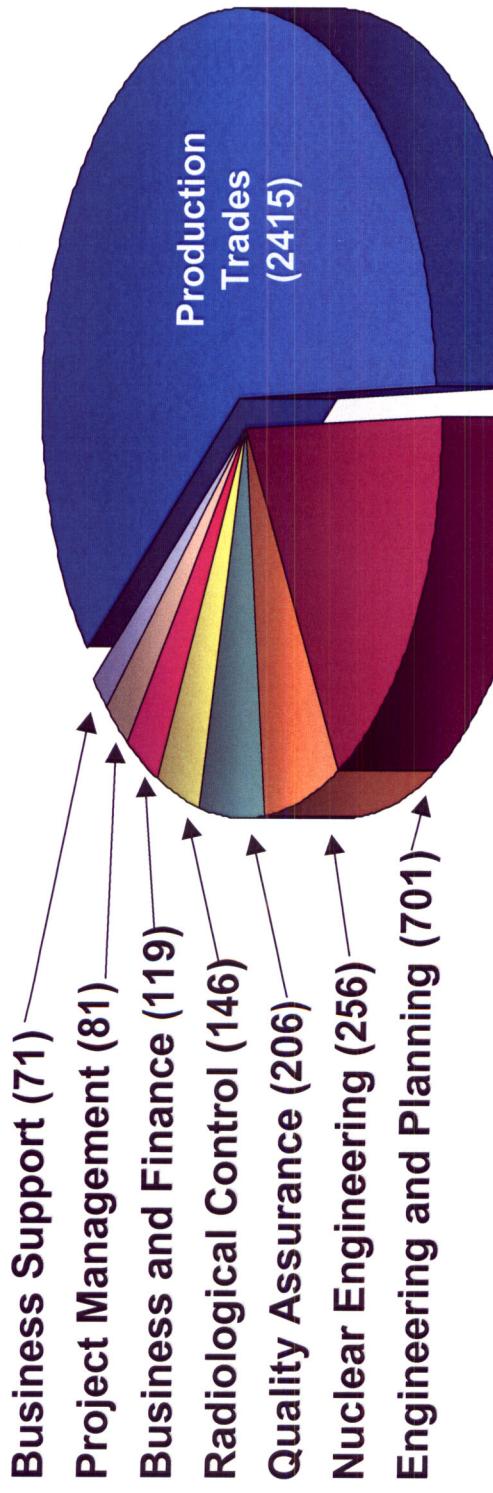
Charities

Combined Federal Campaign	\$426K
Blood Drives	2,028 Pints
Christmas Caravan	3700 Toys

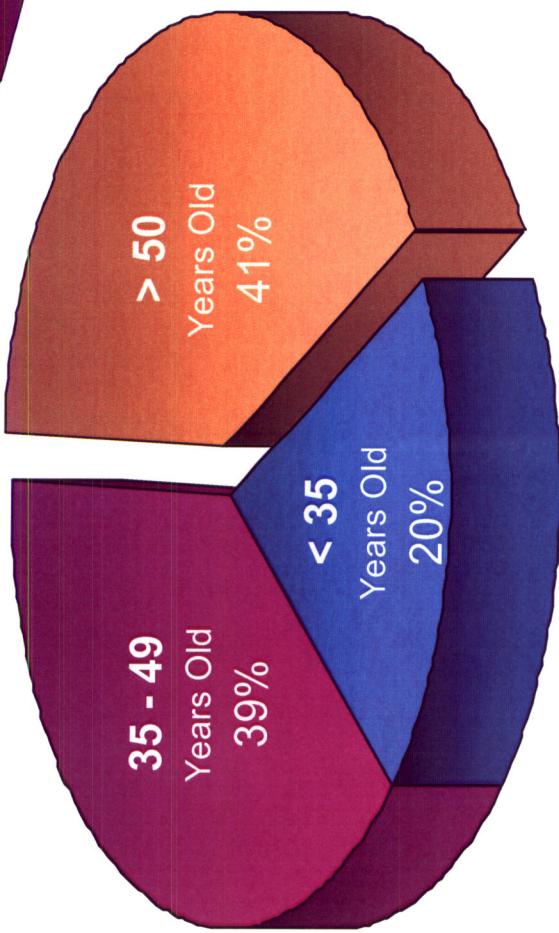




Workforce Distribution



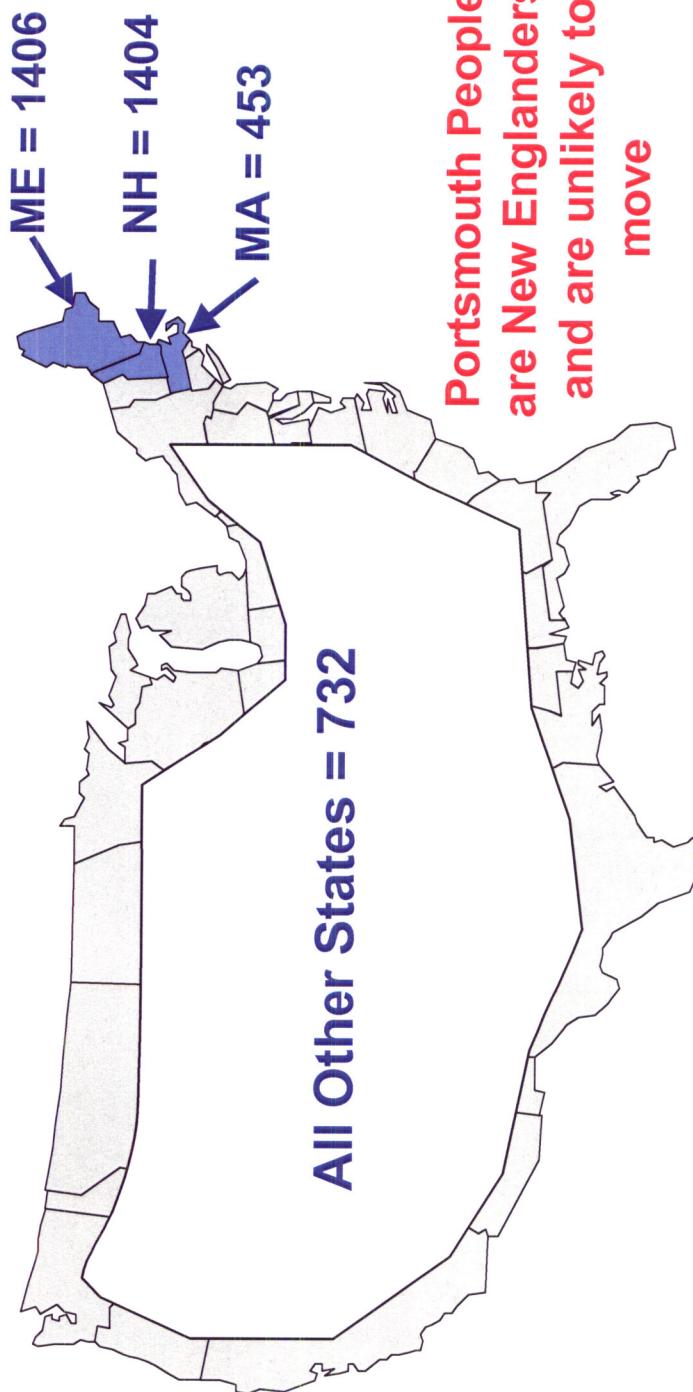
Age Demographics



Regional Demographics



In the past 5 years we've hired ~1700 workers. Despite coast-to-coast recruitment efforts, 83% of our workers were BORN in the states closest to the shipyard



In past Reduction In Force efforts, only 8% transferred





Retired Military Services Serving a 200-Mile Radius

Commissary – Full Service, supporting 1300 Customers Per Week in a large geographic area. Next nearest Commissary – 65 miles.

Navy Exchange – Full Service, supporting 37,500 patrons annually. Next nearest NEX – 130 miles.

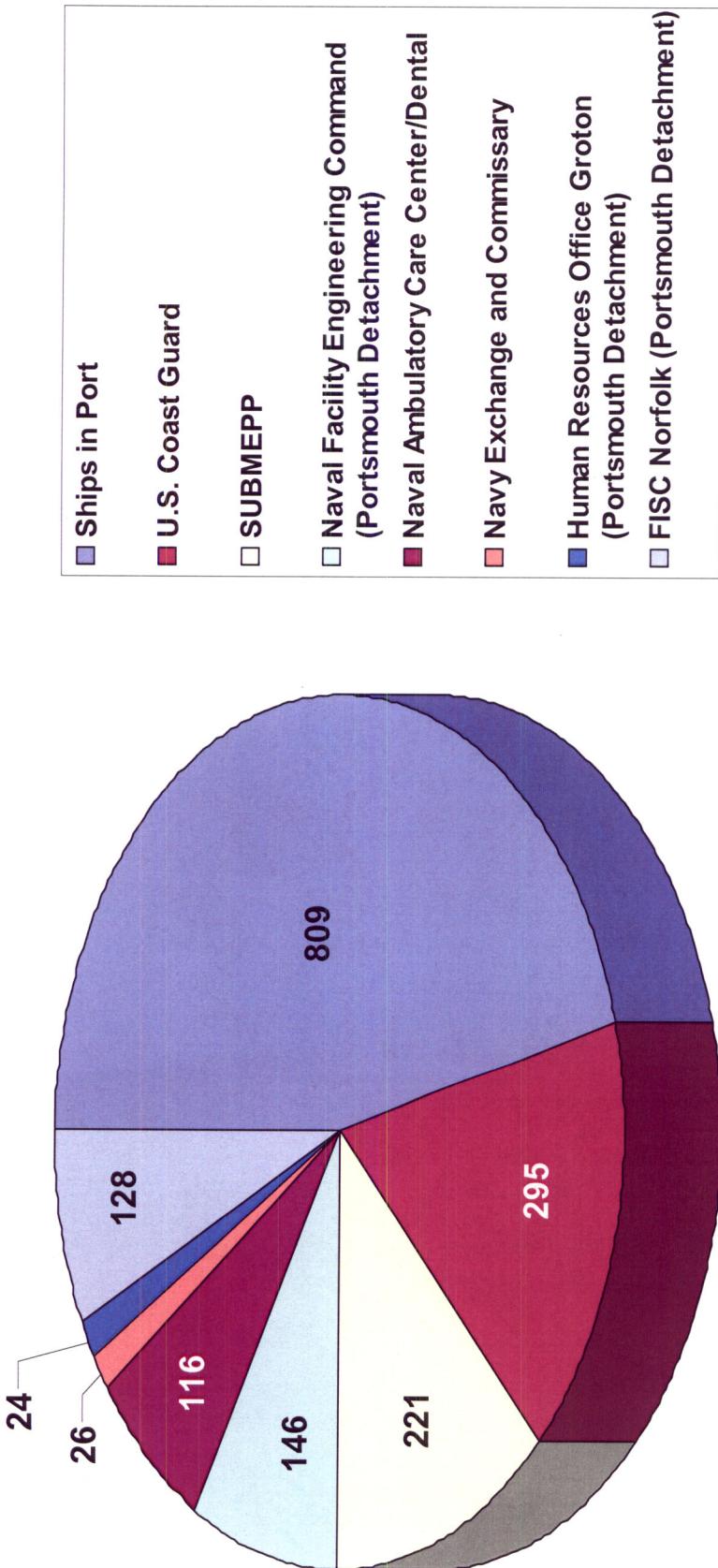
Naval Health Care New England-Naval Ambulatory Care Center –
Providing outpatient medical services including Emergency medical needs, hearing and ophthalmology and dental. Pharmaceutical services fill 3000 prescriptions per month. Next nearest NACC – 130 miles.

Morale, Welfare and Recreation – Fitness Center, Marinas, Gymnasium, Bowling Alley, Wood and Auto Hobby Shops, Officers Club, Barber Shop, Child Development Center, Resource Center, Equipment Rental and Ticket Center

Retiree Activities Office – Serving thousands of military retirees annually with benefit counseling, IDs, and events.



Shipyard Tenant Commands



Total Military and Civilian = 1746



**Portsmouth People
A Culture of Excellence
- Work Ethic Unmatched Anywhere -**

A clear and simple focus:

On-time, affordable quality performance



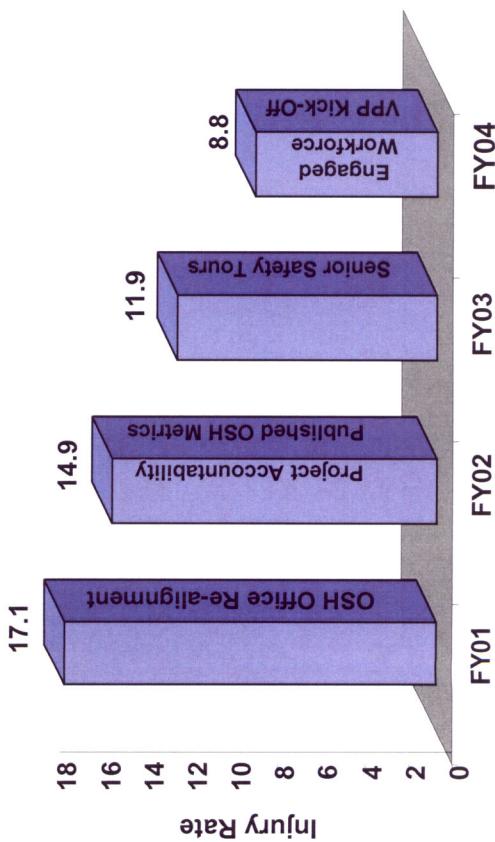
Management and
Labor teaming to
deliver performance
excellence





Safety Focus

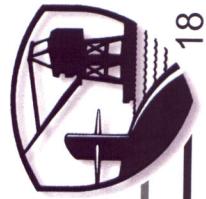
- Safety is top priority
- Only Navy activity to receive VPP Star Status/
2nd in Department of Defense
- FY 2002 CNO & SECNAV Winner for Shore
Safety Excellence
- OSD FY 2006 lost workday goal achieved in
March 2004
- Injury and Illness rate cut by 50% since FY 2001



Portsmouth is Planning for the Future . . . Today



- Virginia will become the backbone of attack submarine force
- Portsmouth is preparing for depot availabilities in the next decade . . . Today
- Completed to date:
 - Ship check of USS Virginia
 - Cost and schedule work estimates developed for NAVSEA
 - Drawing and technical manual computer files onboard
 - Facility & support equipment upgrades initiated

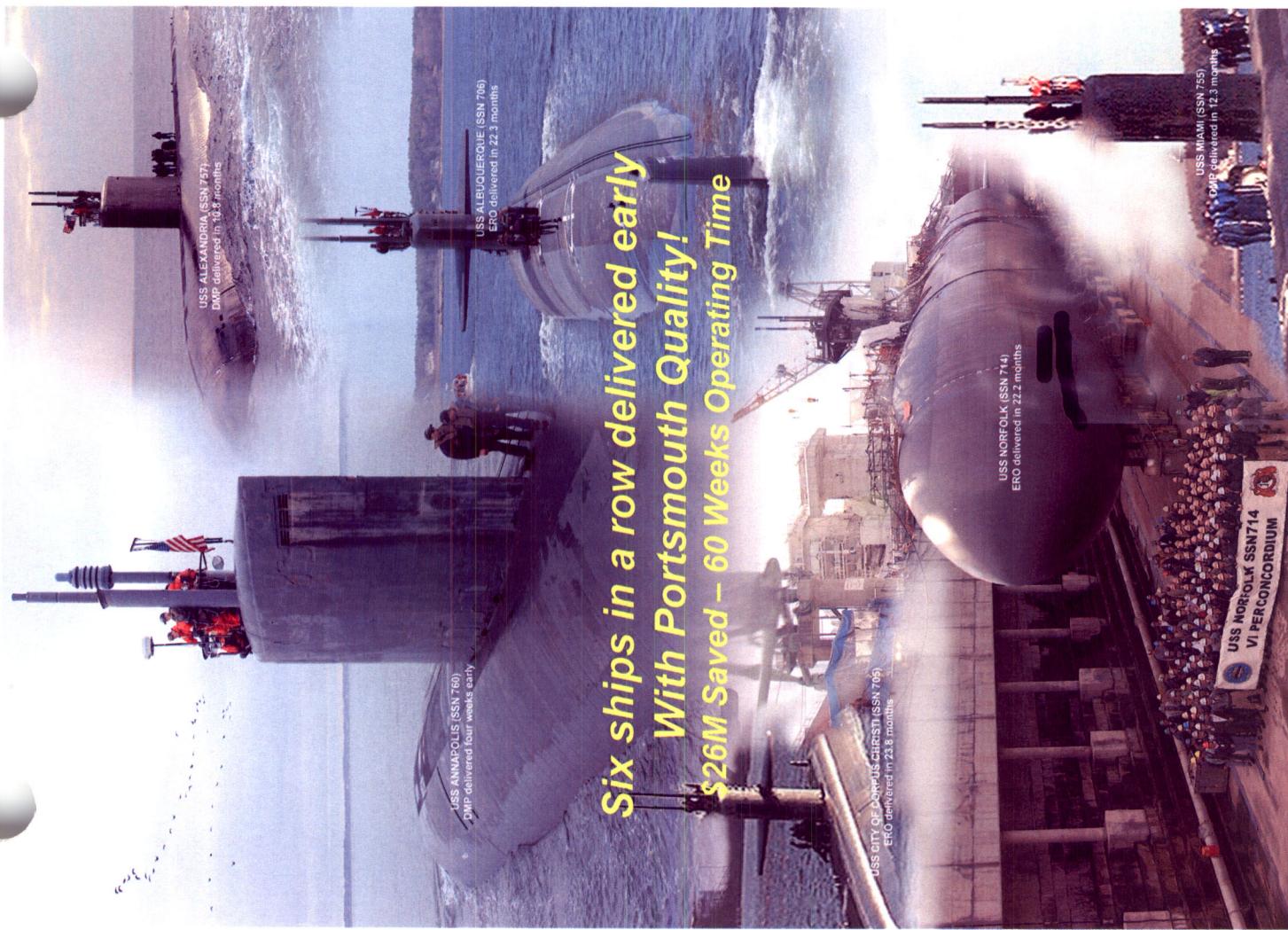


Bottom Line – Drive Performance Improvements

Provide Excellence to the War Fighter

**Six ships in a row delivered early
With Portsmouth Quality!**

\$26M Saved – 60 Weeks Operating Time





Summary

Portsmouth Naval Shipyard is a:

- Modern industrial facility;
- Strategic industrial asset within DoD, contributing high military value;
- Leader in submarine innovation
- Respected community partner
- Recognized VPP Star Status Shipyard



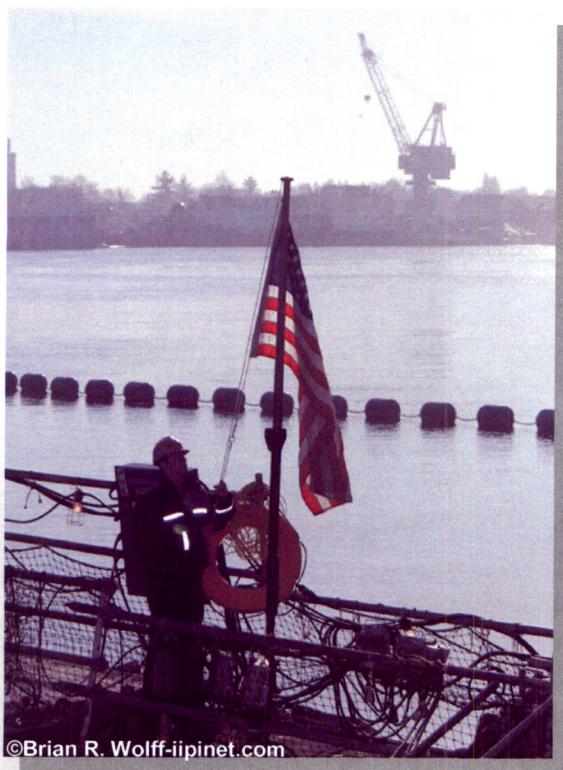
Our skilled workforce is focused on performing each job correctly the first time:

On-Time Affordable Quality



Portsmouth Naval Shipyard

The facilities and people to provide a full range of marine maintenance and modernization



Portsmouth Naval Shipyard – Efficiency Through Innovation



Portsmouth Naval Shipyard

Special and Unique Capabilities

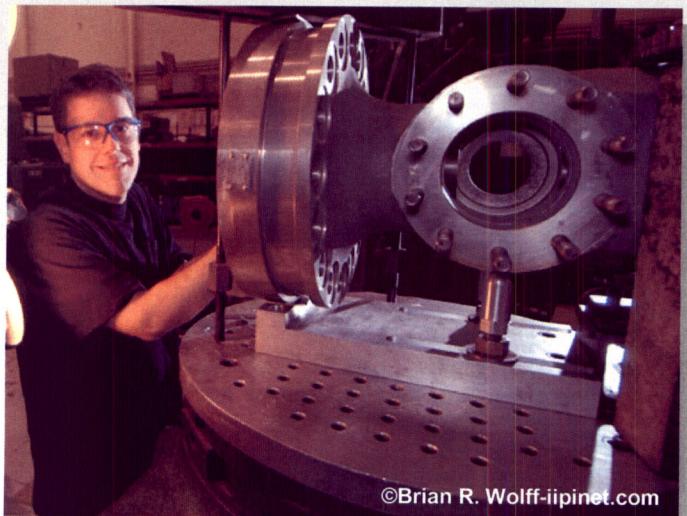


**Submarine Ship Service
500kW Motor Generators
Repair/Rewind Center**

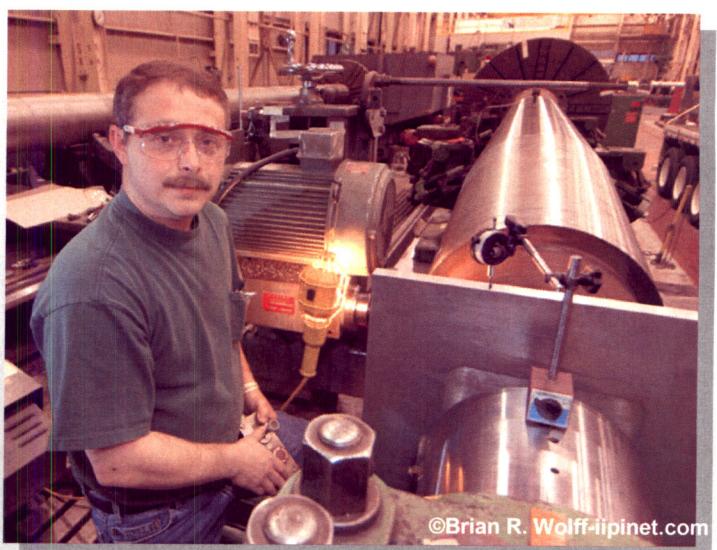


Portsmouth Naval Shipyard

Special and Unique Capabilities



**Modern Machine Shop including
Trident Shaft Refurbishment Equipment**



Portsmouth Naval Shipyard

America's Deep Submersible Maintenance Experts

Advanced SEAL Delivery System and
Drydeck Shelter Conversions & Maintenance



Submarine NR-1 Overhauls



Portsmouth Naval Shipyard – Efficiency Through Innovation





Purpose of BRAC

- Reduce Excess Capacity
- Save Money

DoD BRAC Recommendation

**"Close Portsmouth Naval Shipyard and
relocate work and personnel to Norfolk,
Puget Sound and / or Pearl!"**

We will be presenting material addressing these objectives



Ramifications of Portsmouth Closure



Military Value

- ⇒ Capacity
- ⇒ Efficiency
- ⇒ Innovation
- ⇒ Cost of Operations and Manpower

Payback

- ⇒ Cost of Closure
- ⇒ Savings



Portsmouth Dry Dock Usage with May 2005 Workload

PORTSMOUTH NAVAL SHIPYARD MAY 2005 WORKLOAD

DRYDOCK REPORT

DRY DOCK	F06	F06	F06	F07	F07	F08	F08	F09	F09	F10	F10	F11	F11	F12	F12	F13	F13	F14	
	QTR1	QTR2	QTR3	QTR4	QTR1	QTR2	QTR3	QTR4	QTR1	QTR2	QTR3	QTR4	QTR1	QTR2	QTR3	QTR4	QTR1	QTR2	QTR3
1	SSN 0719 EOH	NR 0001 DSRA				SSN 0700 ESR						SSN 0735 EOH							
							SSN 0725 EOH												
								SSN 0743 DNP											
2								SSN 0699 RF				SSN 0731 EOH		SSN 0021 EDSR					
									SSN 0709 RFF				SSN 0750 EOH						
										SSN 0716 RFF									
3											SSN 0723 EOH			SSN 0744 EOH					
												SSN 0768 DNP							
												SSN 0765 DNP							
													SSN 0720 EOH						
														SSN 0757 EOH					

**BRAC Workload Guidance directed 80% of
Portsmouth work to Norfolk and 20% to Puget**



Norfolk Dry Dock Usage With May 2005 Workload



DRYDOCK REPORT

DRY DOCK	F105	F106	F107	F108	F109	F110	F111	F112	F113	F114	FY12	FY13	FY14									
											QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4
2	SSN 0767 DMP	SSN 0766 DMP	SSN 0753 DSRA	SSN 0756 DSRA	SSN 0764 DSRA	SSN 0765 DSRA	SSN 0766 DSRA	SSN 0767 DSRA	SSN 0768 DSRA	SSN 0769 DSRA	SSN 0699 DSRA	SSN 0626 DEM	HTS 0635 DEM	HTS 0644 DSRA	SSN 0753 OH	SSN 0756 EOH	SSN 0755 DSRA	SSN 0756 DSRA	SSN 0757 DSRA	SSN 0758 DSRA		
3	SSN 0707 DF	SSN 0770 DMP	SSBN 0731 ERO	SSBN 0734 ERO	SSBN 0736 ERO	SSBN 0738 ERO	LHD 0007 DPMA	LHD 0008 DPMA	LHD 0009 DPMA	LHD 0010 IA	SSN 0753 DSRA	SSN 0754 DSRA	SSN 0755 DSRA	SSN 0756 DSRA	SSN 0757 DSRA	SSN 0758 DSRA	SSN 0759 DSRA	SSN 0760 DSRA	SSN 0761 DSRA	SSN 0762 DSRA		
4	SSBN 0728 ERO	SSBN 0729 ERO	SSBN 0731 ERO	SSBN 0734 ERO	SSBN 0736 ERO	SSBN 0738 ERO	LHD 0005 DPMA	LHD 0006 DPMA	LHD 0007 DPMA	LHD 0008 DPMA	CVN 0075 DPIA	CVN 0076 DPMA	CVN 0077 DPMA	CVN 0078 DPMA	CVN 0079 DPMA	CVN 0080 DPMA	CVN 0081 DPMA	CVN 0082 DPMA	CVN 0083 DPMA	CVN 0084 DPMA		
8	AS 0036 RA	SSN 0750 DSRA	SSN 0023 DRA	CVN 0075 DPIA	CVN 0076 DPMA	CVN 0077 DPMA	LHD 0001 DPMA	LHD 0002 DPMA	LHD 0003 DPMA	LHD 0004 DPMA	SSN 0750 DSRA	SSN 0751 DSRA	SSN 0752 DSRA	SSN 0753 DSRA	SSN 0754 DSRA	SSN 0755 DSRA	SSN 0756 DSRA	SSN 0757 DSRA	SSN 0758 DSRA	SSN 0759 DSRA		
	F105	F106	F107	F108	F109	F110	F111	F112	F113	F114	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4
	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4		

Norfolk Dry Dock Usage Current Workload with Portsmouth Closure



Pearl Harbor Dry Dock Usage Current Workload with Portsmouth Closure



Pearl Harbor May 2005 Workload

DRYDOCK REPORT



Puget Dry Dock Usage Current Workload with Portsmouth Closure

DRY DOCK	FY06				FY07				FY08				FY09				FY10				FY11				FY12				FY13				FY14			
	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	QTR 1	QTR 2	QTR 3	QTR 4				
1					SSN 0762 DMP				B-60 RA				C-1 RA				B-60 RA																			
2	B-60 INS									SSN 0683 IA				SSN 0709 IA				B-60 RA																		
3	BEL								C-2 RA				SSN 0711 EDSR				SSN 0718 IA																			
4	EDGE								SSN 0639 RCD				CGN 0040 RCD				SSN 0671 RCD																			
5	SSGN 0726 ERO								SSBN 0727 ERO				SSBN 0731 ERO				SSBN 0733 ERO																			
6	ODRN CLN								REPAIR SINKI				CVN 0024 PIA				CVN 0063 IA																			
	OPNP RPR								DSL GEN INST				CVN 0072 PIA				CVN 0068 DPIA																			
	CVN 0074 DPIA												SSN 0023 DSRA																							

Portsmouth Work

Dry Dock Capacity Conclusions



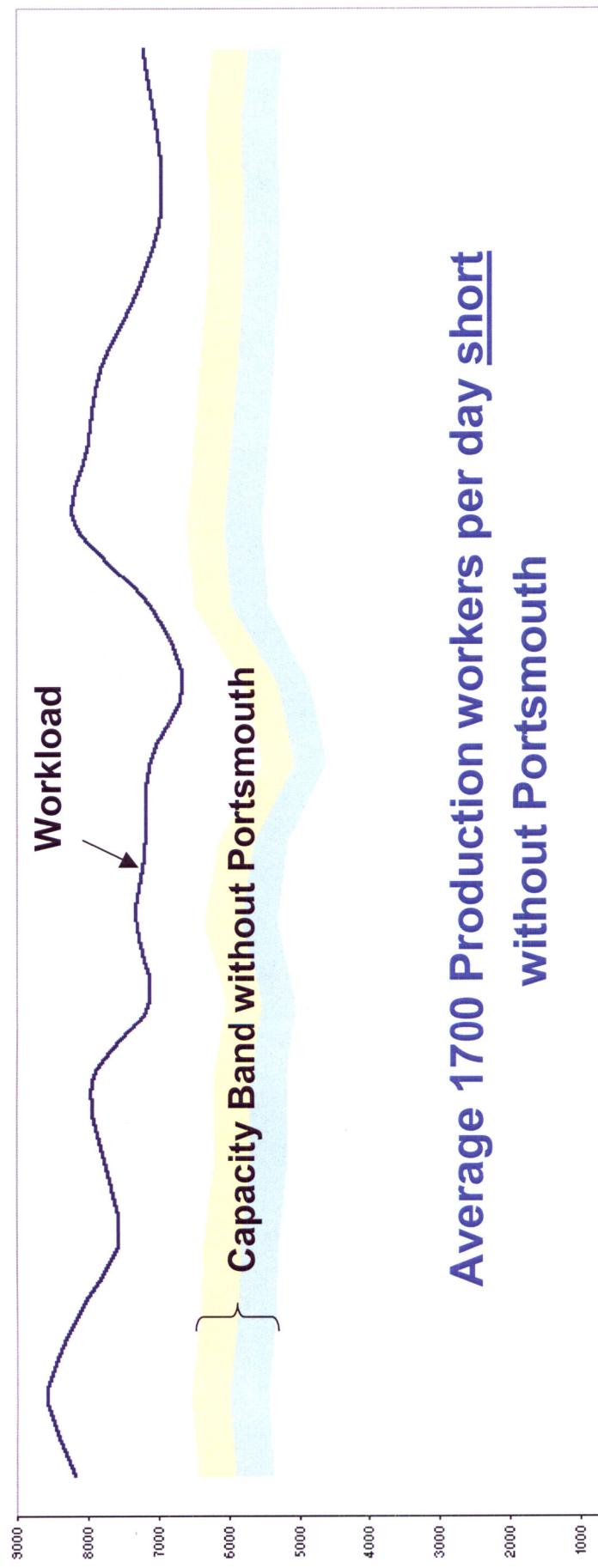
- Norfolk has conflicts with taking all Portsmouth work without delaying or rescheduling planned maintenance periods
- No apparent loading included for Dry Dock certification/maintenance periods
- No obvious capacity for 6 average emergent east coast dockings
- Navy has not identified where all SRA work will be accomplished (13 availabilities scheduled)
- Dry Dock No. 4 at Norfolk will be the only remaining Naval Shipyard Virginia Class dock as Dry Dock No. 8 is full with carriers/amphibians
- COBRA Analysis is not consistent with BRAC data submission
 - Workload appears to have shifted
 - Personnel appear to be relocated to other activities
- Dry Dock schedule assumes excessive risk



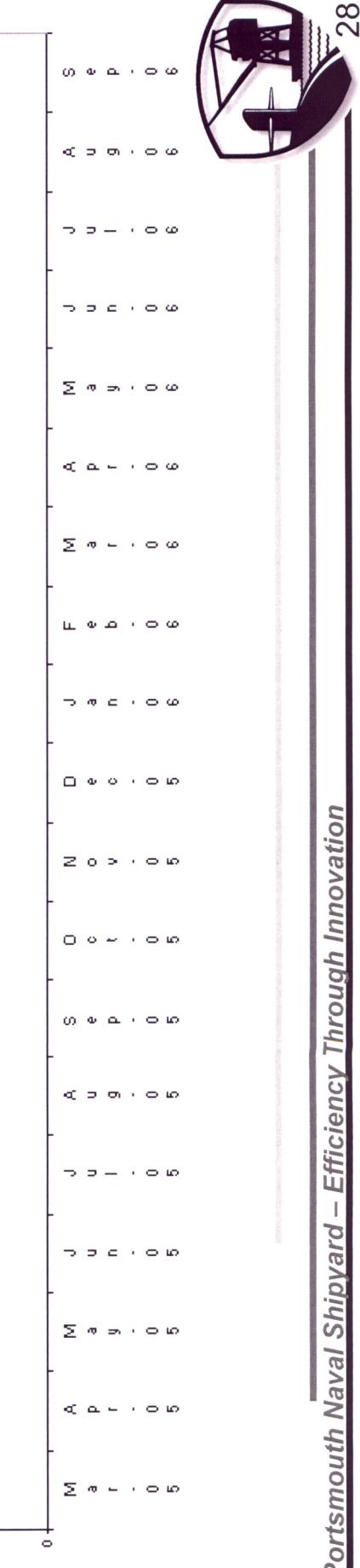


Resource Capacity (March 05 - March 06)

Corporate Production Resources Team & SURGE – C4 Report



Average 1700 Production workers per day short
without Portsmouth

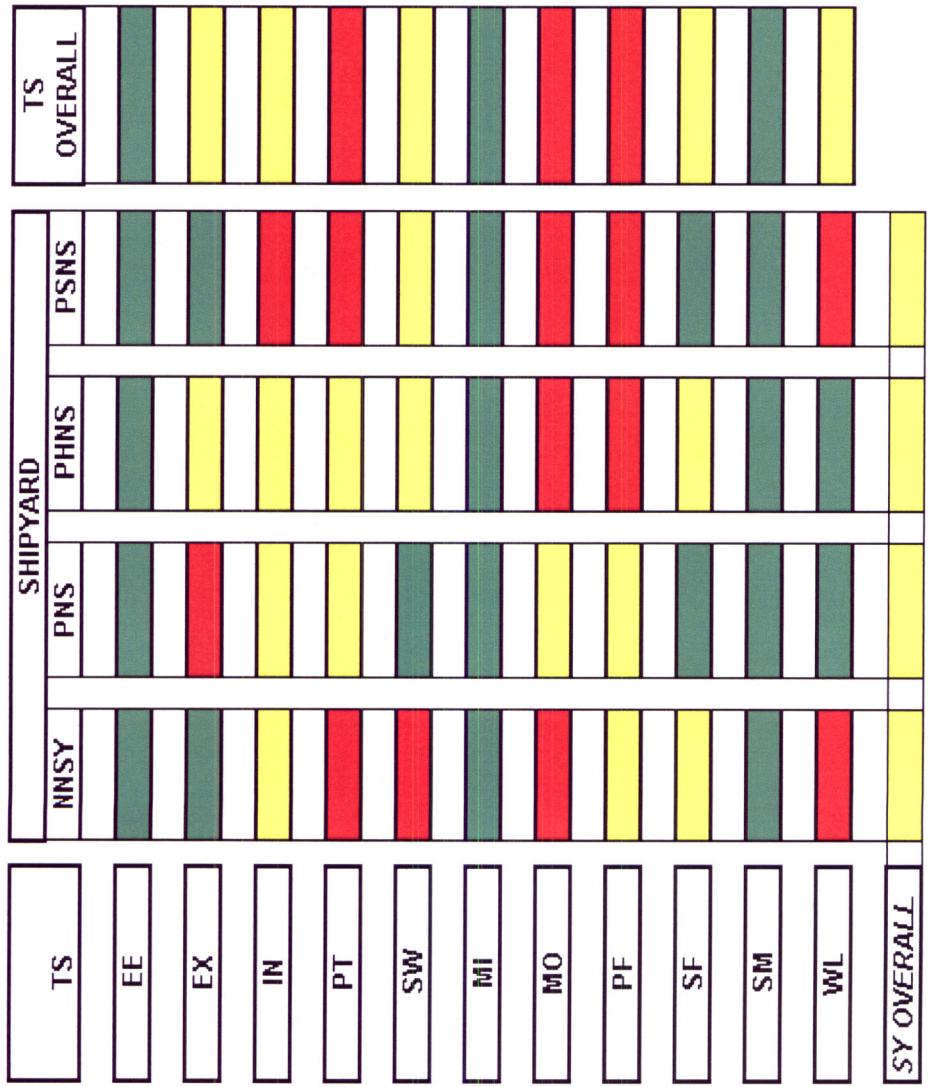


Source: Corporate Production Resources Team & SURGE – C4 Report



Commodities Capacity (March 05 – March 06)

CPRT PRODUCTION Trade Skill SURGE Indicator (Mar 05 – Mar 06)



Overall Rating



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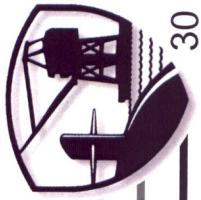


Analysis of COBRA Capacity and Usage Data



Assuming capacity data is correct, then the following conclusions can be drawn:

- If Portsmouth closes, “current usage” will be more than “current capacity”, and within 5% of “maximum capacity”
- Navy historically underestimates workload and financial impact
- As workload grows (at the point of execution), the Navy may not have the public sector capacity to react

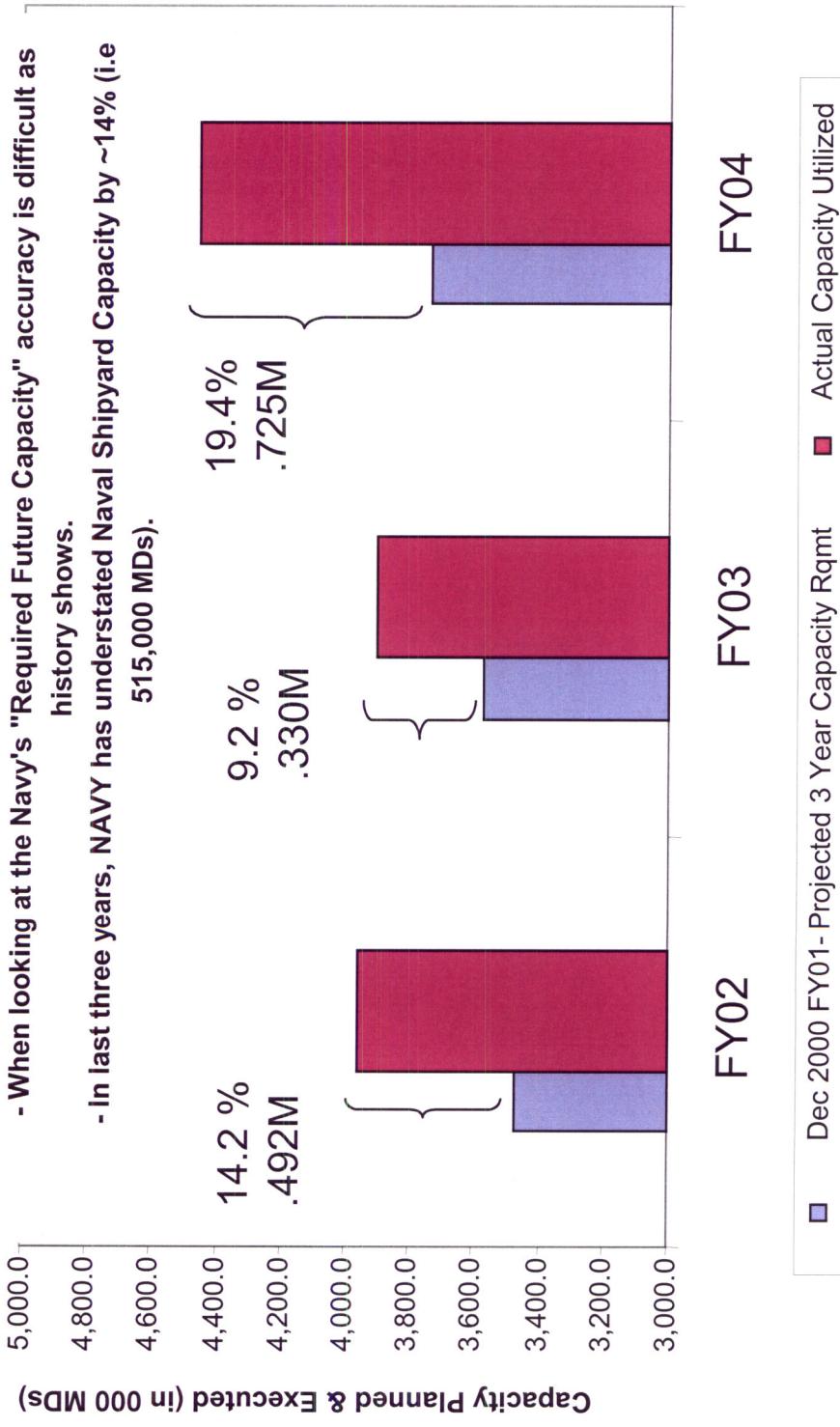




NAVY Historically UNDER-ESTIMATES Workload

History of Capacity Planning in Naval Shipyards

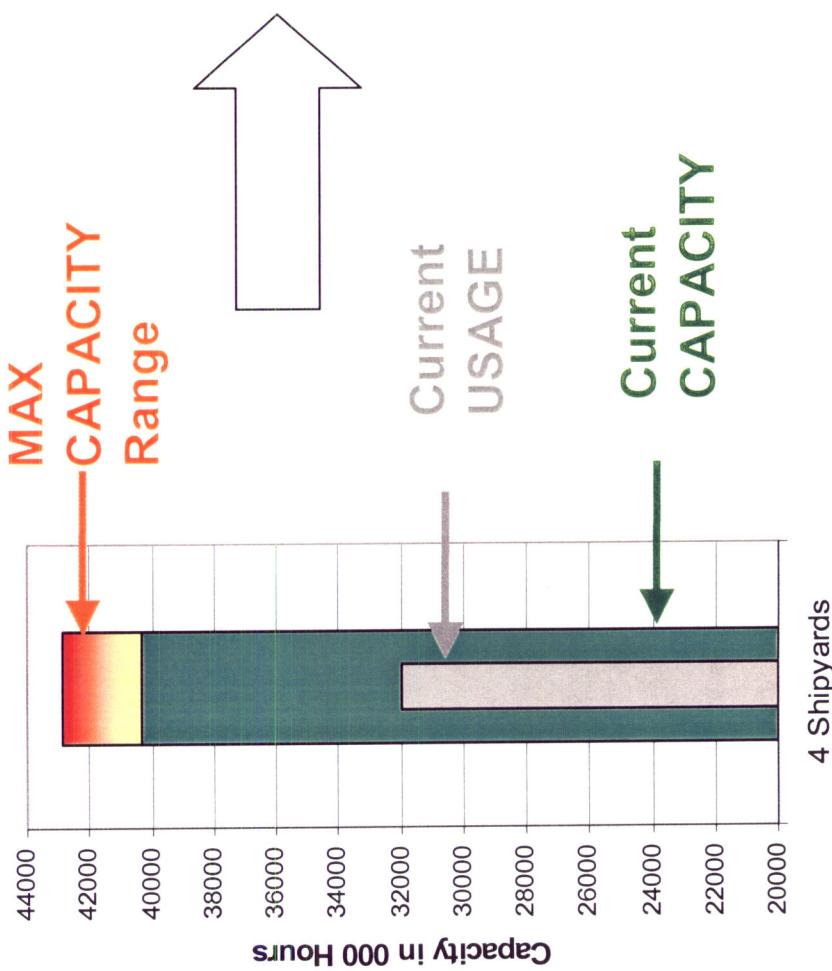
- When looking at the Navy's "Required Future Capacity" accuracy is difficult as history shows.
- In last three years, NAVY has understated Naval Shipyard Capacity by ~14% (i.e 515,000 MDS).



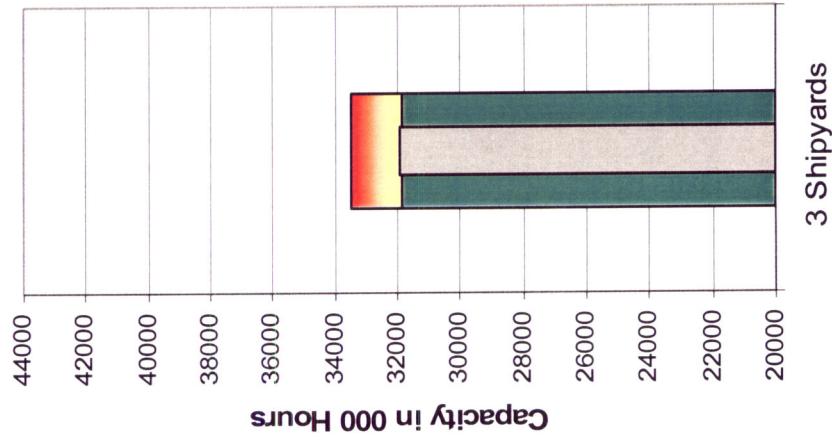


COBRA Capacity Data

Baseline Data



DoD Recommendation

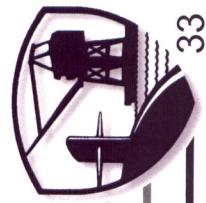
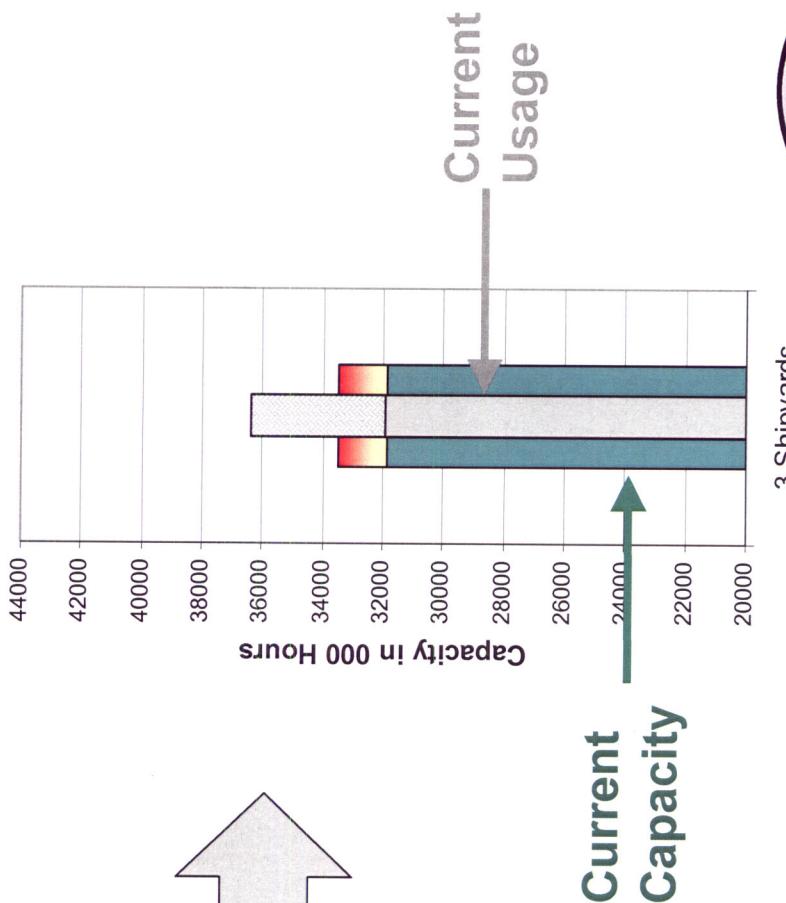
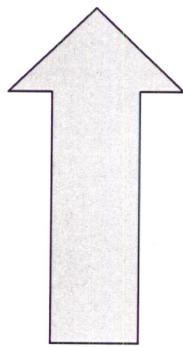
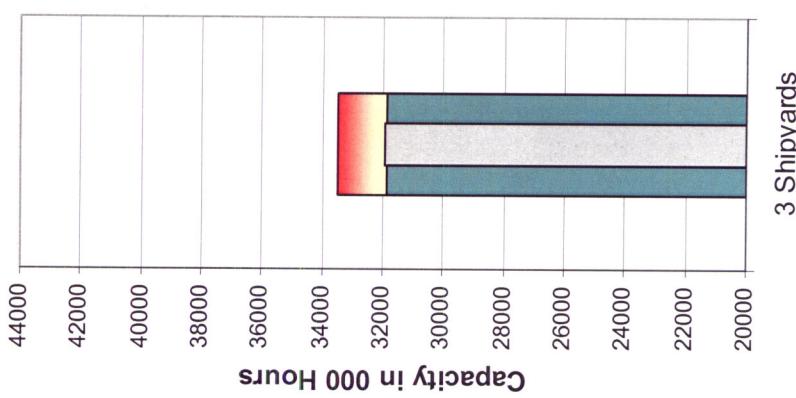


COBRA Capacity Data



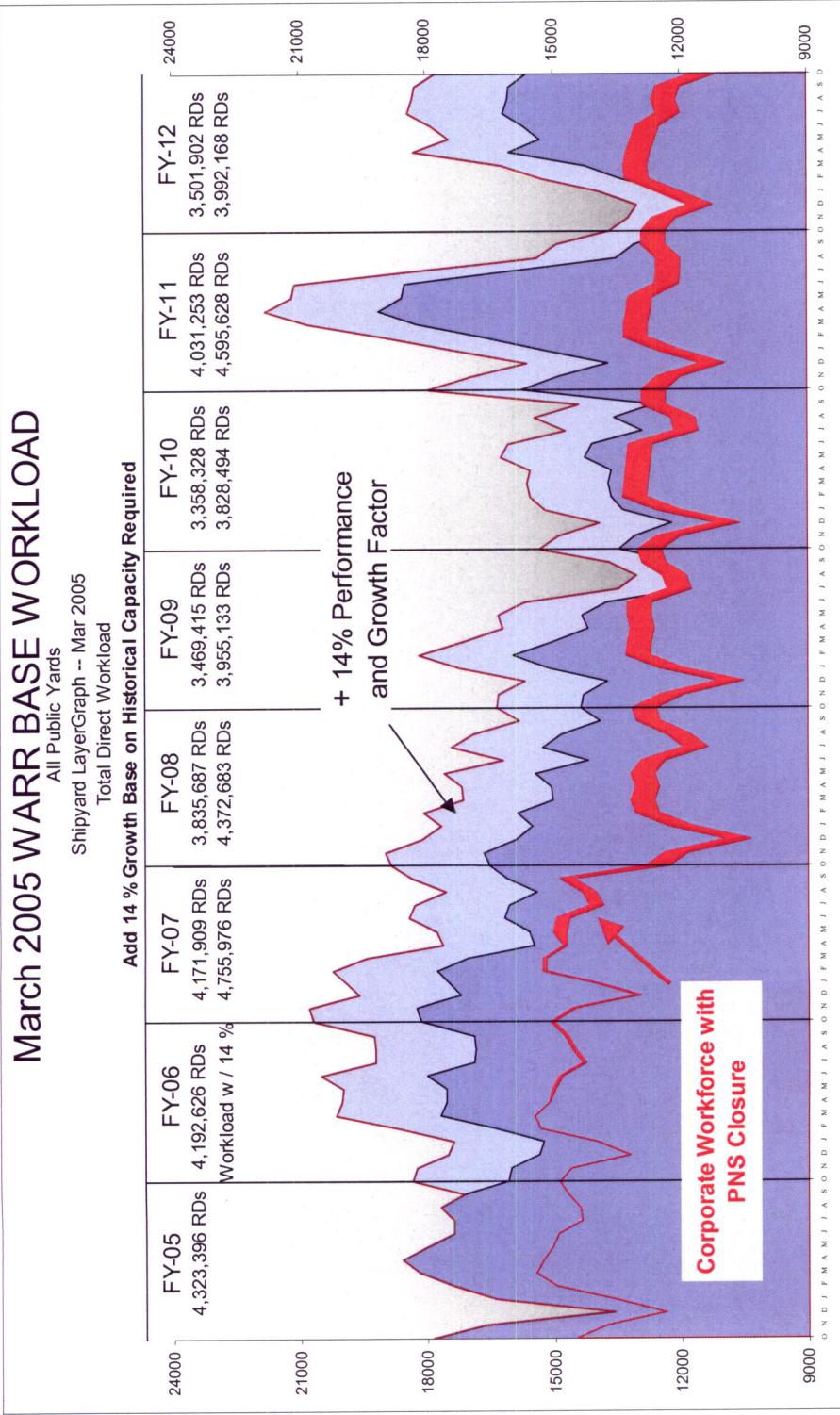
DoD Recommendation

**DoD Recommendation
With Historical
Growth Factor Applied**





Workload of Record



This slides applies to Criteria No. 1



Ramifications of Portsmouth Closure



Military Value

- ↑ Capacity
- ↑ Efficiency
- ↑ Innovation
- ↑ Cost of Operations and Manpower
- ↑ Payback
- ↑ Cost of Closure
- ↑ Savings

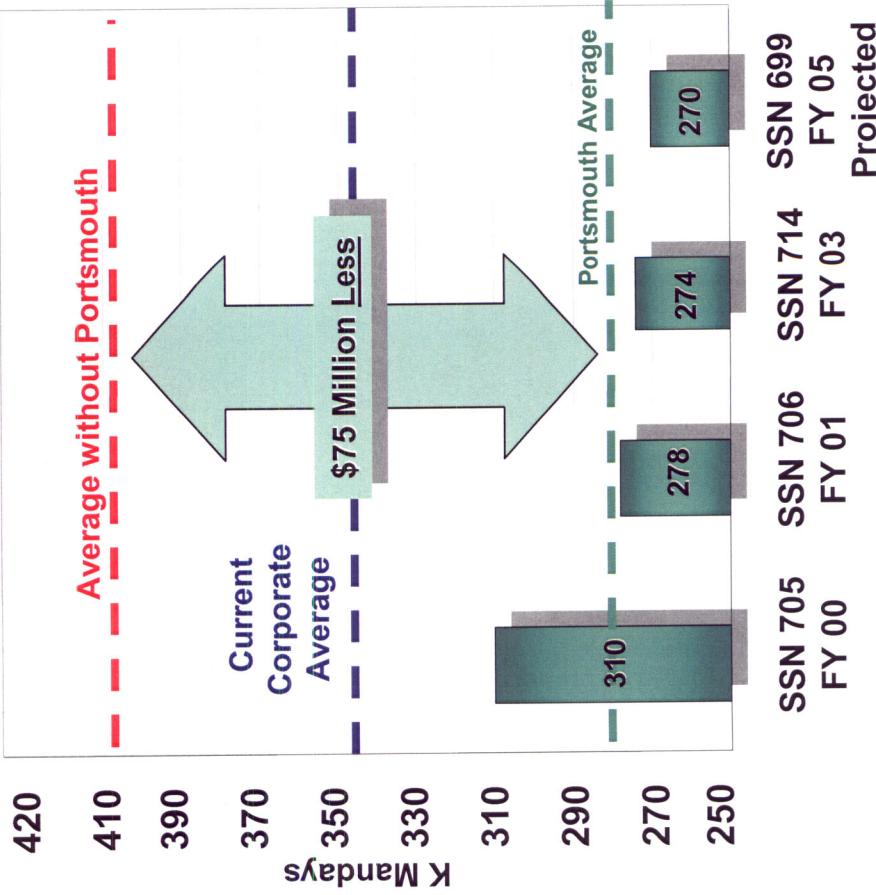




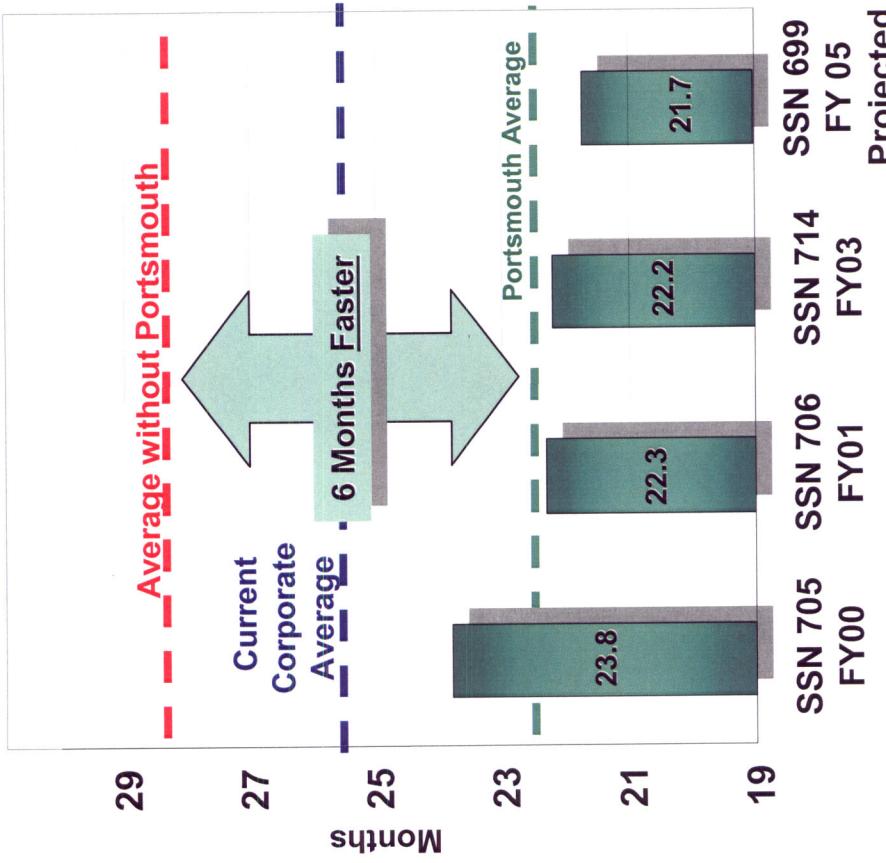
PNS Performance on Engineered Refueling Overhauls

Every future ERO accomplished at Portsmouth would realize these savings

ERO Costs
(Comparison of Similar Work)



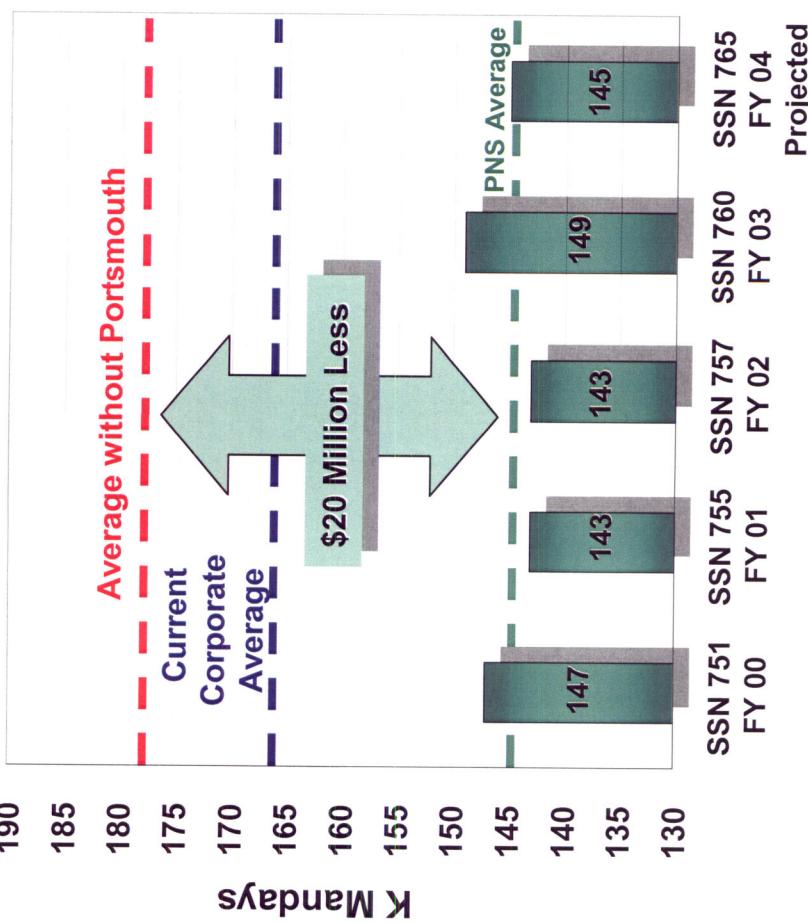
ERO Durations
Months Scheduled



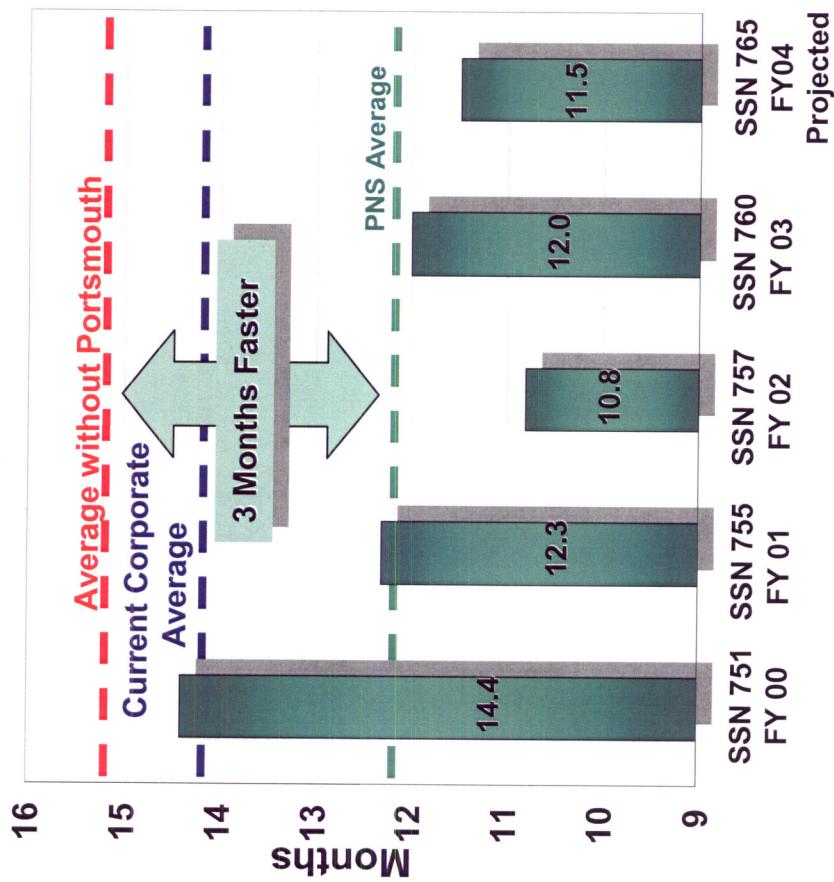
PNS Performance on Depot Modernization Periods



DMP Costs
(Comparison of Similar Work)



DMP Durations
Months Scheduled

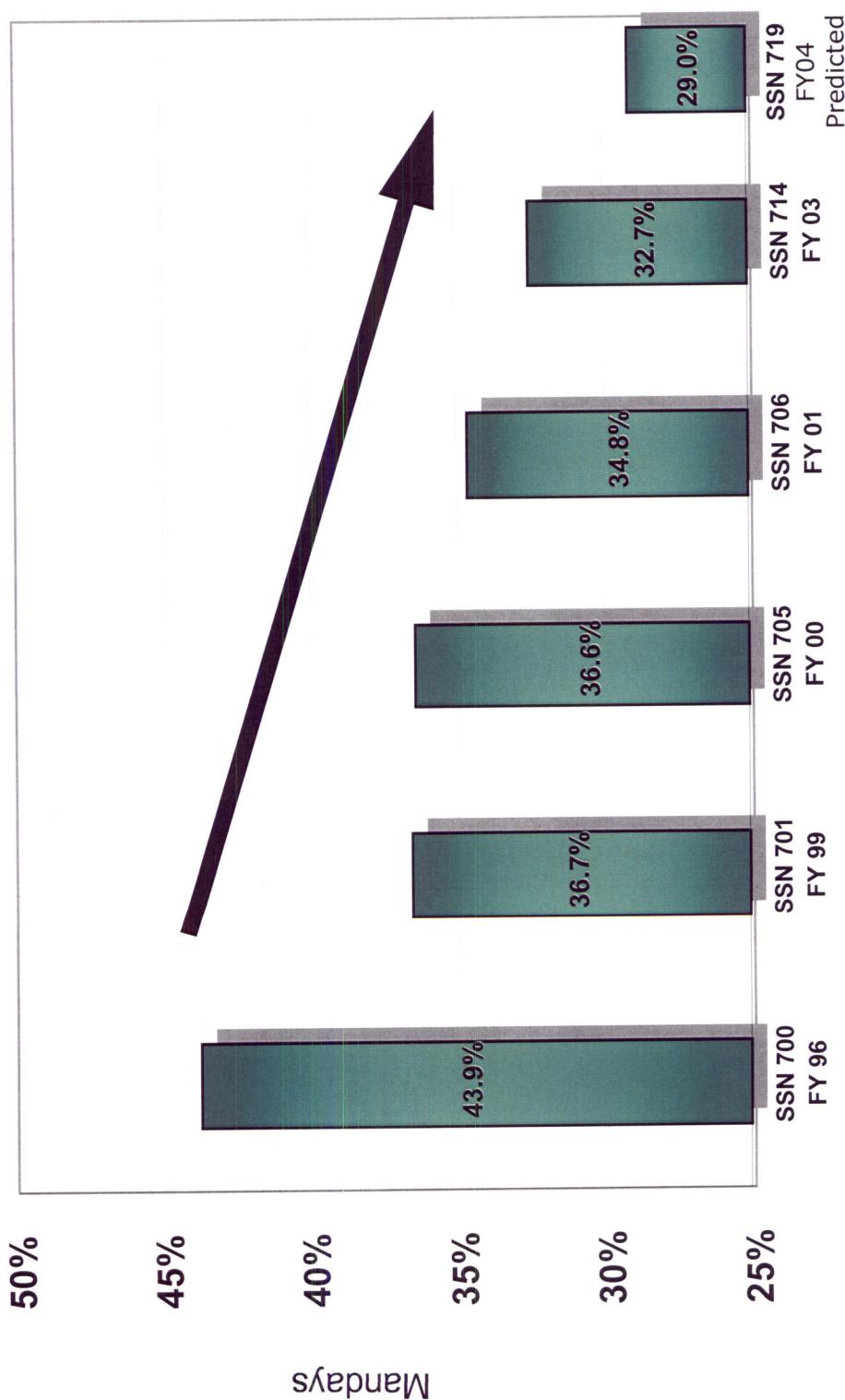




Reducing Support Costs

While Performing Below Notional Cost

Engineered Refueling Overhauls/Engineered Overhaul
(Non-Nuclear Support Mandays)



Most Efficient Shipyards

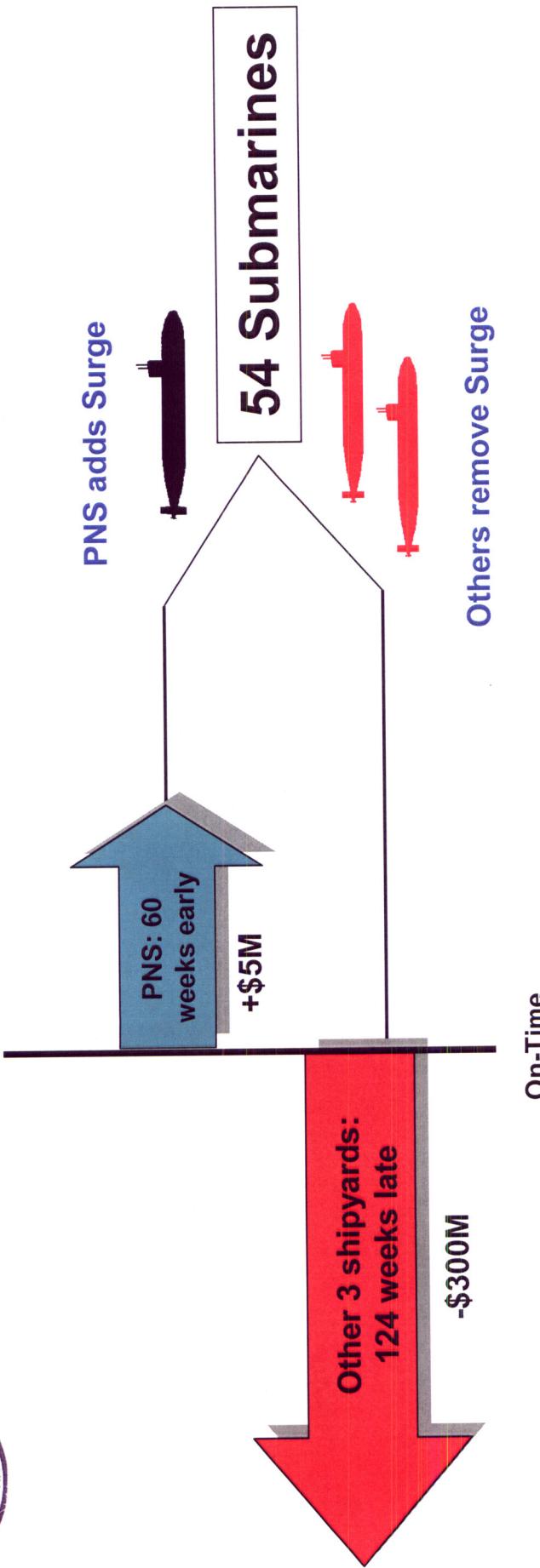
NAVAL SHIPYARD LOS ANGELES CLASS OVERHAUL REPORT CARD (FY 84-Present)

BLUE = AVAILABILITY IN PROGRESS
MAGENTA = UNIQUE SITUATION

COST AND DURATION GROWTH DATA FROM MACBUC 2006 STATISTICS REPORT

GREEN < 10% GROWTH
YELLOW < 20% GROWTH
RED > 20% GROWTH

Result - Increased Operational Readiness



Returned Operating Time to Combatant Commanders (Last 5 Years)

This slide applies to Criteria No. 1



Ramifications of Portsmouth Closure



Military Value

- ↑ Capacity
- ↑ Efficiency
- ↑ **Innovation**
- ↑ Cost of Operations and Manpower

Payback

- ↑ Cost of Closure
- ↑ Savings





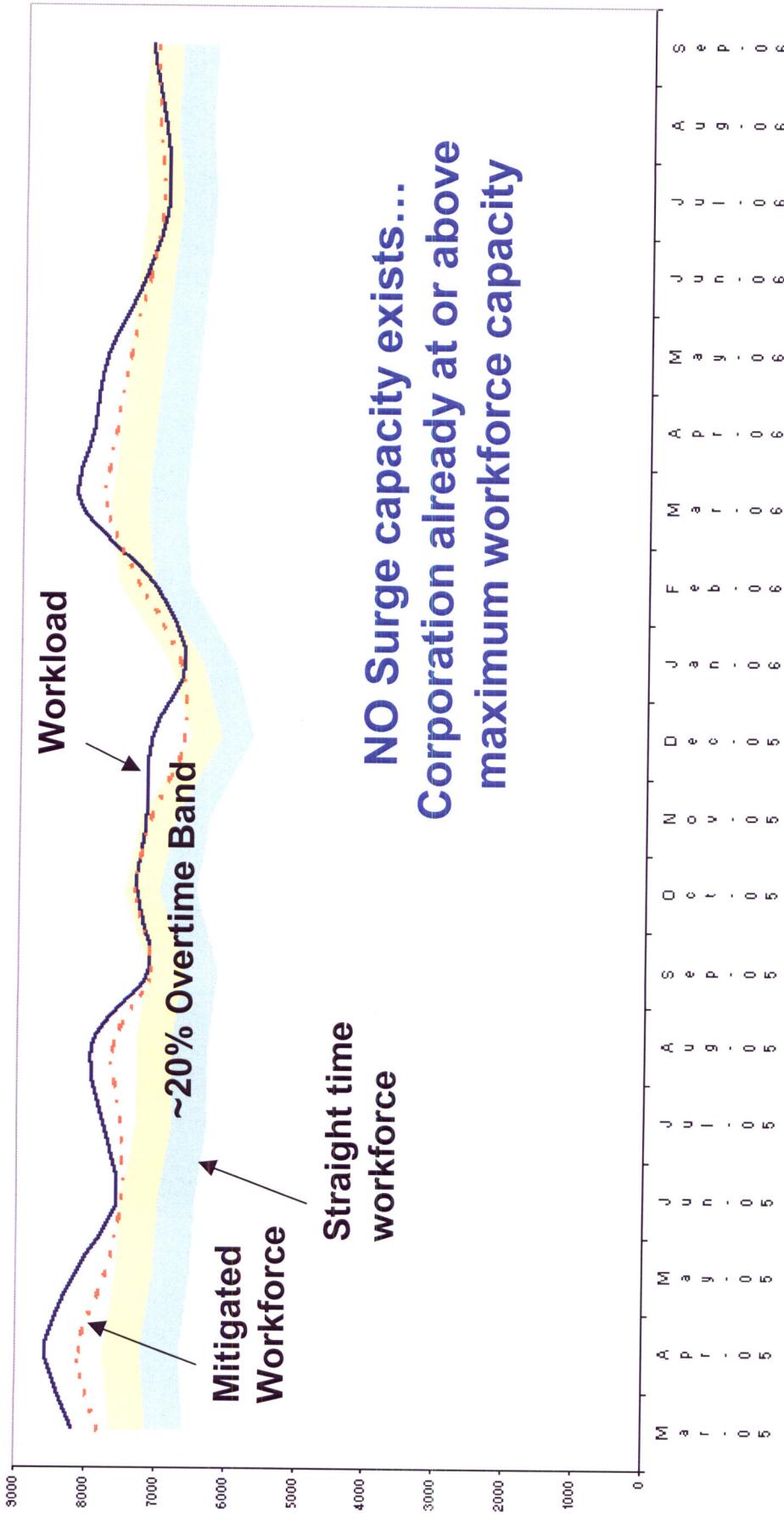
Portsmouth Naval Shipyard Innovation Leader

- One Shipyard
 - Corporate Production Resource Team
 - Lead Shipyard
- Project Management Mentoring
 - LEAN Shipyard
- Deck-plate Focus
 - Paperless Overhaul



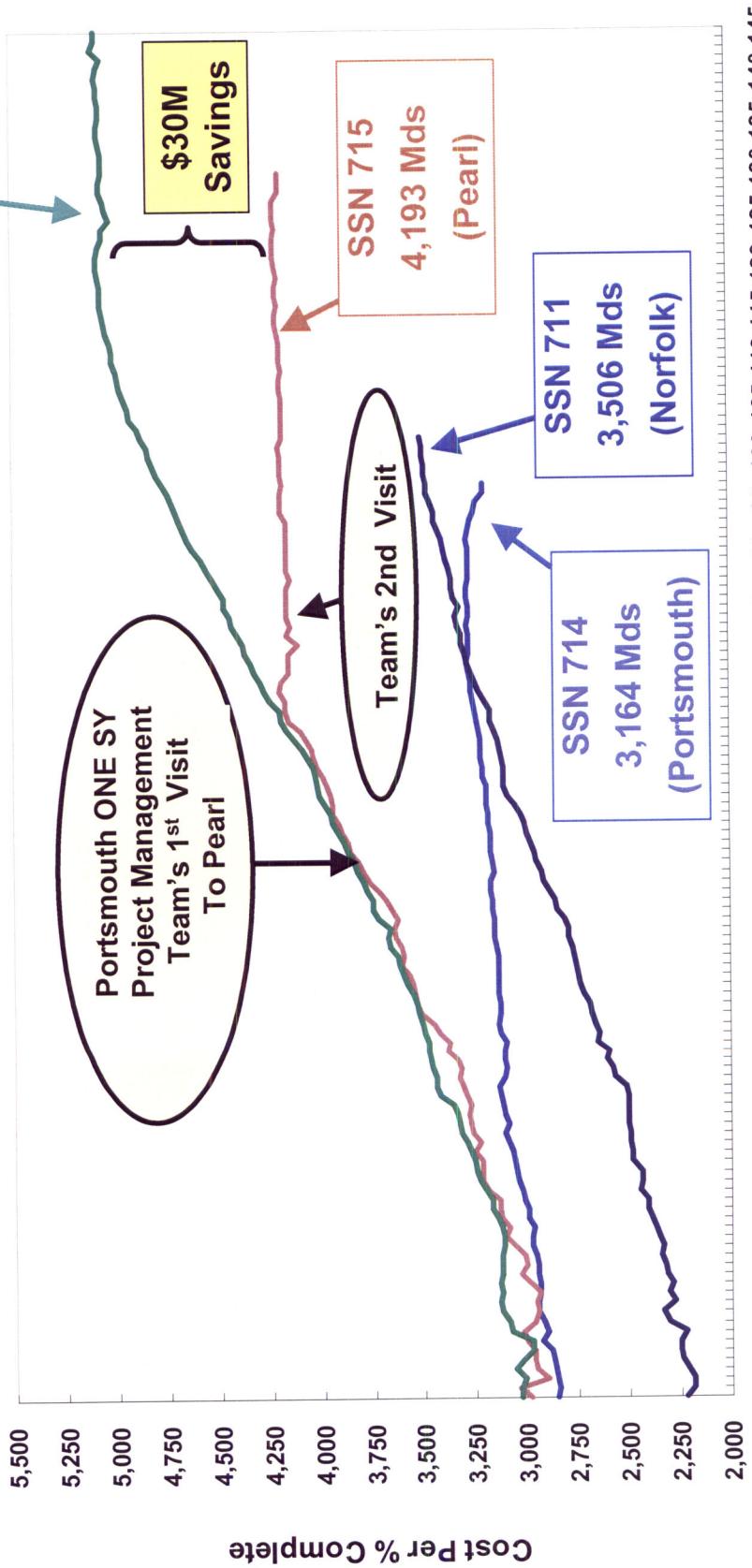


One Shipyards Moving People to Support the Warfighter



Contributes to NOR Success - \$33M returned to Warfighter

Lead Shipyard



Week of Avail

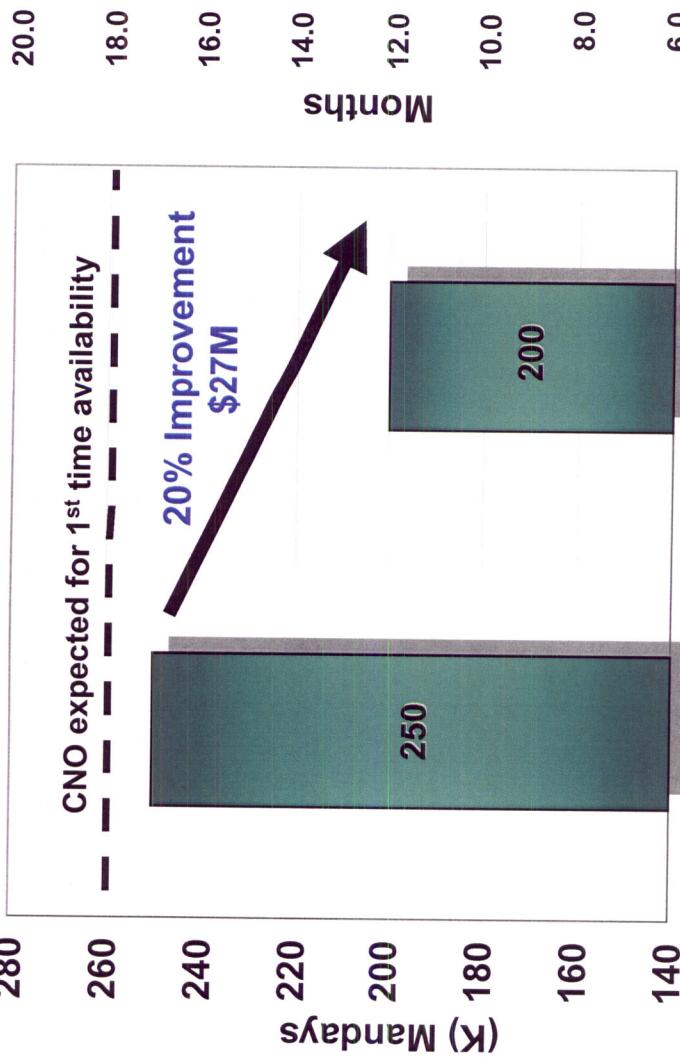
Los Angeles Class Engineered Refueling Overhauls
Cost Per % Complete



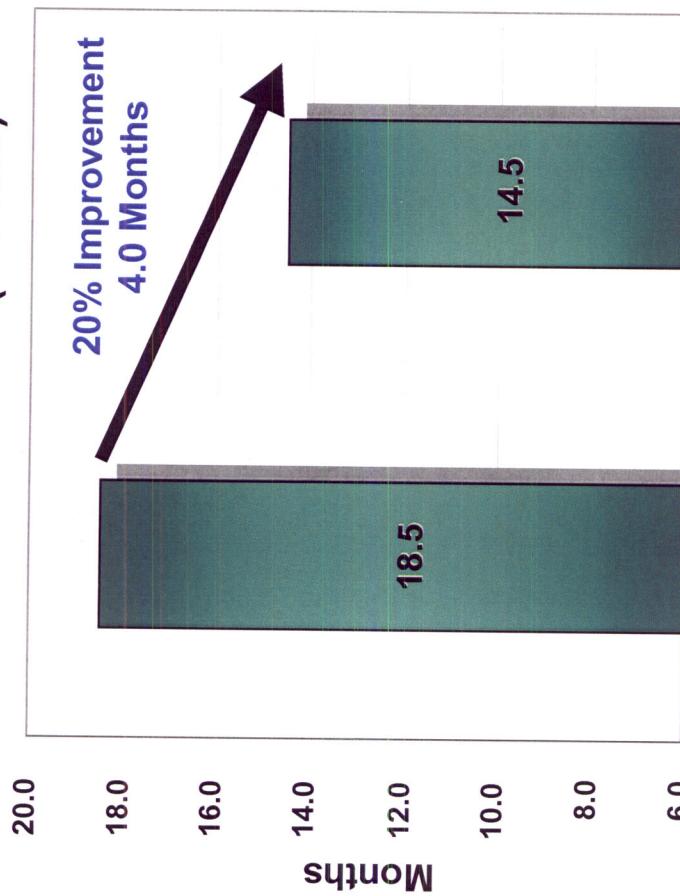
Lean Shipyard Engineered Overhauls



EOH Costs (Mandays)



EOH Duration (Months)



SSN 720
FY 05
Projected

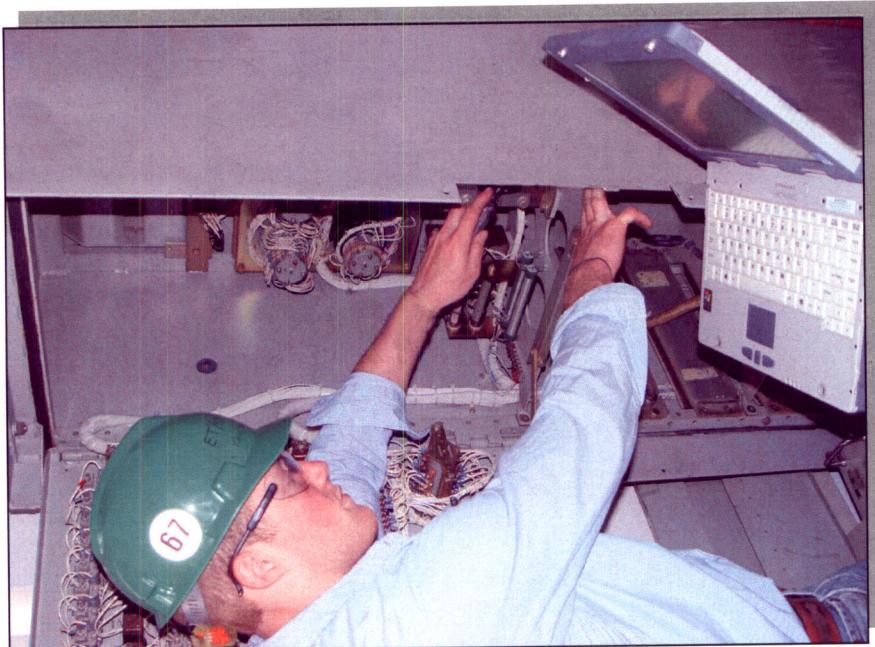
SSN 719
FY 04
Projected

On Track to Return \$27M to Navy





Portsmouth is Planning for the Future . . . Today Paperless Overhaul



Innovation Leader



This success cannot be replicated elsewhere.
Portsmouth's unique culture is the necessary foundation
that makes this possible.

- Portsmouth has a proactive and engaged workforce
 - Perfectly sized & scaled to pilot new ideas and processes affordably and with measurable results
 - Motivated and innovative mindset
 - Culturally rooted in maritime industry
- Visionary Union leadership that is willing to enable, support, and motivate an engaged workforce

This slide applies to Criteria No. 1 & 4



Ramifications of Portsmouth Closure



Military Value

- ⇒ Capacity
- ⇒ Efficiency
- ⇒ Innovation
- ⇒ **Cost of Operations and Manpower**

Payback

- ⇒ Cost of Closure
- ⇒ Savings



Portsmouth Naval Shipyard – Efficiency Through Innovation



Net Operating Results – Variances (\$000)

Portsmouth Naval Shipyard has achieved NOR for 7 years - On track to achieve NOR for 8th straight year

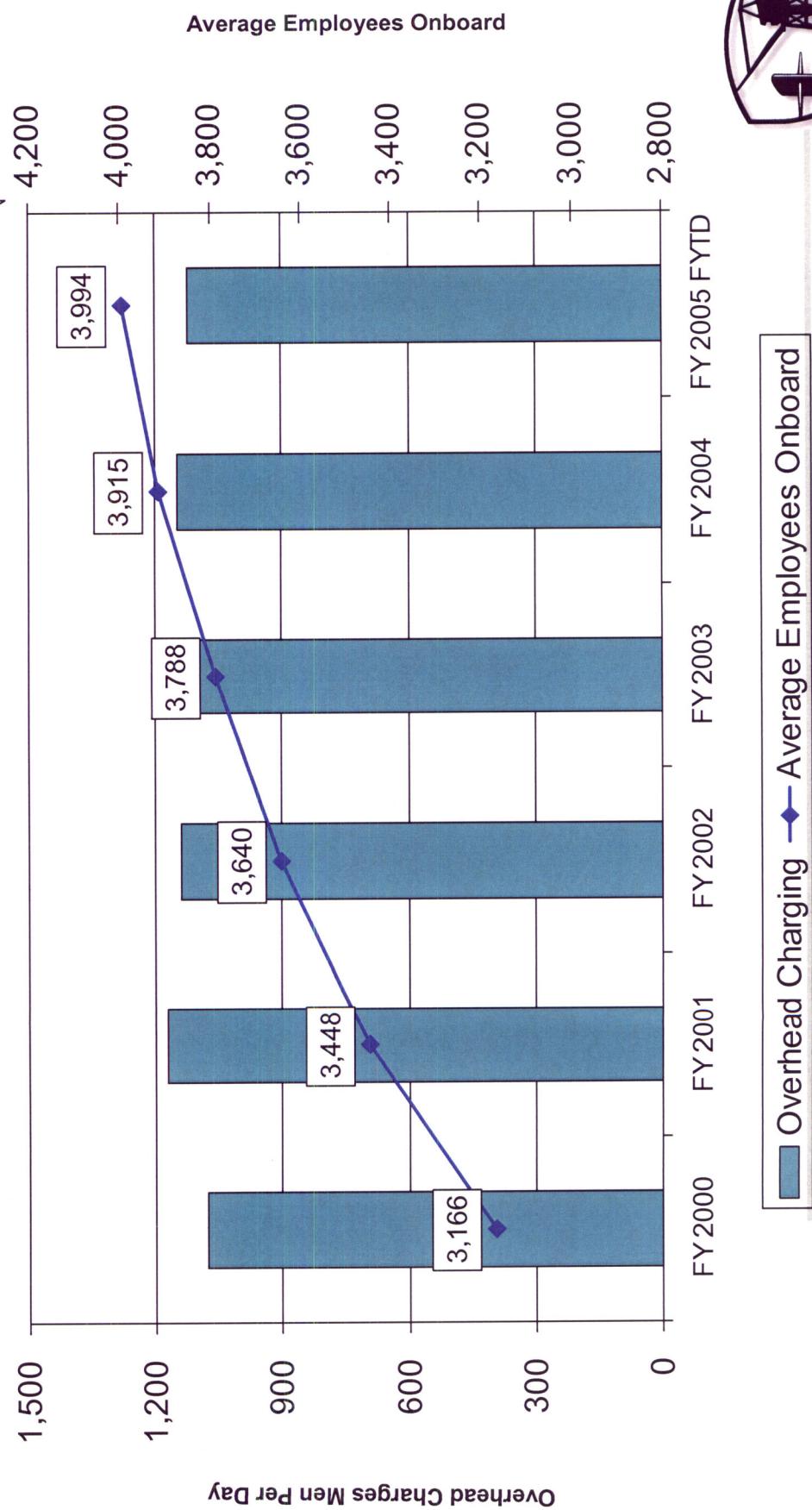




Controlling Overhead Costs

Straight Time Overhead Men Per Day Charging vs. Average On-Board

Total MDs FY:	495,359	516,040	588,819	601,913	671,435	681,566
Actual Rate FY:	\$579.68	\$609.53	\$609.60	\$620.37	\$604.63	\$579.62



Portsmouth's Performance Requires Less People



Portsmouth projects execution of current schedule work FY 2008 to FY 2019 for **1,521,000** Fewer Mandays.

125,000 Average Fewer Mandays
Required Per Year.

125,000 Fewer Mandays
Equals **729** Fewer
Employees Per Year.

729 Fewer Employees Per Year
Equals **\$54.7 Million** Savings
Per Year and **\$656 Million** 2008-
2019.

This slide applies to Criteria No. 4



Ramifications of Portsmouth Closure



Military Value

- ⇒ Capacity
- ⇒ Efficiency
- ⇒ Innovation
- ⇒ Cost of Operations and Manpower

Payback

- ⇒ Cost of Closure
- ⇒ Savings





Costs Not Accurately Captured in COBRA

- There are two Financial Models in the Navy:
 - Navy Working Capital Fund (NWCF): Portsmouth and Norfolk
 - Mission Funded: Pearl Harbor and Puget Sound
- The following are examples of annual costs of a NWCF activity that were not depicted in COBRA as costs for Mission Funded activities:

\$20M	Navy Marine Corps Intranet contract costs
\$10M	Utilities
\$10M	Capital Assets
\$ 5M	Workers Compensation
\$ 2M	Military Labor
<u>\$ 2M</u>	Headquarters costs
	<u>\$49M</u>





Costs Disallowed in COBRA

The following are examples of valid costs not included in
DoD's COBRA analysis:

Facilities

\$ 45.9M	Special Building Closure
\$ 34.1M	Historical Preservation of Buildings
\$ 23.3M	Power Plant Sustainability
\$ 20.3M	Empty Facilities Sustainability Cost
\$ 8.0M	Operations and Maintenance

NWCF

\$ 71.5M	Write-off of Un-depreciated Assets
\$ 24.2M	Federal Employees Compensation Act (FECA) Costs
\$ 10.9M	Material Disposition
\$ 10.6M	Navy Marine Corps Intranet (NMCI) Contract Cost
\$ 26.9M	<u>Environmental Compliance</u>

Miscellaneous

Closure Costs not included in COBRA

\$ 5.2M
\$280.9M



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Ramifications of Portsmouth Closure



Military Value

- ⇒ Capacity
- ⇒ Efficiency
- ⇒ Innovation
- ⇒ Cost of Operations and Manpower

Payback

- ⇒ Cost of Closure
- ⇒ Savings



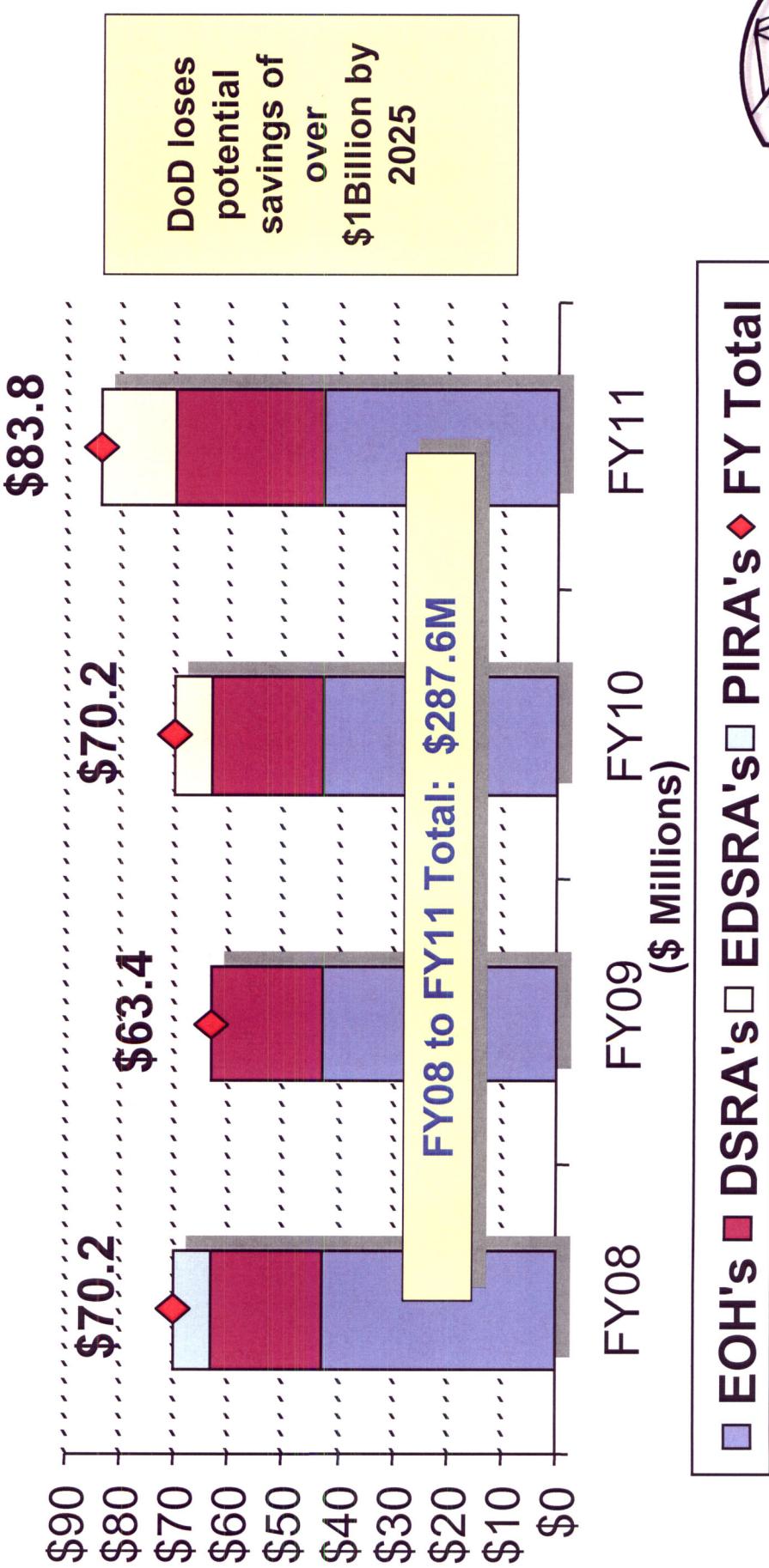
Workload Performance Metrics



PNS Executes	<u>Fewer</u> Mandays	<u>Fewer</u> Dollars	<u>Fewer</u> Months
EROs	118K	\$75M	6.0
DMPs	36K	\$20M	3.0
EOHs	66K	\$42.9M	4.0
SRAs	10.5K	\$6.8M	0.4



Cost of Moving Workload to Less Efficient Naval Shipyards



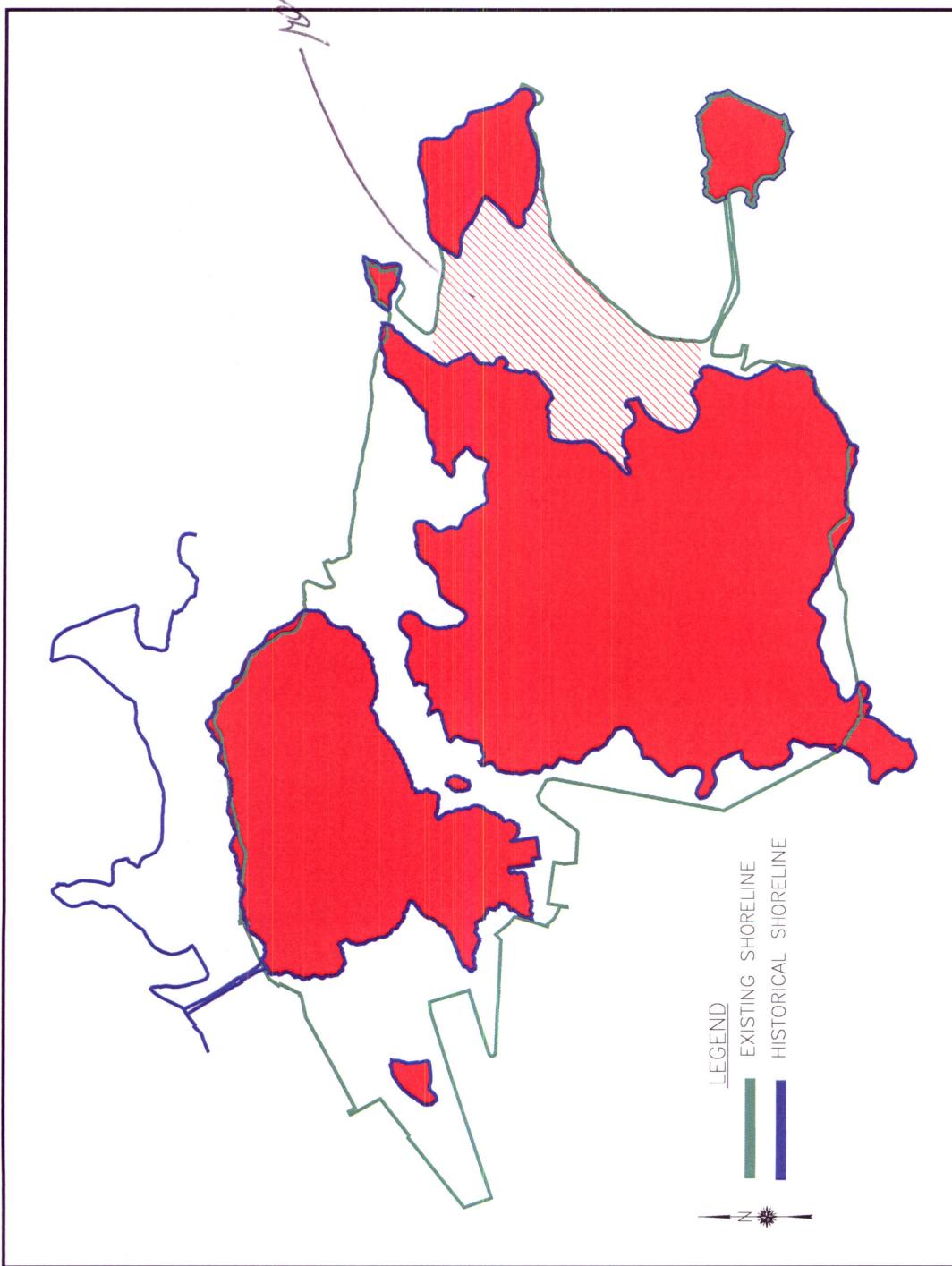


Environmental Restoration (DERA)

- DoD did not include the cost estimate for Environmental Restoration of \$47M in the COBRA Analysis.
- Clean up of Environmental sites must be accelerated to meet BRAC closure schedule.
- State of Maine will require clean up to meet “residential standard” vice “industrial standard”. Cost estimate will thereby increase to \$83M.
- Current estimate for clean up of Mare Island Naval Shipyard (closed by 1995 BRAC), is \$225M.
Source: Navy Environmental Restoration Website
- Current estimate for clean up of Pease Air Force Base (closed by 1988 BRAC) is \$181M.
Source: Defense Environmental Restoration Program
- Portsmouth is confident that final Environmental restoration costs will be a minimum of \$83M.



Environmental Unknowns





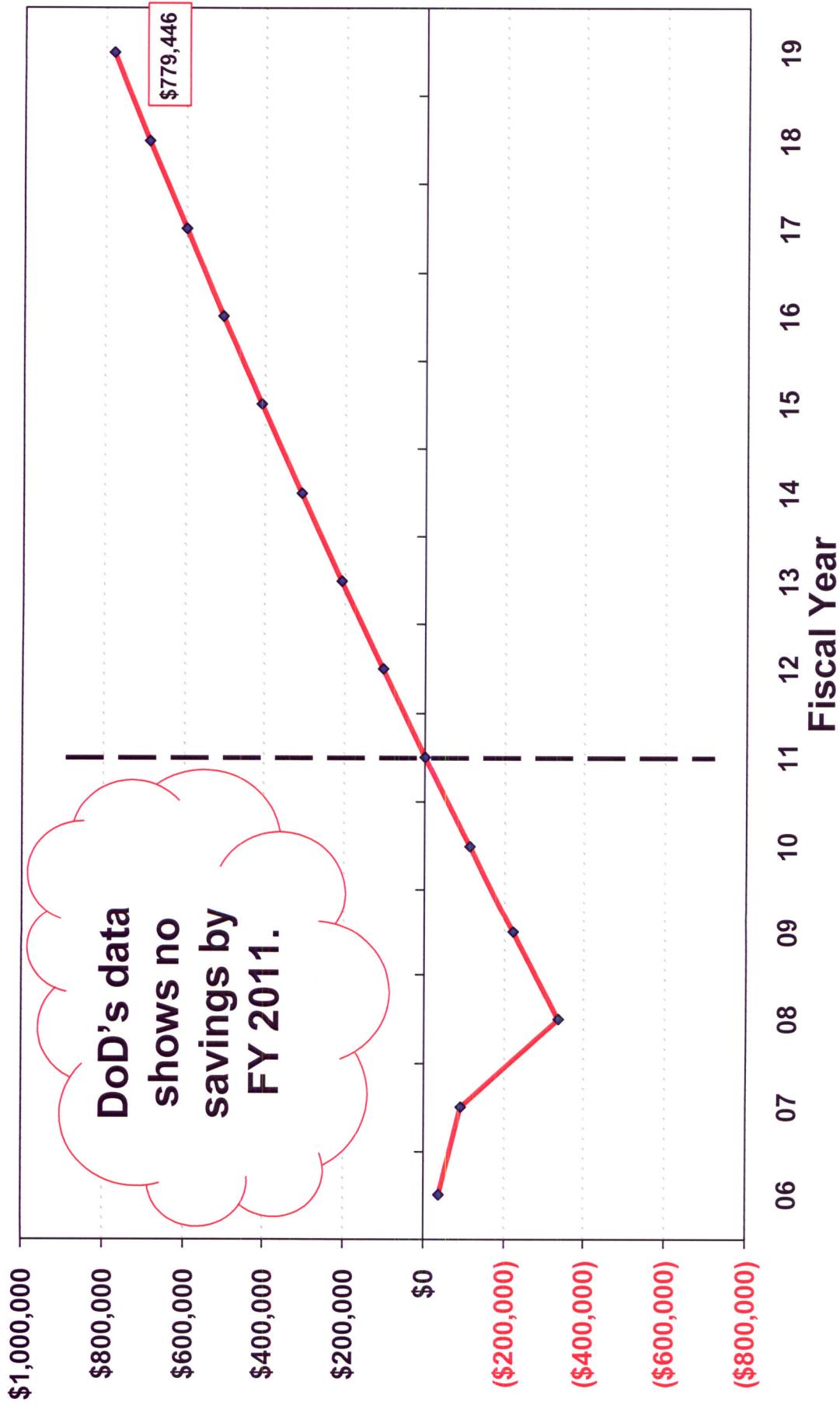
Actual Cost of Closure Understated By . . .

Savings Claimed by DoD	\$ (21) Million
Cost of Moving Workload	\$ 288 Million
Valid Costs Not Allowed in COBRA	\$??? Million
Environmental Restoration	\$ <u>????</u> Million
Additional Cost of Closure thru 2011	\$ 267+ Million

The cost impact of moving workload to less efficient shipyards, and the mandated cost of environmental restoration, results in over estimated savings projected from the closure of Portsmouth Naval Shipyard.



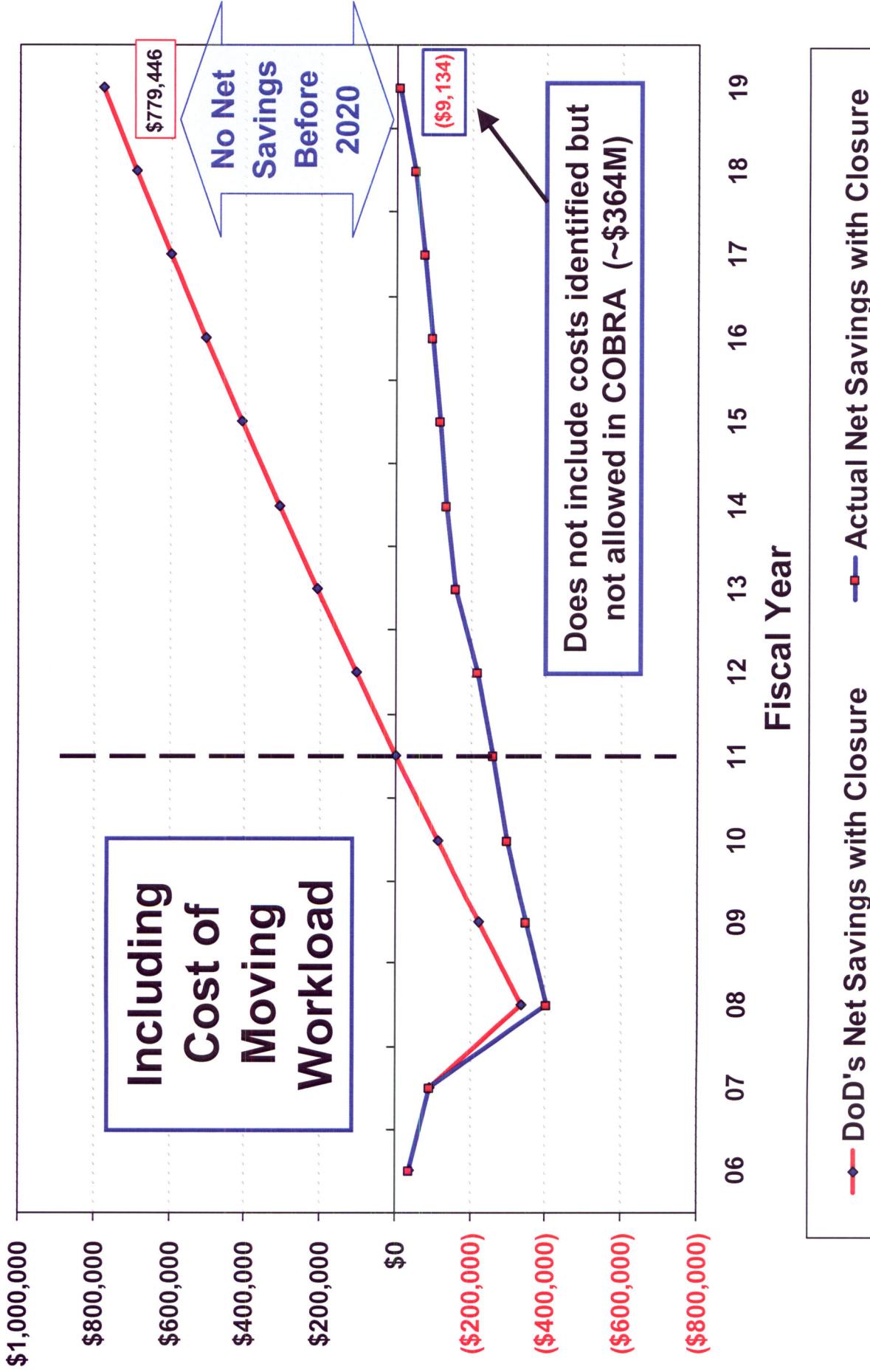
Projected Savings Calculations (\$000)



— DoD's Net Savings with Closure

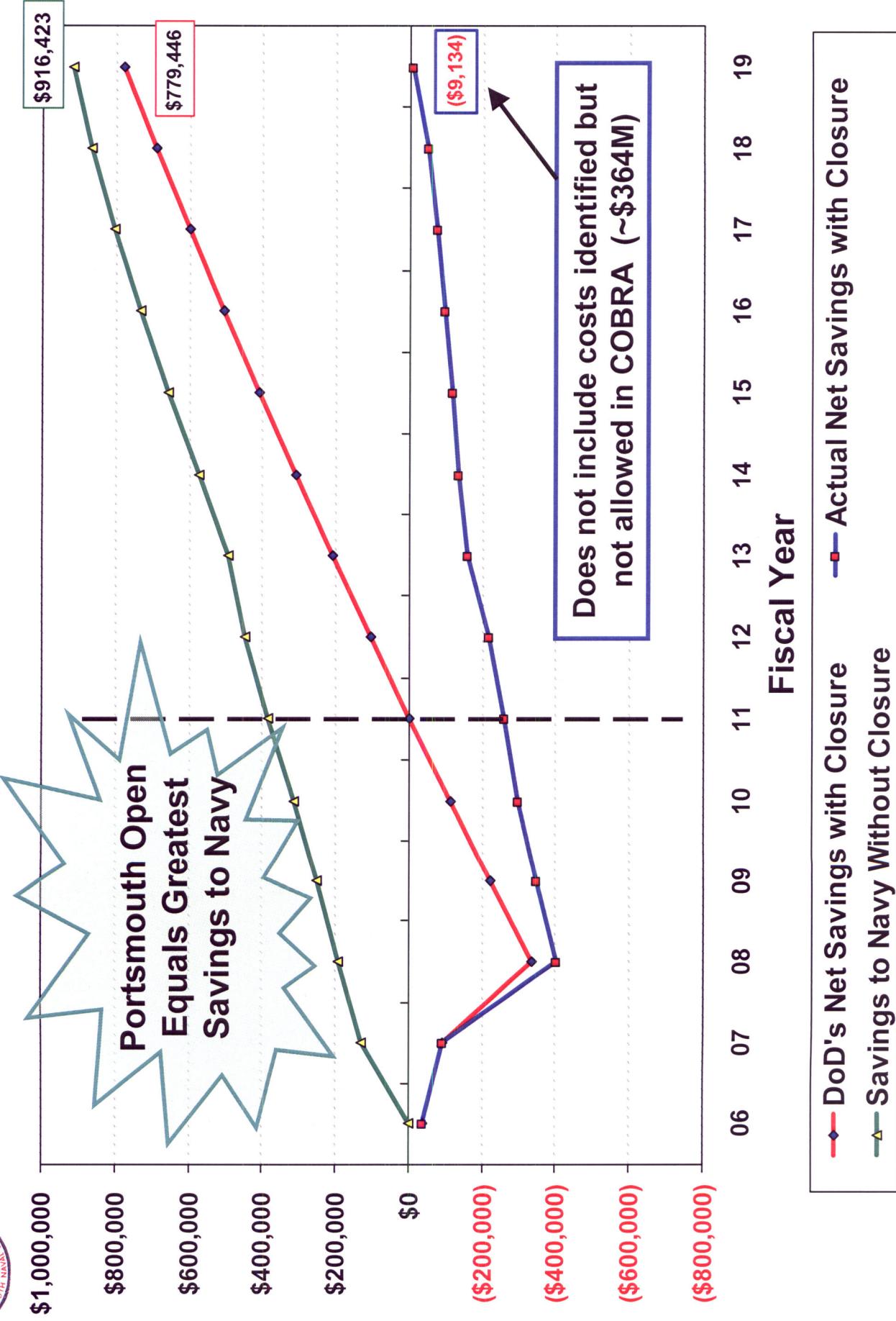


Projected Savings Calculations (\$000)

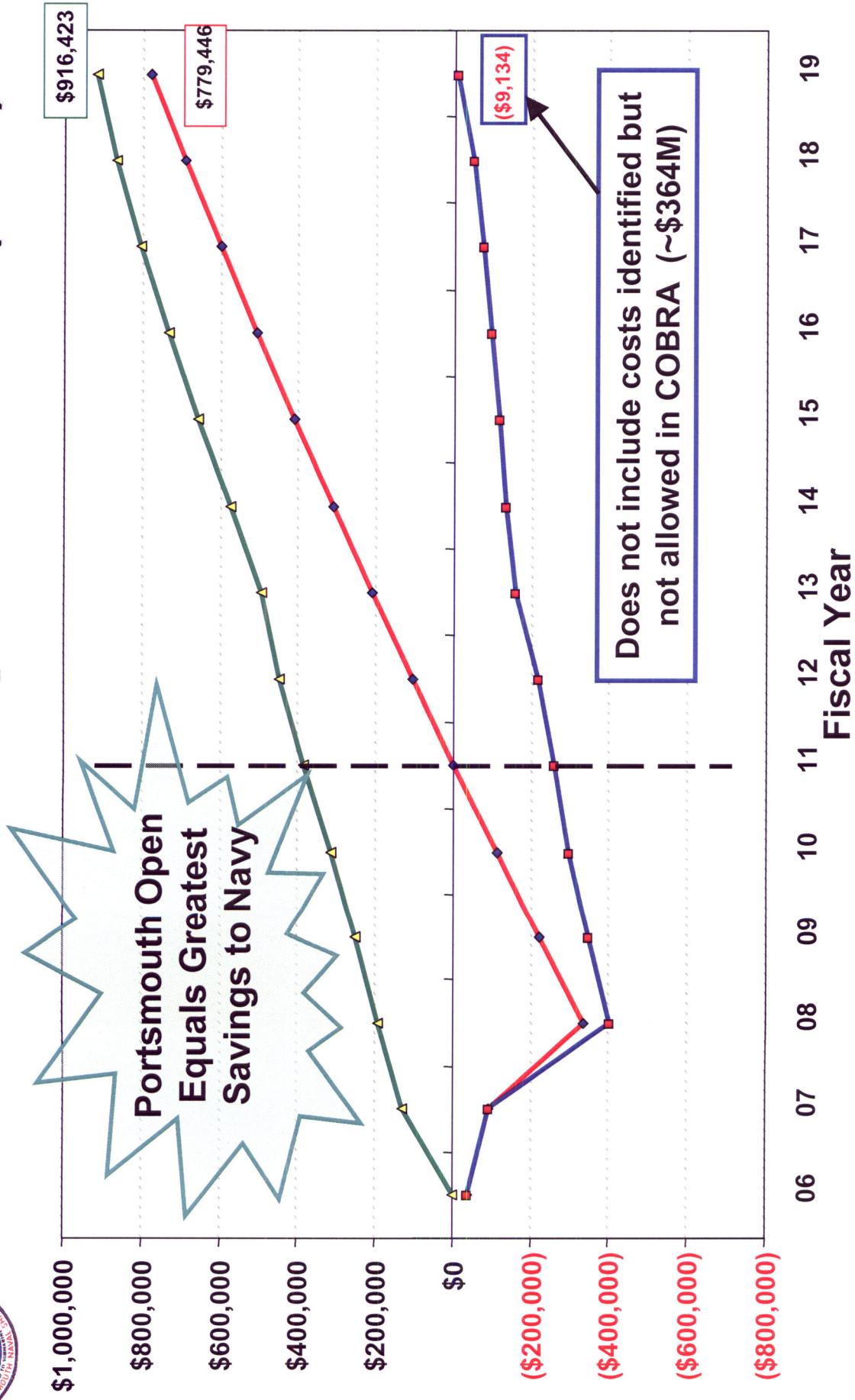




Projected Savings Calculations (\$000)



Projected Savings Calculations (\$'000)



This slide applies to Criteria No. 5 and No. 8



Purpose of BRAC

- Reduce Excess Capacity
- Save Money

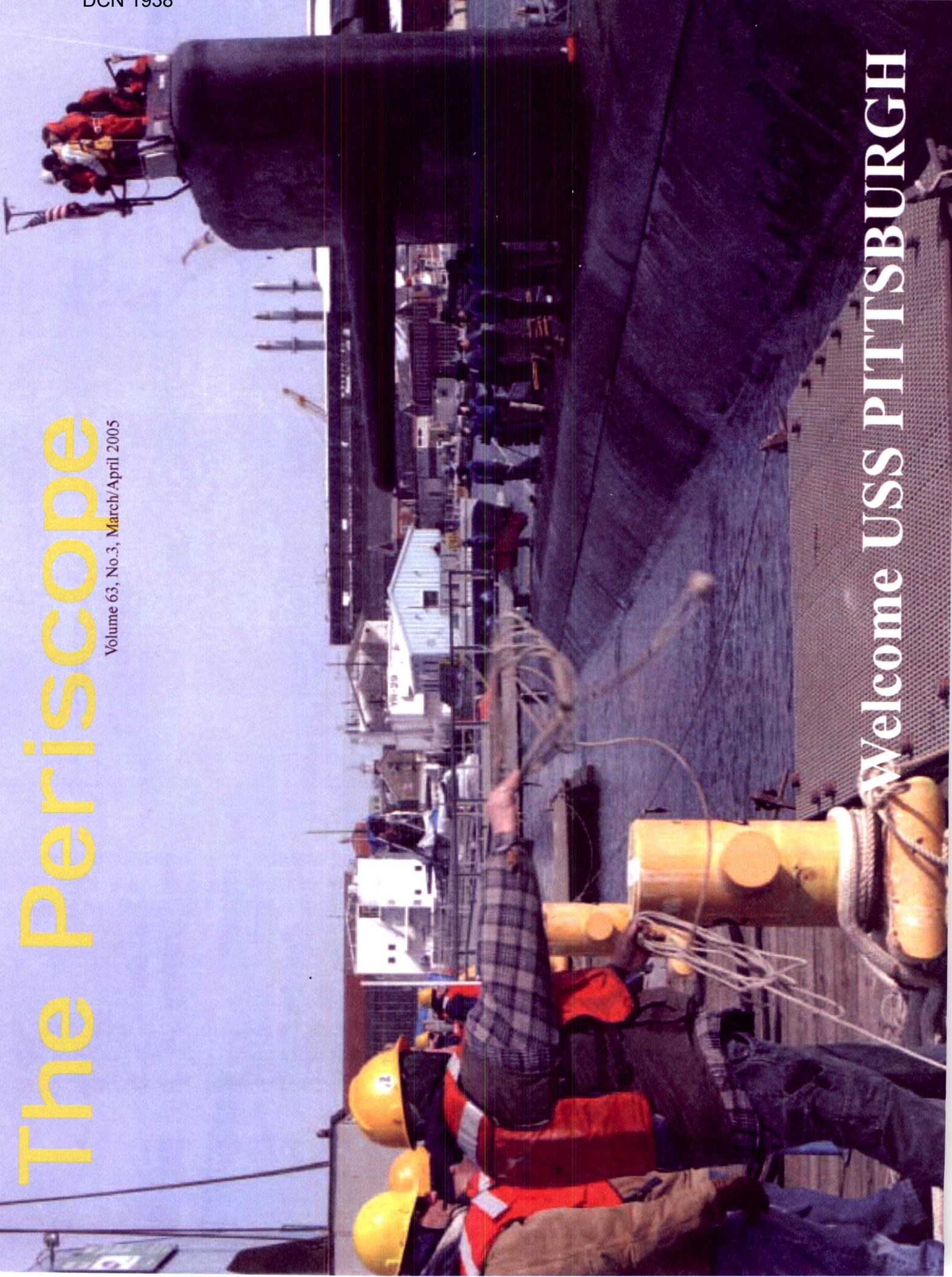
As a Result of Portsmouth Naval Shipyard Analysis,
We Believe DoD...

- Under-estimated Portsmouth Military Value
- Over-estimated Corporate Industrial Capacity to Perform Work Without Portsmouth
- Under-estimated Navy's Future Maintenance Workload
 - Inaccurately Calculated True Cost of Closure
 - Inaccurately Reflected Costs of Moving Workload
 - Disregarded Portsmouth's Contribution to Fleet Operational Readiness



The Periscope

Volume 63, No.3, March/April 2005



Welcome USS PITTSBURGH