

BUDGET ITEM JUSTIFICATION SHEET (P-40)									February 2004	
FY 2005 President's Budget (\$M)										
Shipbuilding and Conversion, IBA-5 Completion of PY Shipbuilding Programs									BLI 530000	
	Prior Year	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	Compl	TOTAL PROGRAM
Cost To Complete										
DDG 51	143.6	383.5	75.9	128.3	0.0	0.0	0.0	0.0	0.0	731.3
Virginia Class	227.0	326.7	300.4	91.3	38.7	0.0	0.0	0.0	0.0	984.1
Submarine Refueling	16.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	16.2
CVN	169.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	169.4
LPD 17	173.0	569.7	259.2	264.8	6.8	0.0	0.0	0.0	0.0	1,273.5
Total	729.2	1,279.9	635.5	484.4	45.5	0.0	0.0	0.0	0.0	3,174.5

COST TO COMPLETE

Virginia Class Submarine:

During the 1998,1999, 2000 and 2001 Ship Cost Adjustments (SCA), significant PY bills were identified that, due to lack of available assets, were deferred to later years. The PY Cost to Complete line (BA 05) funds the pay back of items that were cash flowed to cover those previously identified SCA items. Funds are required for completion of prior year ships of the VA Class Program (SSN 774, 775 & 776). Funds are required to complete the Virginia Class Submarine Design, Construction Cost Growth, higher than expected costs for Special Hull Treatment (SHT) and higher than expected costs for Electronic, Propulsor and Special Operating Forces (SOF) components.

LPD 17:

Funds are required for completion of prior year ships of the LPD 17 program. These requirements arise due to a number of factors that have occurred since the ships were appropriated. Factors include: changing/shrinking industrial base, higher overhead reates, investments to reduce future ownership costs, worker attrition rates, labor inefficiency, and an underestimation of the complexity of LPD 17 design and integration efforts.

DDG 51

Fund are required for the completion of prior year shiips of the DDG-51 Class Program. The funds that are identified in FY 04/05 in the Prior Year Cost to Complete line are required to fund shipbuilding construction contracts for FY 99 - FY 01 DDG 51 Class ships.