



PM Acquisition Panel: PD Joint Services

**Presented
at the**

Munitions Executive Summit

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PD Joint Services Five Primary Responsibilities



PROJECT DIRECTOR - COL JEFF WILSON

DEPUTY PROJECT DIRECTOR - MR. MATT ZIMMERMAN

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SINGLE MANAGER CONVENTIONAL AMMUNITION (SMCA) RESPONSIBILITIES:

- Coordinate and integrate the DoD's SMCA activities on behalf of PEO Ammunition
- Manage transition of Services' conventional ammo items into the SMCA account
- Annual Survey measures performance

Cathy Heslin (Business Division Chief)
Ian Valentine & Doug Lincoln (SMCA & Service Integration)



AMMUNITION INDUSTRIAL BASE:

- Manage Ammunition Industrial Base modernization
- Section 806 implementation & Single Point Failure (SPF) Program
- Execute Armament Retooling & Manufacturing Support (ARMS) efforts
- Formulate Ammunition Industrial Base strategic planning

Mr. Kwok Cheung - Industrial Base Division Chief

PRODUCT MANAGER DEMILITARIZATION:

- Demil of all DoD conventional ammunition
- Demil research & development projects
- Ammunition Peculiar Equipment (APE)

Mr. Larry Gibbs - Product Manager Demil

TECHNOLOGY AND PROTOTYPING:

- Technology solutions for the Ammo Industrial Base addressing:
 - Single Points of Failure
 - Cost reduction efforts
 - Production efficiencies

Ms. Kerry Henry - Technology & Prototyping Division Chief

AMMUNITION LOGISTICS:

- Manage US Army ammunition logistics R&D efforts
- Develop/synchronize joint ammunition logistics programs with other Services

Mr. Al Galonski - Ammo Logistics Division Chief





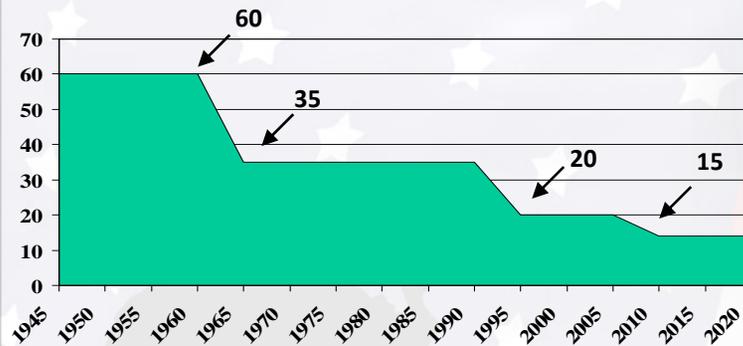
Ammunition Industrial Base Overview



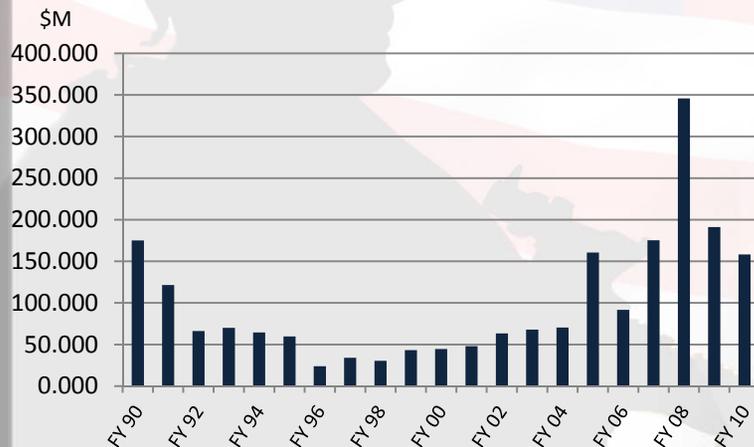
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Historical Background

Army Ammo Organic Facilities Over Time



Cyclical GOCO Modernization Funding



Desert Storm

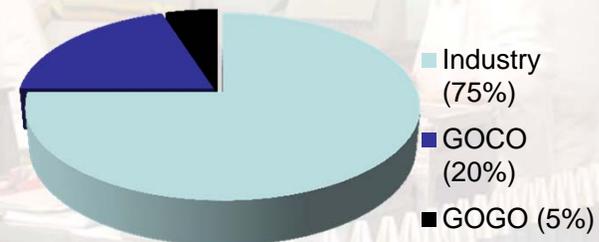
OIF

PAA- Procurement of Ammunition, Army
MCA- Military Construction, Army
CIP- Capital Investment Program

Post 05 BRAC Industrial Base

- **Commercial Suppliers: Principal Source of Ammunition:**
 - 200+ Key Commercial Sources
- **Supply Chain State:**
 - 33 Critical Single Point Failures
 - 19 Mitigated
- **GOCO Army Ammunition Plants (AAPs):**
 - 6 AAPs (Radford, Lake City, Holston, Scranton, Iowa, Milan,)
 - 1 Facility @ Rock Island Arsenal (Riverbank AAP BRAC Capability)
 - **Modernization Funded via PAA**
- **GOGO Ammunition Installations**
 - 3 Army Multi-Mission Installations (Production and Logistics): Crane, McAlester, Pine Bluff
 - **Modernization Funded via MILCON and CIP**
- **5 Logistics/Depots: Tooele, Hawthorne (GOCO), Blue Grass, Anniston Munitions Center (MC), Letterkenny MC**

Typical Annual Funding Distribution (Ammo)



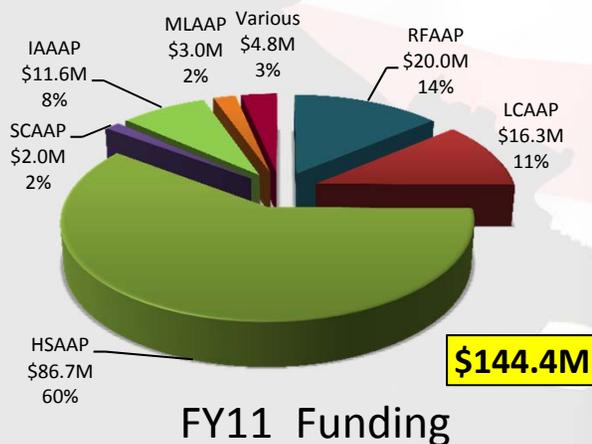


GOCO AAP Capability and Modernization Funding



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| GOCO AAP Capability and Modernization Funding | | | |
|---|---|--|-------------------------------------|
| GOCO Facility | Core Processes | FY03-10 Funding Totals (\$M) Past Investment | FY11-15 Critical Requirements (\$M) |
| Radford (VA) | Propellant Manufacturing (Rocket, Artillery, Tank, Med Cal; NC for all Propellants) | \$420.003 | \$327.110 |
| Lake City (MO) | Small Caliber | \$301.242 | \$34.153 |
| Holston (TN) | Explosives - HMX, RDX | \$287.420 | \$202.548 |
| Scranton (PA) | Large Caliber Metal Parts-Artillery/Mortars | \$58.664 | \$35.689 |
| Iowa (IA) | Load, Assemble & Pack (LAP) - Tank/Artillery, Warheads | \$95.032 | \$45.339 |
| Milan (TN) | LAP - Mortars, 40mm Cartridges; C-4 Extrusion | \$20.362 | \$2.972 |
| Engineering Support | Engineering Support/ATEC | \$26.807 | \$22.284 |
| TOTAL | | \$1,209.530 | \$670.095 |



| (\$M) | FY10 | FY11 | FY12 | FY13 | FY14 | FY15 | TOTAL |
|---------------------------|-------|-------|-------|-------|-------|-------|-------|
| FY2011 PresBud - Feb 2010 | 158.3 | 144.4 | 132.4 | 123.4 | 134.0 | 135.9 | 828.4 |

159 Ongoing Modernization Projects



Modernization in Support of the Warfighter



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Radford Army Ammunition Plant Nitric Acid Concentrator/Sulfuric Acid Concentrator (\$110M project)

Benefits

- The NAC/SAC Concentrator provides strong nitric acid (SNA) and strong sulfuric acid (SSA) for the production of Nitrocellulose (NC) - a critical component for many munitions
- Minimizes the likelihood of production interruptions by the replacement of the previous 30 year old NAC/SAC
- Reduces cost of operations: less labor, less energy consumption, less required maintenance



Project completed Sep 29, 2010

Holston Army Ammunition Plant Area A to B Consolidation (\$142M project)

Benefits

- Modernizes the production of critical Acetic Acid and Acetic Anhydride
- Eliminates security/safety/environmental risks associated with the current 7 mile long pipeline and rail
- Eliminates current challenges of obtaining replacement parts for facility/equipment built and installed during WWII



Area A (approx. 112 acres)



Conceptual design of Area B after consolidation (approx. 10 acres)

Project Initiated May 2009 with completion scheduled by Dec 2013

Scranton Army Ammunition Plant Rotary Furnace Modernization (\$4M project)

Benefits

- The modernized rotary furnace will maintain critical production capability of large-caliber projectile metal parts (M795, M107, M804, M485, M110)
- Incorporates modernized, automated and highly efficient process, utilizing proven advanced technologies
- Reduces cost of operations: less labor, less energy consumption, less required maintenance and overcomes part obsolescence issues



Rotary Furnace



Robotic Arm Being Installed

Project completed December 2010

Lake City Army Ammunition Plant Occupational Safety & Health Administration Machine Guarding (Phase I of project = \$3M)

Benefits

- Brings Small Caliber machinery and machine guarding into compliance with current OSHA regulations
- Reduce the likelihood of production injuries
- Modernize critical legacy production equipment to comply with current regulations and laws

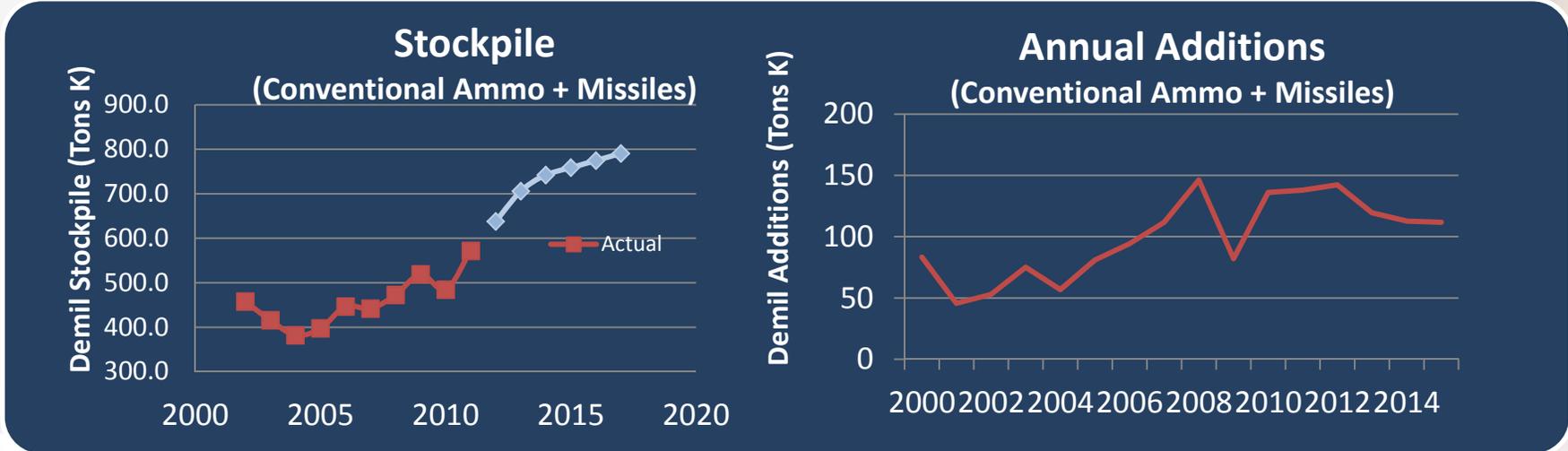


Phase I complete - 200 Machines modernized to meet OSHA compliance



Demilitarization Status

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Addition Influences

- Cluster Munitions / Landmines, WRSA-K, Aging Cold War Stocks, PIPs

Reversing the Trend

- Maximum use of low cost facilities / processes
- Establish production based thinking
- Defend against rising additions
- Reduce secondary cost expenditures (transportation, support, etc)
- Average demil over last five years is 58K tons

Demil Funding (Pres Bud 2011)





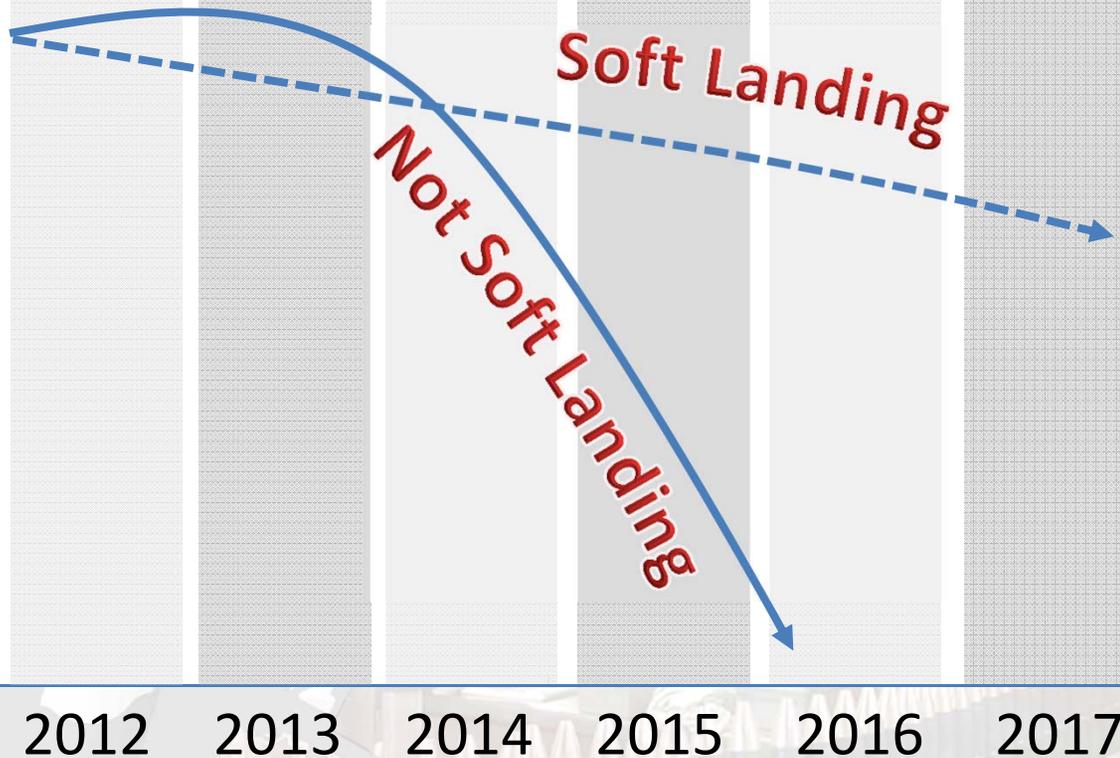
Industrial Base Challenge



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Ammo Requirements





Challenges



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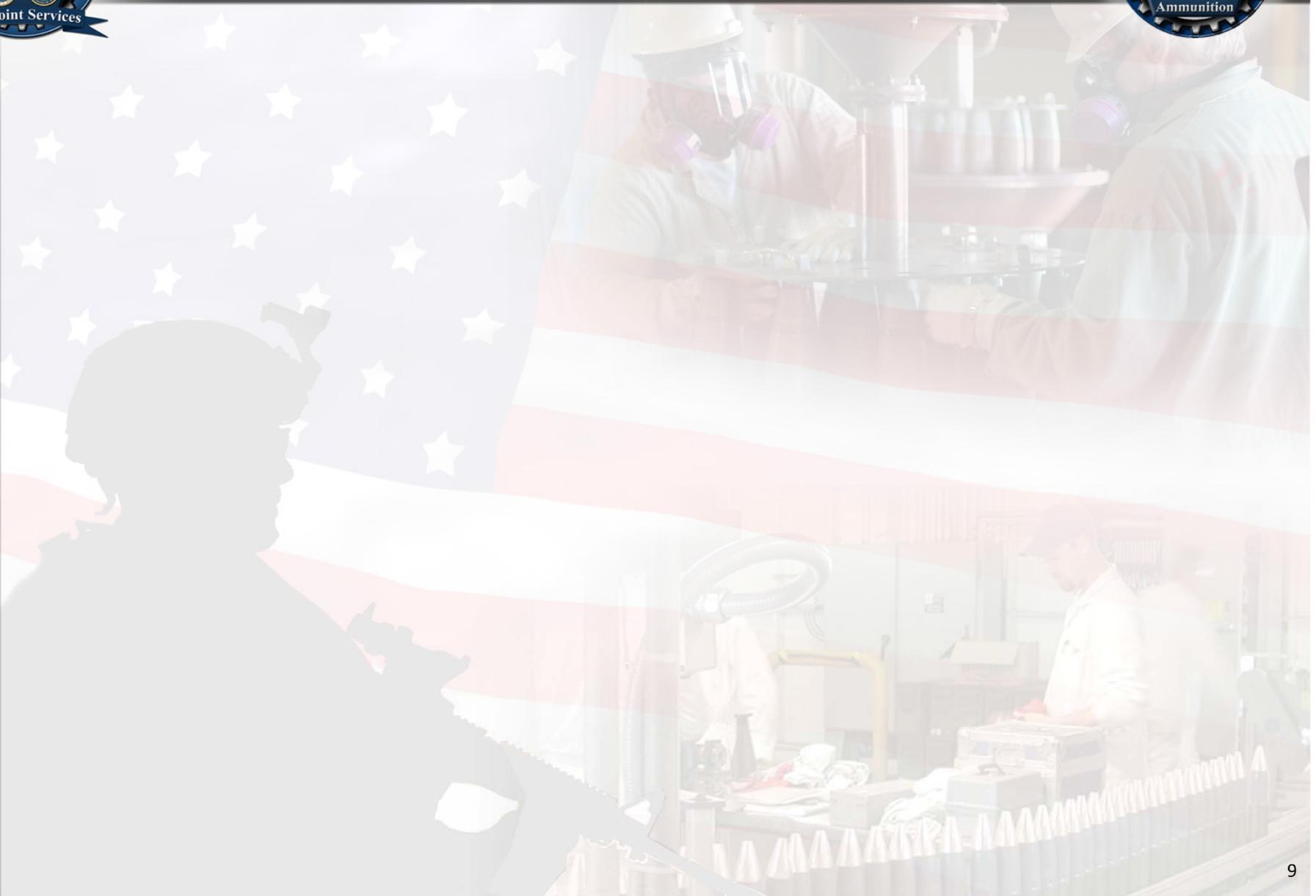
- Implementing high volume of AAP modernization projects without disrupting production
- Identifying innovative Demil Solutions to increase through-put
- Supporting analysis of Anniston Chemical Destruction Facility Reuse Initiative for conventional ammunition demilitarization
- Identify ways to improve delivery of ammunition (especially packaging solutions) to our customers
- Managing supply chain for a “soft landing”



Backup



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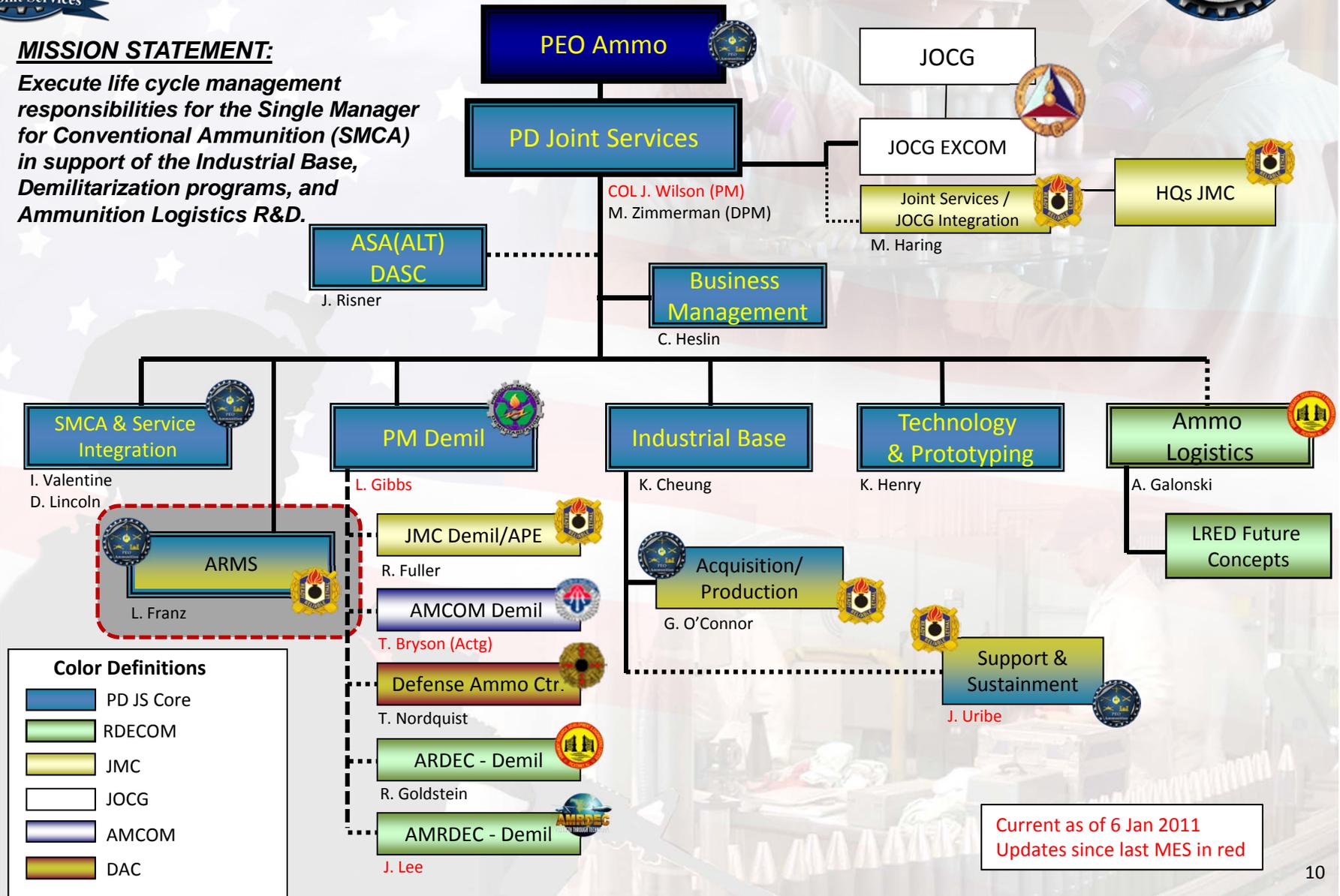


Joint Services Organization Chart

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MISSION STATEMENT:

Execute life cycle management responsibilities for the Single Manager for Conventional Ammunition (SMCA) in support of the Industrial Base, Demilitarization programs, and Ammunition Logistics R&D.



Color Definitions

| | |
|--|------------|
| | PD JS Core |
| | RDECOM |
| | JMC |
| | JOCG |
| | AMCOM |
| | DAC |

Current as of 6 Jan 2011
Updates since last MES in red