DATA ITEM DESCRIPTION

1. DID NUMBER: -
2. TITLE: LIFE CYCLE COST REPORT and Model
3. Description and Intended Use

The Life Cycle Costing Report and Model (LCCRM) provides the details associated with the development of the Life Cycle Cost (LCC) model(s), the results of the LCC analysis activities, and the data files for the LCC model(s).

The Contractor uses the LCCRM to:

document the LCC model(s) and the results of LCC analysis activities undertaken;

assist with demonstrating to the Commonwealth that the Contractor’s design for both the Mission System and the Support System represents a solution that minimises LCC; and

provide recommendations to the Commonwealth for proposed design solutions that, if adopted, would reduce LCC.

The Commonwealth uses the LCCRM to:

evaluate the Contractor’s design for both the Mission System and Support System with respect to LCC;

assist with monitoring the progress of the Contractor’s developmental activities under the Contract; and

enable the Commonwealth to undertake Independent Verification and Validation (IV&V) of the Contractor’s design with respect to LCC.

1. INTER-RELATIONSHIPS

The LCCRM is subordinate to the following data items, where these data items are required under the Contract:

Project Management Plan (PMP); and

Life Cycle Cost Management Plan (LCCMP).

The LCCRM inter-relates with the following data items, where these data items are required under the Contract:

Mission System design documents, as defined in the Mission System Technical Documentation Tree (MSTDT);

Support System Description (SSDESC);

Level Of Repair Analysis Report (LORAR);

Task Analysis Report (TAR);

Logistic Support Analysis Record (LSAR);

Recommended Spares Provisioning List (RSPL);

Packaging Provisioning List (PACKPL);

Support and Test Equipment Provisioning List (S&TEPL); and

Training Equipment List (TEL).

1. Applicable Documents

The following documents form a part of this DID to the extent specified herein:

|  |  |
| --- | --- |
| 1. Nil. |  |

1. Preparation Instructions
   1. Generic Format and Content

The data item shall comply with the general format, content and preparation instructions contained in the CDRL clause entitled ‘General Requirements for Data Items’.

The data item shall include a traceability matrix that defines how each specific content requirement, as contained in this DID, is addressed by sections within the data item.

* 1. Specific Content
     1. General

The LCCRM shall provide sufficient detail to enable the Commonwealth to understand:

the LCC model(s) developed by the Contractor;

the LCC analysis activities undertaken by the Contractor; and

the use made of the outcomes of the LCC analyses by the Contractor in the design and development of both the Mission System and the Support System and trade-offs between the two systems.

* + 1. LCC Model Development

The LCCRM shall describe the LCC model(s) developed by the Contractor, including:

definitions of all terms, acronyms, and model parameters used;

any assumptions underpinning, or limitations with, the LCC model(s), including:

the scope of the Mission System that has been modelled, including the indenture level of the physical build structure for the Mission System;

the modelling of the operational concepts and the Life-of-Type (LOT) for the Mission System (as documented in the Operational Concept Document (OCD));

the modelling of Software life-cycle costs; and

the modelling of the Support System,

any departures from the information sources utilised, the build structure of, and the assumptions underpinning:

the Contract Work Breakdown Structure (CWBS);

the LSAR, if an LSAR is required under the Contract;

the spares-optimisation model; and

any other models utilised by the Contractor to model either the Mission System or the Support System (eg, Level Of Repair Analysis model),

the input data used to build the LCC model(s), including:

the source of the data;

the date that the data was first generated;

if the data is an estimate, the nature of the estimate;

the source currency of the cost data and the exchange rates utilised to bring the cost data into a common currency;

the base year of each cost element and the factors utilised to bring each cost element into a common base year; and

the justification for the use of the data.

Note: Examples of the data that should be justified include cost data, Turn-Around Time (TAT) data, Administration and Logistics Delay Time (ALDT) data, and reliability and maintainability data.

* + 1. LCC Analysis Activities and Outcomes

The LCCRM shall describe the LCC analysis activities that have been undertaken by the Contractor, including details of the sensitivity and trade-off analyses conducted and results obtained.

The LCCRM shall detail:

the LCC drivers that have been identified; and

the analyses of these LCC drivers that have been undertaken.

* + 1. Integration of the LCC Analysis Outcomes into the Developmental Program

The LCCRM shall detail the approach adopted to address the identified LCC drivers and the outcomes of the sensitivity and trade-off analyses to ensure that the design of the Mission System and Support System is a solution that minimises LCC.

The LCCRM shall identify any proposed design solutions for either the Mission System or the Support System (or both), which could result in:

a transfer of costs between the Mission System and the Support System; or

a transfer of costs between any of the Commonwealth, the acquisition Contractor (and Subcontractors), and the Contractor (Support) (and Subcontractors (Support)).

The LCCRM shall detail which of the identified design solutions that the Contractor recommends should be adopted by the Commonwealth, including the rationale for the recommendations.

* + 1. LCC Model

The LCCRM shall include the LCC data files for the LCC model(s) in a form that does not require the Commonwealth to separately key the LCC data into the LCC model(s).

Where the LCC modelling tool or software used by the Contractor is not held by the Commonwealth, the Contractor shall provide:

executable files for the LCC model;

sufficient details of the LCC modelling tool or software to enable the Commonwealth to undertake IV&V of the LCC model; and

Cost Estimating Relationships and LCC algorithms, if available.