

# DDG TRANSITION SUPPORT PERIODCOMBAT SYSTEMS INTEGRATOR CONTRACT AG00016897PUBLIC AUSTRALIAN INDUSTRY CAPABILITY (AIC) PLAN

## DDG CSI PUBLIC AIC PLAN (NOVEMBER 2023)

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Title of Approval Authority:	Program Manager
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## STATUS

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## DISTRIBUTION LIST

COPY	DISTRIBUTION
Master	Raytheon Australia (controlled and accessible via Company Configuration Management System)
Copies	BAE Systems Australia (Managing Contractor) via email

## **PUBLIC AIC PLAN**

**AG00016897**

### **COMPANY DETAILS:**

Company Name: Raytheon Australia Pty Ltd

Location: **4 Brindabella Cct, Brindabella Business Park, Canberra Airport ACT 2609**

Website Address: [www.raytheon.com.au](http://www.raytheon.com.au)

### **EXECUTIVE SUMMARY**

BAE Systems, as the Managing Contractor (MC) has engaged the services of Raytheon Australia Pty Ltd (the 'Contractor') to provide Combat System Integration Services (CSI), as a party to the Destroyer Enterprise, under the terms of Contract AG00016897 for the provision of sustainment services during the Transition Support Period (TSP).

This public AIC Plan outlines details of Raytheon Australia's contracted scope of work and the associated development of Australian Industry Capability in delivering the required capability to the MC. This plan is a subset of the BAE AIC Plan for sustainment of the DDGs.

The contracted scope under AG00016897 Destroyer Enterprise Combat System Integrator (DDGCSI) TSP contract, includes the provision of the following elements:

- Engineering Support;
- Maintenance Support;
- Combat System Supply Support;
- Provision and support of Support Resources, including:
  - Personnel;
  - Technical Data;
  - Support and Test Equipment; and
  - Packaging;
- Verification & Validation (V&V).

Raytheon Australia signed the contract with BAE Systems Australia in February 2018 for an initial Target Base Estimate (TBE) period of 4 months (TBE1) ending on 30 June 2018.

Subsequent TBE periods are made up of the following:

TBE Period 2	1 July 2018 to 30 June 2019
TBE Period 3	1 July 2019 to 30 June 2020
TBE Period 4	1 July 2020 to 30 June 2021
TBE Period 5	1 July 2021 to 30 June 2022
TBE Period 6	1 July 2022 to 30 June 2023 and

TBE Period 7

1 July 2023 to 30 June 2024

In delivering the Australian-based scope of work, Raytheon Australia is contributing to the development of Industry Requirements IR1, IR2 and IR4 elements (Table 1) and is primarily being undertaken in Garden Island, NSW, Australia.

Ultra-Electronics Avalon Systems Pty Ltd (Ultra) has been selected as the major subcontractor with a scope for the provision of sustainment services for the Integrated Sonar System. The Ultra contracted scope of work will contribute to the development of Industry Requirements IR1, IR2, and IR4 in Sydney and Adelaide.

Industry Requirements (IR) Table 1, is provided below for a summary and description outlining each IR scope fulfilment:

IR No	IR Title	Nature of Industry Requirement Activity
IR 1	SIC – Naval Shipbuilding	Verification & Validation - Undertake verification and validation activities on the DDG systems to ensure consistency with the Support System Specification.
IR 2	SIC – Naval Shipbuilding	Maintenance Management and Conduct – The planning, scheduling and conduct of maintenance availability, including the associated engineering, supply support, data analysis and monitoring, to provide assurance to the CoA that the maintenance requirements of the capability are optimised and achieve value for money.  Planned Maintenance periods are not currently scheduled to be conducted offshore. Only Corrective Maintenance is intended to be conducted outside Australia, for example in the case of an urgent defect (URDEF) when the ship is deployed away from its home port and repair in an overseas country is the most expeditious solution for restoring operational capability.
IR 3	SIC – Systems Assurance Capabilities	Configuration Management – The planning, management and documenting of system upgrades or changes to the combat, command and control, communications, and platform systems.
IR 4	SIC – System Life Cycle Management	Asset Management – The sustainment management of the DDGs using data analysis and information to make informed decisions that balances cost, performance and risk to achieve the desired outcomes.

Table 1: AIC Industry Requirements table

### **SCOPE OF FUTURE WORK OPPORTUNITIES:**

While future opportunities for Australian industry in this contract may be limited due to the short contract duration periods (12 months per TBE), there may be opportunities to participate in future contracted scopes of work in delivering combat system sustainment activities.

Raytheon continues to monitor and engage with potential Australian suppliers and encourages interested companies to register their capabilities via Raytheon's Industry Development Unit (IDU) to become part of the Raytheon's preferred supplier network.

## **FUTURE OPPORTUNITIES / INDUSTRY ENGAGEMENT:**

Raytheon Australia's Contracts & Supply Chain framework is premised on a mature and robust market testing and supply chain due diligence process designed to identify the most capable suppliers to partner with, based on the best capability available, optimised to achieve cost, schedule, quality, safety, and risk outcomes that support effective program performance.

Raytheon Australia's market research and testing capabilities are supported by a due diligence process that assesses supplier capability and capacity to deliver the requirements, and any risk associated with the supplier relationship that needs to be managed. Our supplier assessment process includes:

- Restricted Party Screening.
- Confirmation that the company has a valid ABN; and is registered for GST.
- Company type, registration status, expiry and review dates, structure, leadership, and foreign ownership.
- Compliance with global anti-corruption requirements.
- Past performance related to the scope of work.
- Financial status and strength.
- Transactional due diligence.
- Environmental risk.

Raytheon Australia will continue to monitor and review where suitable opportunities exist to enhance Australian Industry participation throughout the life of this contract.

## **FUTURE WORK CONTACT**

Raytheon Australia welcomes Australian and New Zealand businesses to express an interest in future work opportunities as part of this contract through;

Name: Brad Flemming  
Title: Program Manager DDG CSI  
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## **AUTHORISATION**

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## ANNEX A - LOCAL INDUSTRY ACTIVITIES SCHEDULE

Table 1 - Local Industry Activities

LIA ITEM NUMBER	LIA TITLE	AUSTRALIAN COMPANY NAME	SOVEREIGN INDUSTRIAL CAPABILITY PRIORITIES	PRICE SCHEDULE REFERENCE	LIA VALUE (\$AUD)	LOCATION (INCLUDING POSTCODE)	SME (YES/NO)	INDIGENOUS ENTERPRISE (YES/NO)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
LIA003	Combat System Integrator	Raytheon Australia Pty Ltd	IR1, IR2, IR4	\$70.7M	\$61.8M	Garden Island, Sydney, 2011	No	No
LIA003A	Integrated Sonar Sustainment	Ultra-Electronics Avalon Systems Pty Ltd	IR1, IR2, IR4	\$20.5M	\$9.1M	Garden Island, Sydney, 2011 and Mawson Lakes, Adelaide, 5095	No	No
			TOTAL	\$91.2M	\$70.9M			

Note: Raytheon Australia has been allocated these LIAs as a subset of the BAE AIC Plan for the Destroyer Enterprise.

## SECTION 3.01 ANNEX B - LIA DESCRIPTION SHEET – COMBAT SYSTEM INTEGRATOR

The LIA Description Sheet provides a detailed explanation of the summary information contained in the AIC Schedule.

LIA SERIAL NUMBER: LIA003		LIA TITLE: COMBAT SYTEM INTEGRATOR
A	Industry Requirements	IR1, IR2 & IR4
B	Benefit(s)	<p><b><u>LIA Contract Contribution in Support of the DDG Program</u></b></p> <p>Raytheon Australia, as the Contractor for this LIA is engaged as the Combat System Integrator (CSI) in support of design, integration, test &amp; certification of the Hobart Class DDG Combat System.</p> <p>This LIA will deliver:</p> <ul style="list-style-type: none"> <li>• Engineering, maintenance, and supply support services for the DDG Combat System and its Support System</li> <li>• Maintenance of the DDG Combat System technical integrity</li> <li>• Contribution to the DDG SPOs Asset Management System</li> <li>• Transition and management of the DDG Combat System industrial base (supply chain);</li> </ul> <p>This LIA will require a significant workforce, strong Combat System experience and technical expertise.</p> <p>This LIA is a direct requirement of the Delivery of the Tasked Services BAE Systems Australia, as the Managing Contractor is required to contract.</p> <p>Multiple participants may contribute towards this LIA and are required to work collaboratively together.</p> <p>This LIA forms part of a broader strategy for Platform System Support management activities as agreed by the Commonwealth.</p>
C	Details of Managing Contractor/Subcontractor Relationship	<p>Raytheon Australia has a direct relationship with BAE Systems as the Managing Contractor within the DDG SPO.</p> <p>This work package was issued to Raytheon Australia by the Managing Contractor within the terms of Contract No: CASG/SHIP/Contract 136/16 (AG00016897) to perform the function of Combat System Integrator.</p> <p>Raytheon Australia is contracted and tasked for each Target Budget Period (TBE) and the scope will be assessed accordingly.</p> <p>In order to participate within the DDG Program (dependent of Scope) multiple Export arrangements are required.</p>
D	Intellectual Property and Technical Data Arrangements	<p>BAE Systems will manage all IP &amp; TD arrangements IAW the Contract &amp; MGT-800 Enterprise Intellectual Property Plan.</p> <p>Ownership of all Foreground IP developed by Raytheon Australia is, subject to the limitations in Contract, the Combat Systems Integrator IP Plan and vests on its creation in the Commonwealth.</p>
E	Approvals	<p>Raytheon Australia, as the Contractor for this LIA must gain all approvals &amp; authorisations via the Managing Contractor or as contracted and must ensure all works outside of its contractual scope is authorised by BAE Systems as the Managing Contractor.</p>

LIA SERIAL NUMBER: LIA003		LIA TITLE: COMBAT SYTEM INTEGRATOR
F	Risks	<p>Raytheon Australia has identified key risks relevant to this LIA. All program risks have been documented in the Raytheon Australia internal Combat System Integrator Risk Register, in accordance with the Risk Management Plan (RA000319) and aligned with ISO31000:2009 – Risk Management.</p> <p>Program risks are discussed monthly with the Managing Contractor.</p>
G	Local Company Details	Raytheon Australia Pty Ltd



## SECTION 3.02 ANNEX C - LIA DESCRIPTION SHEET – SONAR SUSTAINMENT SERVICES

The LIA Description Sheet provides a detailed explanation of the summary information contained in the AIC Schedule

LIA SERIAL NUMBER: LIA003A		LIA TITLE: INTEGRATED SONAR SUSTAINMENT
A	Industry Requirements	IR1, IR2 & IR4
B	Benefit(s)	<p><b><u>LIA Contract Contribution in Support of the DDG Program</u></b></p> <p>Ultra-Electronics Avalon Systems Pty Ltd (Ultra), as the Contractor for this LIA will act as the DDG Integrated Sonar System (ISS) in-country agent in support of design, integration, test &amp; certification of the Hobart Class DDG ISS.</p> <p>This LIA delivers engineering, maintenance, and supply support services for the DDG ISS mission system and support system.</p> <p>This LIA utilises a small local workforce, strong ISS experience and technical expertise.</p> <p>This LIA is a direct requirement of the Delivery of the Tasked Services to Raytheon Australia.</p> <p>This LIA forms part of a broader strategy for Combat System Support management activities as agreed by the Commonwealth.</p>
C	Details of Managing Contractor/Subcontractor Relationship	<p>The Contractor will have a direct relationship with Raytheon Australia.</p> <p>This work package was issued to Ultra as a Tasked Service and will be directly engaged by Raytheon Australia within the terms of Contract No: CASG/SHIP/Contract 136/16 (Approved Subcontract) to perform the function of integrated sonar sustainment.</p> <p>Contractors will be contracted and tasked for each Target Budget Period (TBE) and scope will be assessed accordingly. In order to participate within the DDG Program (dependent of Scope) multiple Export arrangements are required.</p>
D	Intellectual Property and Technical Data Arrangements	<p>Raytheon Australia will manage all IP &amp; TD arrangements IAW the Contract &amp; MGT-800 Enterprise Intellectual Property Plan. The Contractor for this Work Package is required to deliver an IP Schedule and IP Plan. Raytheon Australia is responsible for ensuring that Ultra has the right level of IP and Technical Data to undertake the work.</p> <p>Ownership of all Foreground IP developed by Ultra is, subject to the limitations in the Approved Subcontract, the Ultra IP Plan and vests on its creation in the Commonwealth.</p>
E	Approvals	Ultra, as the Contractor for this LIA must gain all approvals & authorisations via Raytheon Australia or as contracted and must ensure all works outside of its contractual scope is authorised by Raytheon Australia.
F	Risks	Sonar integrated sustainment risks have been documented in the Ultra Support Services Management Plan (a contracted deliverable under the Approved Subcontract).
G	Local Company Details	Ultra Electronics Avalon Systems Pty Ltd