

**SECTION 10 ADVANCE PLANNING AND SHIPALT AUTHORIZATION
LETTER
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SUBSECTION 10-1 ADVANCE PLANNING LETTERS

10-1.1 Scope

This subsection of the Fleet Modernization Program (FMP) Management and Operations Manual addresses the issuance of Advance Planning (AP) Letters for the accomplishment of Title “K” and “K-P” Ship Alterations (SHIPALTs), Ordnance Alterations (ORDALTs), and Machinery Alterations (MACHALTs), including AIT installations, during a specific ship availability. Title “D” and “F” SHIPALTs and Alterations Equivalent to Repair (AERs) are authorized by the Type Commanders (TYCOMs) in accordance with Section 12 of this manual.

Authorization, as used herein, is an action by a properly designated authority to direct that a specified alteration be accomplished. The following guidance and procedures provide for the development and issuance of AP Letters for alterations installation.

10-1.2 Background

AP Letters and advance planning funds shall be provided by the cognizant Ship Program Manager (SPM) at Start of Availability (A)-18 to the Naval Supervising Activity (NSA)/Ship Availability Planning & Engineering Center (SHAPEC) Advance planning funds are provided to Naval Shipyards (NSYs), Naval Ship Repair Facilities, and Supervisors of Shipbuilding, Conversion, and Repair (SUPSHIPS). The NSA/ (SHAPEC) is advised of the planned alterations for installation to facilitate necessary shipchecks and other planning efforts. Material to be provided by the NSA (SHAPEC) will be reviewed, and procurement action will be initiated for that material identified as Long Lead Time Material (LLTM). FMP installation funds are provided for Advance Planning (AP) in accordance with Section 6 of this manual.

10-1.3 Preparation of Advance Planning Letters

In preparing an Advance Planning Letter, the SPM shall:

- List all Title “K” SHIPALTs, ORDALTs, MACHALTs including AIT Installations that have been programmed in the Navy Data Environment-Navy Modernization (NDE-NM) (formerly the Fleet Modernization Program Management Information System (FMPMIS), by Chief of Naval Operations (CNO) for installation on the specific ship scheduled for an availability. Proposed SHIPALTs without a signed Ship Alteration Record (SAR) should be designated as such and the Estimated Issue Date (EID) for the SAR should be included in the letter.
- Request cost estimates, to support AP actions for LLTM and to identify the portion of the installation funds that is for use during AP for ordering or fabricating newly-identified LLTM (stock numbered) listed or not listed in NDE-NM or undergoing National Stock Number (NSN) assignment (non-standard), from NSA/ SHAPEC or Planning SUPSHIP/Shipyard.
- Designate those SHIPALTs representing high management risk due to known problems in design guidance and equipment or LLTM availabilities; indicate responsible activities and actions required to support acceptable planning milestones.

10-1.4 Funding

The following statement shall be included in all AP Letters: “This letter does not authorize the use of funds or commencement of related tasks nor is it to include any effort that will potentially obligate funds. Only the valid funding document in support of this letter releases funds and

authorizes commencement of effort.”

10-1.5 Material

The SPM shall identify in the AP Letter all material requirements contained in NDE-NM for each programmed alteration and include a NDE-NM 4720 Report, which lists all material requirements for each alteration by ship type. Instead of the NDE-NM 4720 Report, a material status assessment may be included in the AP Letter, or as an enclosure that addresses problem material items.

10-1.5.1 Material Listing Not Provided

If the SPM does not provide a listing of material requirements, the NSA/ SHAPEC can obtain a listing from the NDE-NM database. Items listed on the NDE-NM 4720 Report should be checked against the material requirements information contained in the SAR Alteration Material List (AML), which is updated during alteration development. In cases where material is stasured, kitted and provided, the NSA/ SHAPEC does not need to review NDE-NM 4720 Report.

10-1.5.2 Modification of Material Requirements

If material requirements identified planning actions must be modified, the NSA/ SHAPEC will immediately notify the cognizant SPM and Planning Yard (PY) in writing. After validation of the requirement, the SPM must then update the material requirements in NDE-NM as appropriate. For Submarines submit requests for material modifications to the appropriate PY using the Liaison Action Record (LAR) process and provide an information copy to the SPM.

10-1.6 Changes to the Advance Planning Letter

Changes, cancellations, deletions, or additions to the AP Letter shall be approved in accordance with the following procedures.

10-1.6.1 Assessment

Changes to the AP Letter will be made only for alteration additions or deletions in the availability. The disruptive effect on orderly planning shall be carefully evaluated prior to requesting CNO to authorize changes to programmed SHIPALTs included in the AP Letter. The NSA/ SHAPEC assessment shall be obtained, including the disruptive impact that would result from the proposed change, prior to initiation of the change. Each change shall include a notification, together with a sequence number, stating that it is a change to the AP Letter; e.g., “This is a Change No. 1 to my Advance Planning Letter Ser xxx-xxxx of 1 October 200x.”

10-1.6.2 Distribution

The distribution of these change letters to the original AP Letters shall be the same as the original AP Letter.

10-1.6.3 Change in Activity

If the NSA/ SHAPEC is changed after the AP Letter has been issued, the original letter will be cancelled, and a new AP Letter reflecting all changes required by the reassignment of the availability will be issued.

SUBSECTION 10-2 ~~SHIPALT~~ AUTHORIZATION LETTERS

10-2.1 Scope

This subsection addresses ~~SHIPALT~~ Authorization Letters which specify to the NSA/ SHAPEC the Title “K” and “~~KP~~” SHIPALTs, ORDALTs, and MACHALTs, Field Changes, and Engineering Changes, including AIT Installations which are to be accomplished during a specific ship availability. They are issued by the cognizant SPM at A-12 or as late as A-6 with agreement from the applicable NSA and contain a list of all authorized alterationsSHIPALTs, material status, development status of the alteration, funding information and pertinent instructions. When proofing of programmed alteration(s) by the PY is required, authorization is to be provided in these letters. The SPM shall forward separate ~~SHIPALT~~ Authorization Letters for each ship scheduled for an availability to the cognizant NSY or SUPSHIP at A-12 or as late as A-6 with agreement from the applicable.

10-2.2 ~~SHIPALT~~ Authorization Letter Purpose

- Authorize the installation of an alteration on a specific hull.
- Provide the authorization for those alterations specifically programmed for accomplishment in a particular availability in the FMP by the CNO. Alterations to be installed by an AIT are also listed and the AIT activity is identified.
- Provide the NAVSEA planning estimates for the alterations authorized; if applicable, the SPM includes total planning estimates of funds authorized for Title “K” SHIPALTs accomplished in the ~~SHIPALT~~ Authorization Letter. These estimates are not to exceed programmed FMP funds.
- Provide procurement/requisitioning instructions for the material required for alteration accomplishment utilizing the NDE-NM TP-05 and the NDE-NM 4720 Report that provide material information required for the planning activity to manage the material for the availability.
- Provide specific reporting instructions on estimated manday and dollar expenditure rates, material costs for alterationsSHIPALTs, and required program reports in accordance with FMP Financial Management procedures contained Section 6 of this manual.

10-2.3 Preparation of the ~~SHIPALT~~ Authorization Letter

~~SHIPALT~~ Authorization Letter shall be approved in accordance with the following procedures:

10-2.3.1 Minimum Content Requirements

To ensure consistency between SPMs, Figure 1 provides a recommended Authorization Letter template. This template is also available on the FMP Web site at: www.fmp.navy.mil. At a minimum, Authorization Letters shall contain the following:

- Authorization: Ship, type of availability, and availability dates
- Planning: List of planning and execution activities
- Authorized Work: A listing of the Title “K” and “KP” ShipalTs and all other alterations or modifications authorized for installation during the availability. Type Commander alterations and repair work are authorized separately.
- Funding: The following statement shall be included in each ~~SHIPALT~~ Authorization Letter:

“This letter does not authorize the use of funds or commencement of related tasks nor is it to include any effort that will potentially obligate funds. Only the valid funding documents in support of this letter release funds and authorizes commencement of effort.”

- Material Support: Enclose or provide specific directions to retrieve NDE-NM 4720 Report
- Reports and Estimates: Milestones for initial planning and final review estimates
- Activity Responsibilities: A listing of involved activities and associated responsibilities
- Changes to the list of authorized alterationsSHIPALTs: Promulgate the method to be utilized to modify the list of authorized alterationsShipalts (NDE-NM update with e-mail notification or Authorization Letter Revision)
- Points of Contact: SPM Points of Contact

10-2.3.2 Material Support Requirements

In preparing the SHIPALT Authorization Letter, the following tasks are required by the SPM to develop the material support requirements portion of the letter:

- **Task #1.** Extract and review the NDE-4720 Report applicable to the ship and alteration package to ensure that it reflects current material requirements from previous documents (i.e. Justification Cost/Form (JCF), SAR, SHIPALT Installation Drawings (SIDs), etc). The SPM should initially review NDE-NM material data at A-16 and update the report as needed. The NDE-NM 4720 Report will identify all known alteration material requirements meeting NDE-NM/FMPMIS entry criteria for each Title “K” SHIPALT programmed for a given ship. The NDE-NM 4720 Report should be compared with the information gained during AP.
- **Task #2.** Insert or update material requirements in NDE-NM as necessary. The SPM, in conjunction with the appropriate technical code, will approve or disapprove any substitutions offered by material managers. This action will be completed by A-12. The SPM must review the recommended changes and upon approval update the FMPMIS Bill of Material. The SPM must also determine if additional items will be required on other ships of the class scheduled to receive the alteration. This determination may require a review of applicable Ship Selected Records (SSRs) and SIDs to verify the need for the requirement on other ships. Information obtained from this review will be entered into FMPMIS as appropriate in accordance with NDE-NM entry criteria.
- **Task #3.** Prepare the draft SHIPALT Authorization Letter. The SPM prepares the draft SHIPALT Authorization Letter No Later Than (NLT) A-13. Usually enclosed in the SHIPALT Authorization Letter is the NDE-NM 4720 or specific directions to retrieve it from NDE-NM or authorized websites.
- **Task #4.** Sign and release the SHIPALT Authorization Letter to applicable NSA/ SHAPEC ,PY, the ship and TYCOM. If centrally provided Title “K” SHIPALT material requirements are expected to be available at the NSA/ SHAPEC by the Start of Availability (SOA), the SHIPALT Authorization Letter will be signed by the SPM and released in time to arrive at the NSA/ SHAPEC and PY NLT A-12 or as late as A-6 with agreement from the applicable NSA. This letter will include a NDE-NM 4720 Report or a statement that this report is complete and the NSA/ SHAPEC is authorized to extract it from NDE-NM.

10-2.3.3 List of Authorized AlterationsSHIPALTs

The SPM shall verify that the list of Authorized Alterations contained in the Authorization Letter match the information contained in NDE-NM. Additionally, the D-30 Baseline shall also be reviewed and any differences adjudicated prior to release of the Authorization Letter.

10-2.4 Changes to ~~SHIPALT~~ Authorization Letters

Changes, cancellations, deletions, or additions to the ~~SHIPALT~~ Authorization Letter shall be approved in accordance with the following procedures.

10-2.4.1 Approval

CNO Platform Sponsors must approve any additions or deletions to the scope of the program specified in the ~~SHIPALT~~ Authorization Letter. If an ~~alteration SHIPALT~~ is deferred, cognizant material managers must be advised, in writing, and disposition instructions for received material must be provided to the NSA/ SHAPEC.

10-2.4.2 ~~Funding~~ List of Authorized Alterations

~~The following statement shall be included in each SHIPALT Authorization Letter:~~

~~“This letter does not authorize the use of funds or commencement of related tasks nor is it to include any effort that will potentially obligate funds. Only the valid funding documents in support of this letter release funds and authorizes commencement of effort.”~~

~~NDE-NM may be used to promulgate changes to the List of Authorization Alterations. The SPM will modify NDE-NM and notify all affected parties via e-mail. Changes to the List of Authorized Alterations may also be documented by an official serialized Change Letter.~~

10-2.4.3 ~~Other~~ Changes

~~All other c~~Changes to ~~SHIPALT~~ Authorization Letters must be documented. ~~This may be accomplished via a SPM generated e-mail, by an official serialized letter.~~ Changes will be made for ~~alteration additions or deletions~~, material changes, availability date changes that are over 30 days, availability type changes, and to cancel letters when an availability has changed fiscal years or activity. The disruptive effect on orderly shipyard planning shall be carefully evaluated prior to requesting CNO to authorize changes to programmed ~~alterations SHIPALTs~~ included in the ~~SHIPALT~~ Authorization Letter. The NSA/ SHAPEC assessment shall be obtained, including the disruptive impact that would result from the proposed change, prior to initiation of the change.

Official changes may be required because of reports and information received such as, but not limited to the following:

- Completion information received from the ship and from industrial activities.
- Late availability or non-availability of ship plans, drawings, and/or material.
- Revisions in cost/funding information.
- Change in ship availability.
- Additions or deletions of ~~alterations SHIPALTs~~ by CNO.
- Revision to material requirements caused by follow-on SID development.

Changes to the ~~SHIPALT~~ Authorization Letter will include material availability information. If there are no changes in material status the ~~SHIPALT~~ Authorization Letter changes will include a statement to that effect.

Each change will include a notification together with a sequence number, stating that it is a change to the ~~SHIPALT~~ Authorization Letter; e.g., “This is change No. 1 to my Authorization Letter Ser xxx-xxxx of 1 August 20xx”.

All change documents will include appropriate modifications to the SPM planning estimate as shown in the basic ~~SHIPALT~~ Authorization Letter or a statement that no change is being made to the planning estimate.

A change in material requirements subsequent to issuance of the ~~SHIPALT~~ Authorization Letter may constitute a disruptive situation due to inherent procurement lead times. Accordingly, any such change will be conveyed both verbally and in writing to the cognizant material manager and NSA/ SHAPEC and the change will be entered into NDE-NM/FMPMIS.

10-2.4.4 Distribution

The distribution of these changes letters to the original ~~SHIPALT~~ Authorization Letter shall be the same as the original ~~SHIPALT~~ Authorization Letter. Changes with limited distribution may precede the formal change to the ~~SHIPALT~~ Authorization Letter.

10-2.4.5 Change in Activity

If the NSA/ SHAPEC is changed after the ~~SHIPALT~~ Authorization Letter has been issued, the original letter shall be cancelled, and a new letter reflecting all changes required by the reassignment of the availability shall be issued. If a contract has been awarded by one SUPSHIP (or NAVSEA) to a contractor within another SUPSHIP’s district, the original letter will not be cancelled. The SUPSHIP awarding the contract remains the Procurement Contracting Officer (PCO) and shall turn over all information requirements to the new SUPSHIP for administration of the contract. In the case of a NAVSEA contract award, where NAVSEA is the PCO, the Planning Supervisor shall turn over all information to the Administrative Contracting Officer (ACO). Turnover procedures of the PCO to the ACO are delineated in NAVSEAINST 4710.9 Series.

SUBSECTION 10-3 MATERIAL AVAILABILITY AUTHORIZATION CRITERIA

10-3.1 Scope

This subsection addresses the material availability criteria for Title “K” SHIPALTs authorized for specific ship availabilities. The authorization of Title “K” SHIPALTs may be contingent upon receipt of Headquarters Centrally Provided Material (HCPM) or Centrally Provided Material (CPM) at the NSA/SHAPEC or the Installing Activity (IA) by SOA. For submarine Depot Modernization Periods (DMPs), the milestone is A-2. Some Title “K” SHIPALTs are of such significance as to warrant the risks involved in late material delivery. Such SHIPALTs will only be authorized subsequent to receipt of formal concurrence or nonoccurrence by the NSA/SHAPEC and analysis or review by the cognizant SPM or CNO Platform Sponsor as to the risk of authorization. If the HCPM is late in delivering, the following applies.

10-3.2 Obtaining Concurrence/Non-Concurrence

- SPM will advise the NSA/SHAPEC of the Best Estimated Delivery Dates (BEDDs) of the SHIPALT HCPM and request concurrence/non-concurrence for HCPM that will be delivered after the SOA or A-2 milestones.
- NSA/SHAPEC will evaluate the BEDDs and advise the SPM of concurrence/non-concurrence. In case of non-concurrence, the NSA/SHAPEC will provide a brief impact statement of problems anticipated and provide a Latest Acceptable Delivery Date (LADD).

10-3.2.1 Non-Concurrence

Authorization of SHIPALTs that the NSASHAPEC does not concur will normally be deferred unless:

- The SHIPALT is considered to warrant authorization over the objections of the NSA/SHAPEC. The SPM will prepare a written analysis and recommendation for consideration by NAVSEA 04, the Life Cycle Manager (LCM), and the TYCOM.
- The SHIPALT is a Proposed Military or Survivability Improvement (PMI/PSI) and the SPM considers the risk excessive, the SPM will obtain direction from CNO for consideration by NAVSEA 04, the Life Cycle Manager (LCM), and the TYCOM.