

Memo



Date: February 9, 2021
To: All employees
From: Steinar Nerbovik, CEO
Subject: **PSI Wins Contract for U.S. Navy Cable Ship Design Study**

Philly Shipyard has been awarded a contract to participate in an industry study for the development and design of the U.S. Navy Cable Ship T-ARC(X) Program – a replacement for the Navy’s only undersea cable installation and repair ship, *USNS ZEUS (T-ARC 7)*. The ship’s primary mission will be to transport, install, retrieve, and repair undersea cables and equipment, with many additional capabilities including ocean surveys and deployment of unmanned underwater vehicles (UUVs).

“We look forward to adding this industry study to our portfolio of government projects at Philly Shipyard,” said Steinar Nerbovik. “Our design team will develop a modern design benefitting the U.S. Navy in its many subsea operations.”

In accordance with U.S. Navy specifications, PSI will perform capability and cost trade studies in key areas, investigate options to maximize affordability and producibility, and develop concept designs. The industry studies – the precursor for the future detail design and construction (DD&C) contract – will take approximately 12 months. A request for quotation for the DD&C contract is anticipated upon completion of the industry studies.

PSI partnered with Vard Marine, Inc. as the ship design team on this program. Vard Marine will leverage their parent company, VARD Group AS, for their extensive cable layer portfolio. The VARD Group’s vast experience in cable laying vessel design and construction will be drawn upon to support these industry studies that will provide a modern solution for the U.S. Navy.

Per the contract stipulations, PSI has selected VARD Electro, MAATS, and Noise Control Engineering, LLC as consultants on the project.

PSI is now participating in industry studies for four U.S. government shipbuilding programs, including the T-ARC(X) program. The other three industry studies support the U.S. Navy’s [Common Hull Auxiliary Multi-Mission Platform \(CHAMP\) program](#), the U.S. Coast Guard’s Offshore Patrol Cutter (OPC) program, and the [U.S. Navy’s T-AGOS\(X\) program](#).

It’s a great day to be a shipbuilder in Philadelphia!