

NMCI Powered by NGEN

By Sharon Anderson - October-December CHIPS 2014

Drum roll please: on Oct. 1, the long anticipated transition from the Continuity of Services Contract (CoSC) to the Next Generation Network (NGEN) contract was 100 percent complete for the Navy Marine Corps Intranet.

Progress has been remarkable. In a brief to reporters Sept. 10, about 75 percent of the transition had been executed, said Capt. Michael Abreu, program manager for [Naval Enterprise Networks Program Management Office \(PMW 205\)](#). PMW 205 is an office under the [Program Executive Office for Enterprise Information Systems \(PEO EIS\)](#).

The full transition to the NGEN contract signifies a huge cost savings for the Department of the Navy in the operation of the Navy Marine Corps Intranet, Abreu said. The DON will save about \$20 million per month and over \$1 billion over the Five Year Defense Plan (FYDP).

Abreu was joined in the brief by retired U.S. Navy Vice Adm. Denby Starling, who is now HP vice president and account executive for U.S. Navy and Marine Corps accounts.

The DON awarded Hewlett Packard the NGEN contract June 27, 2013. The contract represents the next phase of Navy NMCI services, providing continued IT operational support to Sailors and Marines. The transition of NMCI services to the NGEN contract officially started on Nov. 22, 2013. Transition was to be completed in no more than 13 months.

But the NEN program office working with HP and other partners accelerated the timeline to 10 months. Accelerating the move to NGEN by 90 days was essential. The NGEN contract was awarded to HP in June 2013, but progress was delayed by a protest of the award. In the end, the protests were denied but at a cost of approximately 90 days. The protest delay could have delayed achieving the savings the NGEN contract provides.

Success for the transition is due to the careful attention to detail in the planning and execution phases, according to Abreu and Starling. The NGEN team spent a lot of time hammering out requirements with fleet chief information officers and communications officers to ensure there was no disruption to fleet operations.

“We worked very closely to prioritize their needs,” Abreu said.

Transition Planning

Sites began transition to the NGEN contract June 1. Early transitions included China Lake, Bremerton and certain portions of the CNO’s staff. The bulk of the transitions occurred in mid-summer. The remaining smaller sites transitioned at the end of September.

Starling said not just individual seats or users have been transitioned, more challenging was the transition of

operational sites and server farms, in other words: the total NMCI infrastructure. Workforce management was also critical, he said, since in some cases, contractors were shifted from the CoSC to the NGEN contract. In other cases, new contractors came aboard. All the changes had to be seamless to users and the fleet.

“We still had to deliver capabilities while in transition,” Abreu said.

Some products and services are still being negotiated with HP, and a small number of the services have to be ordered manually since the online ordering tool must be modified and security tested for the upgraded capabilities, according to Abreu.

The services and software available for ordering meet fleet and user requirements, he said. Users will not see many new products or services.

In the change between the CoSC and the NGEN contracts, basic end users have seen no difference in NMCI enterprise services between Sept. 30 and Oct. 1.

However, the NEN program office has taken an aggressive approach in engaging sites to prepare them for the contract cutover, as well as an ongoing dialogue with the CIOs, contracting technical representatives (CTRs) and assistant CTRs via speaking engagements, emails, site visits, bi-weekly webinars and online content focused on the transition to fully prepare them for the changes and to ensure continuing support to end users.

Careful planning averted unexpected surprises that could have jeopardized the success of the transition and degraded service to the fleet, Abreu said. Some challenges were identified and overcome in the early days of NGEN execution. “One requirement was continuing pierside services for returning ships. Working with HP, we made sure that the transition did not have an impact on fleet operations,” Abreu said.

Another challenge that was averted was the way services were ordered for VIPs. The planned approach in NGEN was for services to be provided as basic services to flag officers, for example, by bundling in lots of 10.

“We found that purchasing in lots of 10 was not cost-effective and didn’t make sense since VIPs are not centrally located in one place but are dispersed across the country. We negotiated with HP, and under NGEN, services are orderable and controlled by fleet demands in smaller orderable quantities,” Abreu said.

Other adjustments had to be made because under the CoSC, the NMCI continued to undergo improvements largely in concert with industry and technology advances. Bandwidth was increased and technical upgrades were achieved.

An example is the tech refresh that was planned for the NMCI infrastructure, Abreu said, that includes servers, switches and routers.

“We had to take a hard look at the infrastructure with systems engineering rigor and execute in a controlled fashion so that we did not disrupt our users. These are the devices that actually power the network. Industry has a five-year life cycle for these devices. Support expires and we have to keep up by balancing cost, security and risk. We had some architecture challenges to address, but the NMCI and the business model we have are agile and enabled us to move forward with plans to upgrade a good deal of network equipment over the next year,” Abreu said.

New Governance Model

Under NGEN, the Navy and Marine Corps own the infrastructure and intellectual property, and exercise full command and control of the network. For the Marine Corps, the transition to NGEN occurred June 1 to a

fully government-owned and government-operated (GO/GO) network. Marines and civilian Marines operate the network with HP playing a supporting role.

“We have a very close relationship with our Marine Corps partners on the NGEN contract. They have finished their transition, and they will be buying services from the NGEN contract to support their system,” Abreu said.

For the Navy, the model is a government-owned and contractor-operated (GO/CO) model. The Navy will make its final payment for buying back the network infrastructure from HP in the first quarter of FY15, Abreu said.

Total seats that transitioned are about 400,000 seats — including the Marine Corps.

More Work to Do: Mobility and Continued Network Consolidation

While the transition to the NGEN is complete, the NGEN team still has plenty of work, according to Abreu. The Navy has an ongoing plan to further incorporate legacy networks into the NMCI, he said. One of the networks set for incorporation is the Naval Sea Systems Supervisor of Shipbuilding network, he said, as well as full incorporation of the OCONUS networks into the business model.

“We have to evaluate the requirements of the legacy networks, who and the work they are supporting, and their security standards,” Abreu said.

There is no specific timeline when this work will be completed, but the NGEN contract and business model fully support the consolidation of legacy networks into the NMCI. The vision is a DON global ashore network infrastructure, Abreu said.

Mobility is another requirement that the NEN program office has spearheaded with several small pilots. Mobility on NMCI started with laptops. When requirements increased, BlackBerrys were added — then more services were added to the BlackBerry.

“Today, we are evaluating Android and Apple devices and solutions approved by DISA (Defense Information Services Agency),” Abreu said. “We want to take advantage of these commercial devices to help users become more productive while maintaining security.” Abreu said he expects that some devices will be ready for limited deployment to users by the end of 2014.

Joint Information Environment and Cybersecurity

The NMCI’s technical standards and cybersecurity requirements enabled by NGEN give the Navy the lead in the Defense Department’s migration to the Joint Information Environment, according to Abreu.

“The NMCI is the largest centrally managed IT program in the federal government. The standards we use align to the JIE and give us an advantage over the other services,” Abreu said.

In terms of ensuring cybersecurity, there is no line between the NGEN team and 10th Fleet, “we are partners,” Abreu said.

[Fleet Cyber Forces Command /10th Fleet](#) serves as the central operational authority for networks, cryptologic/signals intelligence, information operations, cyber, electronic warfare, and space capabilities in support of forces afloat and ashore, in addition to other responsibilities.

“We are an iron triangle, 10th Fleet, HP and the NGEN team, we stay aligned in terms of daily services and security and have a regular dialogue that includes our resource sponsors,” Abreu said. “The timeline is short if there is a requirement to quickly respond. We have agility if we need to move quickly. HP can respond to emerging needs, and we take care of the contract requirements later. We work closely with the PEO [EIS]

and resource sponsors. There are no roadblocks between us.”

“We stay very close day-to-day,” Starling said. “Make no mistake, the Navy has full command and control of the network, and we [HP] operate as directed. We execute as directed just like any other warfare requirement.”

Competition and Cost

The NGEN contract includes a base year and four one-year options, which, if exercised, will have a potential cumulative contract value of \$3,454,735,513. Work will be performed at nearly 2,500 Navy and Marine Corps locations throughout the continental U.S., Hawaii and Japan, from major bases to single-user sites. If all of the options are exercised, the work will continue through mid-2018.

The NGEN acquisition strategy allows for multiple ways of bidding in two separate IT segments — enterprise services and transport services. There are 34 services in the contract structure.

While vigorous competition is desired, Abreu said he would like to assess the NGEN contract over the initial period of full operation to determine how it meets fleet and end user demands and cybersecurity requirements before announcing any further competition.

“We have to conduct a business case analysis of network services with analytic rigor, discipline and control before introducing any new players into the network because change also introduces risk — and we have to balance risk with benefit,” Abreu said.

Program Efficiency and Cost Savings

Abreu said that there will always be budget pressures, and the savings under NGEN — over \$1 billion over the FYDP — have been a clear argument to leadership for continuing the NMCI program and the viability of the acquisition model. Because the NMCI is not a new start-up, the continuing resolution does not affect the program, the NMCI and NGEN contract is able to execute, he said, although the program would have to operate within the CR limits.

Starling said the flexibility in the NGEN contract allows HP to adapt to Navy needs and budget requirements that include increasing capabilities and responding to technical changes through modification of the base contract.

Abreu credits the IT Service Management (ITSM) model with the potential for increasing the efficiency and cost-effectiveness of operating the NMCI. “HP had been using ITSM for a long time and with our partnership, we can now enable industry best practices that adapt to our unique operational model.”

Using ITSM, we will be able to better balance cost, security, reliability and requirements more effectively,” Abreu said.