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WASHINGTON — The Pentagon will reopen bidding on a disputed Air Force contract that had likely shut out Connecticut's Pratt & Whitney from providing engines to nearly 600 aerial-tankers over the next 30 years.

Defense Secretary Robert Gates said Wednesday the competition between Boeing Co. and Northrop Grumman Corp. needed to be reopened because of "significant issues pointed out by the Government Accountability Office." In February, Northrop Grumman and partner EADS won the contract to develop and build up to 179 tankers in what could lead to additional contracts over the next three decades. Boeing appealed to the GAO claiming changes the Air Force made during the competition favored Northrop. The GAO last month found eight significant errors had occurred.

Gates said the eight issues would be addressed in the new solicitation and he expects to complete the revised process by year's end.

Connecticut Gov. M. Jodi Rell and the state's entire congressional delegation welcomed the decision and hopes Boeing will win the contract and bring additional work to engine maker Pratt & Whitney in East Hartford.

Boeing would use Pratt & Whitney engines on its tankers. Northrop would use General Electric engines. GE has its corporate headquarters in Fairfield but manufactures its engines outside the state.

"This is certainly tremendous news for the aerospace industry in Connecticut, which I believe has now been given a chance to compete on a level playing field," said Rell.

"The men and women at Boeing and Pratt & Whitney deserve a fair chance to show the nation — and the world — why Connecticut is a global leader in aerospace engineering and manufacturing." "It is absolutely vital that this contract competition is open and transparent, and that the tankers are actually evaluated against the criteria set forth by the Air Force in the proposal," said Sen. Chris Dodd, D-Conn. "Rest assured, I will be watching this process very closely to ensure that it is carried out on an equal playing field. Pratt & Whitney workers are some of the best in the business, and they deserve to be treated fairly."

Connecticut Sen. Joe Lieberman said, "GAO's report was clear in its analysis, and it would be unfair to both the military and to the taxpayer to follow any course other than a new competition. This gives the Connecticut workers at Pratt & Whitney another chance to provide the military with the best engines in the world."

Rep. John Larson, D-1, whose district includes Pratt, said he was pleased with the decision to reopen the bid but was concerned Gates may have set too early a deadline to complete the competition.

"I fear the short time frame will leave little room to correct the problems with the initial decision. The Air Force has not made their criteria for the contest clear nor do we know that they will take into account the true life cycle costs of the program. Congress will monitor and reserve the right to take action if we feel this new decision-making process is unfair or not transparent," Larson said.

Northrop Grumman spokesman Randy Belote said the company will review the decision to make sure the re-competition provides a fair opportunity to present its proposal. A Boeing spokesman had no immediate comment.

The Pentagon is expected to issue a draft of the revised bid request to the companies by early August. But the competition will proceed as key events in the process are completed, not by a definite timetable, said John Young, undersecretary of defense for acquisition, technology and logistics.

Gates put Young in charge of the competition, taking it away from the Air Force's acquisitions team, which is trying to rebuild a tattered reputation after a procurement scandal in 2003 sent a top Air Force acquisition official to prison for conflict of interest and led to the collapse of the earlier tanker contract with Boeing.

Gates said he still had confidence in the Air Force's acquisition team, and the new plan "does not represent the first step in the process."

Acting Air Force Secretary Michael Donley called the Pentagon action an "appropriate and necessary step." The deal — one of the largest in Pentagon history — is the first of three contracts worth up to \$100 billion to replace nearly 600 refueling tankers over the next 30 years.

Richard Aboulafia, a defense analyst for the Virginia-based Teal Group, said it would be unprecedented to finish a re-compete as quickly as the Pentagon has outlined. It is unlikely the deal will be completed ahead of the next administration, he added.

Even with a fresh start, the company that loses the second contract will be able to protest the award, causing further delays, Aboulafia said.

Gates said the Pentagon will ensure the process is transparent and will have an open dialogue with both companies to prevent any "surprises" once a decision has been made.

The Associated Press contributed to this report.