NSWC IHD Obligates $1.2 Billion in Fiscal 2026 to Increase SRM Production

INDIAN HEAD, Md. – Naval Surface Warfare Center Indian Head Division (NSWC IHD) obligated approximately $1.2 billion of contracts in fiscal year (FY) 2026, surpassing the command's previous decade-high total of $1 billion in FY24. The command is entering its fourth year executing the Navy's $2.7 billion, 15-year Energetics Comprehensive Modernization Plan (ECMP) to revitalize the industrial base and resolve munitions and energetics bottlenecks to meet growing demand.

"ECMP will give us the capability and capacity to increase our annual solid rocket motors (SRM) production and service the fleet," said NSWC IHD's Technical Director Dr. Kerry Clark. "This arsenal is a busy place right now. There is new construction happening across the station and we are building to meet demand."

As the ECMP approaches its peak funding year in FY27, the command has already completed more than 200 infrastructure projects, with another 380 currently underway. According to Clark, ECMP has established vital new pathways for the command to forge strategic industry partnerships, pioneer advanced manufacturing techniques, and implement agile processes and policies.

In FY26, the command became the Department of War's (DoW) second source for reclaimed and regrained SRMs after scaling-up propellant production for regrain Mk 104 motors and testing a fully loaded, re-grained Mk 70. ECMP renovations at one of the command's large firing bays supported this testing and will enable future full-rate production.

“The DoW is focused on rapidly expanding and accelerating munitions production, driving a surge in demand for SRMs,” said Under Secretary of War for Acquisition and Sustainment Michael Duffey. “Strengthening supply chains through smart investments will help alleviate SRM shortfalls by increasing capacity and reducing manufacturing lead times for key components.”

In March, Principal Military Deputy to the Assistant Secretary of the Navy for Research, Development and Acquisition Vice Adm. Elizabeth Okano told the Senate Armed Services Committee that the Navy has been making targeted investments in energetics and SRM production at sites like NSWC IHD to alleviate broader production bottlenecks from years of inconsistent demand signals.

“We need deeper magazines and we need them now,” Okano said.

This influx of funds not only bolsters the Organic Industrial Base, but also supports the local and state economies. NSWC IHD provided $260 million in Maryland salaries and remains one of the largest employers in Charles County. The command obligated $81 million dollars in contracts and other transaction authorities to Maryland-based businesses in FY26, including $22 million to Southern Maryland businesses.

ECMP improvements also allow NSWC IHD to continue providing opportunities to traditional defense contractors, nontraditional partners—including small businesses, non-profit organizations, federally funded research and development centers, universities and colleges, other government agencies, foreign entities—and the civilian workforce through sustained production investment.

“Most—if not all—of these modernizations wouldn’t be possible without our local partners,” said NSWC IHD’s Commanding Officer Capt. Paul Mahoney. “ECMP will allow NSWC IHD to provide the DoW the options and decision space our senior

leaders need and the support our warfighters deserve. This capital reinvestment enhances the safety of our employees and enables the command to form strategic partnerships with industry and the community.”

NSWC IHD – a field activity of the Naval Sea Systems Command and part of the Navy’s Science and Engineering Establishment – is the leader in ordnance, energetics, and EOD solutions. The Division focuses on energetics research, development, testing, evaluation, in-service support, manufacturing and disposal; and provides warfighters solutions to detect, locate, access, identify, render safe, recover, exploit and dispose of explosive ordnance threats.

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