



HII Weekly News Digest

Jan. 9, 2026

HII's Weekly News Digest is compiled every Friday by the Corporate Communications team to summarize and highlight news stories of significance to the company.

HII Shipyards Host Naval VIPs: The Biloxi Sun Herald reported on Wednesday that HII's Ingalls Shipbuilding division hosted the Secretary of the Navy and other top military leaders for a tour of facilities and ships under construction. Secretary of the Navy John Phelan, Chief of Naval Operations Adm. Daryl Caudle and Commandant of the Marine Corps Gen. Eric Smith toured the Pascagoula shipyard and echoed similar sentiments: They want ships built quickly, with superior quality and with the most advanced capabilities. Magnolia Tribune reported on Wednesday that Phelan said Ingalls represents the ingenuity and commitment required to meet the Navy's current and future needs. "The shipbuilders I met today are on the front lines of American strength — men and women whose hard work protects our national security, underwrites our liberty, and sustains the way of life we are sworn to defend," he said. "There is no maritime dominance without their skill, innovation, and relentless commitment to excellence." Meanwhile, USNI News reported on Tuesday that Defense Secretary Pete Hegseth visited HII's Newport News Shipbuilding division a day earlier and spoke to shipbuilders about the importance of their work during the first leg of his Arsenal of Freedom tour. Hegseth praised the workers in the audience while standing in front of the first Block V *Virginia*-class submarine *Oklahoma* (SSN 802). "Your workmanship is and should be celebrated. There is an inherent dignity involved in crafting useful, powerful and lethal things," Hegseth told the audience.

Ingalls Delivers Destroyer *Ted Stevens* (DDG 128): WLOX reported on Dec. 29 HII's Ingalls Shipbuilding has delivered *Ted Stevens* (DDG 128) to the U.S. Navy, marking a key milestone for the Flight III *Arleigh Burke*-class destroyer program. The ship was transferred to the Navy following completion of at-sea and pier-side trials demonstrating readiness across propulsion, combat systems, communications and navigation. *Ted Stevens* is equipped with the AN/SPY-6(V)1 Air and Missile Defense Radar and includes upgrades to electrical power and cooling capacity intended to enhance warfighting capability. Ingalls has delivered 36 *Arleigh Burke*-class destroyers to date and continues construction on multiple additional ships in the class.

Ingalls To Design Future Navy Battleship: Inside Defense reported on Dec. 23 that Naval Sea Systems Command will contract with HII's Ingalls Shipbuilding division and General Dynamics Bath Irons Works to design a new class of guided missile battleships known as BBG(X). The companies will receive sole-source contracts for the design, engineering and design analysis requirements, according to a government notice. BBG(X) is projected to weigh upwards of 35,000 tons and will be equipped with a variety of next-generation weapon systems including nuclear-armed, sea-launched cruise missile, which is still under development. The battleship will fully replace the DDG(X) program and will build upon analysis previously put into the next-generation destroyer concept, according to sources familiar with the new program. USNI News reported on Dec. 22 that the Navy will start by purchasing two ships and eventually purchase 10, with a goal of 20 to 25 in total for the class with the start of construction planned for 2030. The Navy has not yet provided a cost estimate, though defense analysts have speculated the ships could cost roughly \$10 billion per vessel.

Social Media Highlight Of The Week

Posted Tuesday on HII's Facebook page:

"As 2025 came to an end, HII engineers and technicians in Pocasset, Massachusetts, celebrated the completion of production of the 42nd Lionfish small unmanned underwater vehicle (SUVU) for the U.S. Navy. This milestone represents the final base-year Lionfish to be delivered under a five-year program that could scale to 200 vehicles, with a total contract value exceeding \$347 million.



Lionfish is based on HII's REMUS 300 platform, a modular, open-architecture SUVU engineered for multi-mission adaptability. The platform was developed in collaboration with the U.S. Navy and the Defense Innovation Unit (DIU) to accelerate the adoption of dual-use commercial technologies into U.S. Department of War programs.

HII delivered the first two Lionfish vehicles in April 2025.

The Lionfish program has been recognized as the U.S. Navy's first successful transition from an Other Transaction Authority (OTA) prototype to full-scale production. Lionfish is also the first, and only, cyber-compliant unmanned underwater vehicle."

Trump's Floats \$1.5 Trillion Defense Budget: Politico reported on Wednesday that President Donald Trump will ask Congress for a \$1.5 trillion defense budget in 2027, a \$500 billion increase from this fiscal year's Pentagon budget. The president provided few details in his post on Truth Social, other than to say the money would pay for his "Dream Military." Trump did suggest that tariff revenues could cover the increase, although it remains unclear if the tariffs collected will cover the entire proposed increase. The boost likely reflects Trump's military ambitions, from the Golden Dome air defense effort to his call for a new battleship design. Neither of those programs could be fully funded under current spending levels. The Associated Press reported on Wednesday that Trump cited "troubled and dangerous times" as his motivation to propose the budget hike. As for fiscal year 2026 defense spending, Politico reported on Thursday that the House passed three government spending bills Thursday, inching Congress closer to funding federal operations ahead of the Jan. 30 deadline to avoid a shutdown. The measures would fund the departments of Energy, Commerce, Interior and Justice, as well as water programs, the EPA and federal science initiatives through the end of the current fiscal year. The Senate is expected to vote on the package in the coming week.

USS *Nimitz* (CVN 68) Reactors Could Power Data Centers: Stars and Stripes reported on Friday, Jan. 2, that nuclear reactors from aircraft carrier USS *Nimitz* (CVN 68) could be repurposed to power a future land-based artificial intelligence data center as the ship approaches decommissioning scheduled for later this year. HGP Intelligent Energy has proposed transferring the carrier's two Westinghouse A4W reactors to Oak Ridge National Laboratory, in Tennessee, after they are removed during decommissioning, deactivation and defueling. HGP told the U.S. Department of Energy the reactors

could generate up to 520 megawatts of power for energy intensive AI data centers. The proposal was submitted to the White House's Genesis Mission Office. HII has received a \$33.5 million contract to continue planning the *Nimitz* retirement, which is expected to take place at the company's Newport News Shipbuilding division. Navy Times has previously reported that USS *Nimitz* now is docked in its Naval Base Kitsap homeport and is set to return to Naval Station Norfolk, in Virginia, ahead of its decommissioning later this year.

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Please note: Social media is blocked on HII computers for most employees. Employees are encouraged to visit HII's Facebook page and other social media sites on personal time and from non-work devices.

Send feedback to: HII_Communications@hii-co.com.