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UNTIL RELEASED BY THE
HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON READINESS

STATEMENT OF
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(ENERGY, INSTALLATIONS AND ENVIRONMENT)

BEFORE THE
HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON READINESS

MARCH 16, 2022

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Introduction

Chairman Garamendi, Ranking Member Waltz, and distinguished members of the Subcommittee, thank you for the opportunity to testify on the Department of the Navy (DON) Energy, Installations and Environment (EI&E) portfolio. I look forward to sharing with you how the DON enables warfighting readiness through modernized and climate-ready shore installations; unrivaled testing and training ranges; resilient facilities and operations; safe and healthy conditions for our people; and stewardship of the environment as a strategic asset.

Red Hill

On March 7, 2022, the Secretary of Defense (SECDEF) announced his decision to defuel and permanently close the Red Hill facility, and to reposition fuel stored at Red Hill by leveraging commercial infrastructure. The Red Hill facility will be defueled in compliance with environmental safeguards and in accordance with applicable federal, state, and local regulations. No later than May 31, 2022, the Secretary of the Navy and the Director, Defense Logistics Agency will provide a plan of action and milestones to defuel the facility. The plan of action will require that defueling operations commence as soon as practicable after the facility is deemed safe for defueling, and target the completion of defueling within 12 months. The decision to close the facility was the product of the Department of Defense's (DoD's) thorough review of options for the long-term distribution of fuel reserves in support of operations in the Indo-Pacific region.

The contamination of the Navy drinking water system in Oahu, Hawaii, has impacted the lives of thousands of people in the communities surrounding Joint Base Pearl Harbor – Hickam. The DON takes very seriously its responsibility to make things right for the people and the environment. I traveled to Oahu in December 2021 to tour the Red Hill facility, to meet with the DON personnel and the intergovernmental team who are working to support our people and

restore potable water, and to meet with local community and Native Hawaiian leaders. At Secretary Del Toro's direction, I stood up a federal interagency working group that developed a whole-of-government response to this complex and urgent problem. On site in Hawaii, we established an Interagency Drinking Water System Team – comprising experts from the U.S. Environmental Protection Agency (EPA), the Hawaii Department of Health (HDOH), and the DoD – to work diligently and collaboratively to restore safe drinking water as soon as possible. We remain focused on the families and residents impacted by contaminated water. The DON has expedited medical screenings and provided clean drinking water, temporary lodging, reimbursement for meals and expenses, showers, laundry service, and other types of support. We are also supporting affected schools and businesses as well as people who are not affiliated with the DoD but live in homes serviced by the Navy's water system.

Under jointly-agreed-upon plans and procedures, the Interagency Drinking Water System Team (IDWST) has conducted comprehensive flushing and sampling to ensure that water is clean and safe for use. Through this process the IDWST provided comprehensive sampling data to the HDOH so it could evaluate whether the water is safe for the homes and buildings in each affected neighborhood, and amend its health advisory accordingly. To make this transition as smooth as possible, we have provided clear information to families and established Rapid Response Teams to immediately address resident concerns regarding water quality. Long-term water monitoring protocols, which have been endorsed by the EPA and HDOH, are now in place to regularly test water at various locations served by the Navy's drinking water system in Oahu.

The DON continues to work with the HDOH, national and local elected officials and other community leaders to remediate the contamination at the Red Hill well. Over the past two months, the DON conducted skimming operations and installed a large, granular-activated-

carbon water filtration system to remove and limit the spread of contaminants in the groundwater. We are sampling the water constantly to ensure there is no fuel in the water as it is pumped through the filtration system. Finally, the DON is working with the EPA, U.S. Geological Survey, the HDOH, the Hawaii Department of Land and Natural Resources, the Honolulu Board of Water Supply, and the University of Hawaii, to expand the network of groundwater monitoring wells around Red Hill.

The DON fully supports the Secretary of Defense's decision to defuel and permanently close the Red Hill Bulk Fuel Storage Facility, and I look forward to working with our interagency partners and the HDOH to protect the residents of Hawaii, the environment, and the security of our nation. The DON will continue to engage with federal, congressional, state, and community stakeholders throughout this process. We will move forward together.

Modernized Installations and Ranges to Enable Navy and Marine Corps Operating Forces

I appreciate this committee's continued attention to the urgent need to modernize the Navy's premier aviation training range, the Fallon Range Training Complex (FRTC) in Nevada, and DON leadership remains focused on achieving this critical objective. The Nation's naval forces must have training facilities and ranges that allow them to train like they fight, and the FRTC plays a paramount role in the readiness of Naval Aviators and Navy Sea, Air and Land (SEAL) forces. The DON continues to contribute to the FRTC Intergovernmental Executive Committee to obtain views of stakeholders on FRTC range modernization and the stewardship of natural and cultural resources on the range. This committee consists of representatives from the DON, Department of the Interior (DOI), the State of Nevada, the counties of Churchill, Lyon, Mineral, Pershing, and Eureka, and multiple Tribes (Battle Mountain Band of Te-Moak Tribe Western

Shoshone, Duckwater Shoshone Tribe, Elko Band Colony-Te-Moak Tribe of Western Shoshone, Fallon Paiute Shoshone Tribe, Fort McDermitt Paiute Shoshone Tribe, Lovelock Paiute Tribe, Pyramid Lake Paiute Tribe, Reno-Sparks Colony, South Fork Band-Te-Moak Tribe of Western Shoshone, Summit Lake Paiute Tribe, Te-Moak Tribe of Western Shoshone, Walker River Paiute Tribe, Washoe Tribe of Nevada and California, Wells Band Colony Te-Moak Tribe of Western Shoshone, Winnemucca Indian Colony, Yerington Paiute Tribe, and Yomba Shoshone Tribe).

In October, I had the opportunity to visit Fallon and meet with the leadership of the Walker River Paiute Tribe and the Fallon Paiute Shoshone Tribe and the Churchill County Commissioner to gain a greater appreciation of their perspectives on the Navy's current and future use of lands near Fallon. The DON is also in regular dialogue with the DOI to work towards the productive resolution of outstanding issues. The DON remains firmly committed to working closely with all stakeholders, to include Tribal Nations, to find a viable path to provide our warfighters a range complex that allows them to train for the high-end fight.

Navy and Marine Corps installations located in the United States and around the world are essential shore platforms from which naval forces train, deploy, and maintain forward presence to enable geographic Combatant Commanders to meet operational requirements. Thanks to the strong support of Congress, the DON is making great progress restoring and rebuilding from natural disasters dating back to the 2018 hurricane season. Since March 2021, the DON has awarded military construction projects totaling more than \$1 billion to restore infrastructure after hurricanes, earthquakes, and other extreme weather at Naval Air Station China Lake in California, Marine Corps Base Camp Lejeune in North Carolina, Naval Air Station Pensacola in Florida, and Naval Air Facility El Centro in California. We are also continuing to build out

Marine Corps installations in the Indo-Pacific area of operations associated with the Defense Posture Review Initiative, with a near-term focus on Marine Corps Base Camp Blaz on Guam. Over the past year, the DON awarded 19 military construction projects to support the Marine Corps in the Indo-Pacific. Marine Corps Force Design concepts are being considered in the design of future military construction projects to ensure resilience in the face of operational and environmental threats, maximize effective use of resources, and appropriately posture the Marine Corps in the region.

A modernized and ready organic industrial base is a vital component of readiness, and the DON is taking an enterprise-wide approach to optimize infrastructure at the shipyards, depots, and logistics complexes that repair and modernize our ships, submarines, aircraft, and tactical vehicles. The Shipyard Infrastructure Optimization Program (SIOP) is a critically important program to prepare the Nation's four public shipyards to meet the future needs of the Navy's nuclear-powered submarine and aircraft carrier force. In August, the Navy awarded a \$63 million construction project for improvements to Dry Dock 2 and a \$1.7 billion primary construction contract to expand and reconfigure a dry dock complex at Portsmouth Naval Shipyard in Maine to increase the shipyard's capacity to maintain, modernize, and repair the Navy's attack submarines and return them to service. To support future ship and submarine overhauls in the Pacific, the DON released a draft Environmental Impact Statement in February 2022 for a replacement dry dock and waterfront production facility at Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility.

Today's fiscal and readiness challenges compel the Navy and Marine Corps to pursue new ways to reduce the cost to operate shore installations through innovative facility investments, modernized business practices, alternative financing, and partnerships. We appreciate the

authority granted by Congress to use Intergovernmental Support Agreements to partner with a state or local governments to obtain installation support services, and which often generates considerable savings for our installations. In November 2021, Naval Air Station Corpus Christi entered into an IGSA with Nueces County for the county to provide potable water, respond to emergency outages, and recapitalize the installation's drinking water distribution system for the next 10 years.

We continually seek to cultivate partnerships with the communities that host our military installations to ensure Navy and Marine Corps installations are ready to respond to national security requirements as well as the needs of the community. We saw an example of the power of these partnerships in action in November 2021, when Naval Base Ventura County in California activated a standing Joint Use Agreement with the local port authority to help reduce the shipping congestion in Los Angeles County's major ports as the nation faced supply chain challenges. Vessels arriving into the Port of Hueneme were able to unload their containers at Naval Base Ventura County before continuing on to Los Angeles County to avoid the backlog of ships farther south. The DON is also working closely with our surrounding communities to implement the Defense Community Infrastructure Pilot (DCIP) program, which provides construction funds to states and communities to address deficiencies in community infrastructure that support military installations. Defense communities surrounding Navy and Marine Corps installations performed very well in the 2021 DCIP program, earning nine of the 13 grants awarded across country. These projects ranged from the restoration of a beach and dune system to the mitigation of erosion problems near Joint Expeditionary Base Little Creek-Fort Story in Virginia, to the construction of a new fire station to support emergency response resources

provided to Marine Corps Base Camp Pendleton in California, to the expansion of wastewater treatment capacity in support of Naval Air Station Whiting Field in Florida.

Installation Resilience and Climate

President Biden, Secretary Austin, and Secretary Del Toro have all identified climate as a threat that confronts our national security and the ability of our military forces to perform their mission. For the DON, climate readiness is mission readiness; mitigation, adaptation and resilience are operational imperatives. Guided by President Biden’s Executive Order 14008 “Tackling the Climate Crisis at Home and Abroad” and Executive Order 14057 “Catalyzing Clean Energy Industries and Jobs through Federal Sustainability,” we are building a climate-ready and resilient force across the DON to drive innovation and efficiency, build new and expanded partnerships, increase the resilience of our infrastructure and systems, responsibly invest in alternative energy sources, conserve resources, reduce our carbon footprint, and lower our reliance on fossil fuels. The DON will soon publish our Climate Strategy, which will outline how we will expand and intensify our efforts to combat climate change across all sectors to ensure the Navy and Marine Corps maintain maritime dominance and remain a capable, agile, and lethal fighting force, ready and able to fight and win.

Climate change, sea level rise, and severe weather events directly impact the readiness of DON installations and operations today and will increasingly do so in the future. The Navy and Marine Corps are tackling these challenges holistically by incorporating installation resilience as a cross-cutting consideration in our decision-making processes for installation operations, master planning and the design, construction, and recapitalization of infrastructure. We are confronting

the destabilizing threat of climate with urgent resolve by adapting our operations, platforms, and infrastructure and mitigating the climate impacts of our actions.

As directed by the Fiscal Year (FY) 2020 National Defense Authorization Act (NDAA), the DON is adding a resilience component to our major installation master plans. Five Navy installations have completed draft resilience plans, and the Marine Corps recently awarded a contract to update two master plans to include new resiliency components. The DON is on track to incorporate resilience into the Naval Base San Diego in California and Marine Corps Recruit Depot Parris Island in South Carolina master plans by the end of 2022. I had the opportunity recently to visit both of these installations and talk to the leadership there, and I look forward to seeing the benefits the DON will gain from updated resilience planning in these locations.

During the planning and design phase of new facilities and major recapitalization projects, the DON's facility planners and engineers use sea level rise scenarios in the DoD Regional Sea Level Rise database to ensure designs can mitigate and withstand potential flooding. Under SIOP, each of the Navy's four public shipyards will undergo a sea-level rise study so that shipyard Area Development Plans will incorporate sea level rise mitigation.

The DON has leveraged military construction planning and design funds, which were added by Congress in FY 2021 and FY 2022 specifically for installation resilience, to conduct studies, update resilience design standards and invest in tools to enable technical experts DON-wide to proactively and comprehensively address a full range of installation resilience threats and vulnerabilities. The DON continues to employ the authorities granted to us by Congress to execute Intergovernmental Support Agreements, Utility Privatization, Energy Savings Performance Contracts, Utility Energy Service Contracts, and Enhanced Use Leases. We have already seen many successes using these authorities, and we have awarded more than \$3 billion

to date in Energy Savings Performance Contracts and Utility Energy Service Contracts, utilizing private sector expertise and funding to modernize infrastructure and reduce energy consumption and greenhouse gases. In September, the DON awarded a Utility Energy Service Contract to bring energy upgrades to Naval Air Station Joint Reserve Base New Orleans in Louisiana. The project will design and install energy conservation measures at 86 facilities across the installation – such as heating, ventilation and air conditioning upgrades, interior lighting, solar-powered streetlights; modernized transformers and high-efficiency water fixtures – and is projected save to about \$650,000 annually in electric energy, electric demand, natural gas, water, and maintenance savings.

We are also expanding partnerships and installing advanced technology at our installations – such as non-intrusive energy load monitoring, distributed power generation, smart grids, and microgrids – to increase energy efficiency and provide reliable energy for our critical-mission infrastructure. In December, the DON and the California Energy Commission (CEC) signed a Memorandum of Understanding (MOU) that will help the Navy and Marine Corps and the state collaborate on energy and water-related projects at DON installations. The MOU, which I co-signed with the Chair of the CEC, renewed the cooperation between the DON and California for another five years. This team meets on a monthly basis and facilitates increased coordination and collaboration to help Navy and Marine Corps installations in California address energy resilience, climate initiatives, fossil fuel reduction, greenhouse gas reduction, water consumption, and alternative-fuel vehicles.

Protect the Safety and Health of our People and Communities

The DON remains committed to the health and safety of Sailors, Marines, Civilians, their families, and the communities in which they serve. Although work remains, we are beginning to see sustained improvement in the operation, maintenance and customer service in privatized family housing. Over the last six months, I have visited Navy and Marine Corps installations and seen installation commanding officers are personally involved in resolving privatized housing issues and advocating for military families. Also, I have talked to the residents to hear what we are doing right and what we can be doing better. Thanks to the support of Congress, we have added housing advocates in our housing offices to better support our Sailors, Marines, and their families through better oversight, quality control, and support at the installation, regional and headquarters levels. In addition to annual surveys, the Navy and Marine Corps have added additional performance measures such as point-of-contact surveys for move-in readiness and maintenance performance. In September, the DON awarded a contract to an engineering service firm to perform a third-party inspection of our privatized housing inventory. Finally, we continue to provide reviews of the financial health of DON Public-Private Venture housing projects to ensure these partnerships can be sustained long-term. Leadership at all levels throughout the DON are focused on getting this right for our people.

As the Department is now seeing sustained improvement in the quality and resident satisfaction of privatized family housing, it is clear more work is needed to improve the unaccompanied housing for our Sailors and Marines. The recent issues uncovered at Naval Support Activity Bethesda serve as a poignant reminder of under-sustaining unaccompanied housing and the negative impact it has on the morale and readiness of our service members. We are working to make sure that our unaccompanied Sailors and Marines have the healthy and safe quarters that meet modern living standards which they deserve. I appreciate Congress's interest

in this area and the DON is committed to increasing leadership and oversight of unaccompanied housing and to prioritizing the recapitalization of barracks within the planning and programming process. In accordance with the FY 2022 NDAA, I have directed the Navy and Marine Corps to perform a comprehensive review of the condition of unaccompanied housing and to provide a 10-year plan to address facilities that are in unsatisfactory condition.

As we focus on the safety and health of our people in their homes, the Department also is taking action to enhance the safety of our people in the workplace. Compelled by recent safety mishaps and the Vice Chief of Naval Operations' Major Fires Review, DON's new Safety Management System will encourage learning, identify and manage risk at the appropriate level, identify problems, and provide assurance and controls at every level. The transformation of the Naval Safety Center into the Naval Safety Command in February 2022 is a key step forward in the Department's adoption of a new safety paradigm. With increased authority, the Naval Safety Command will promote rapid learning, build resilience across the force, and enable a sustained culture of excellence. We want to empower all Sailors, Marines, and Civilians to think critically about risk. This approach includes assessment and communicating risk up and down the chain of command so that leaders can implement effective controls and so that – as a Department – we can create a community and culture of learning. Finally, together with the Vice Chief of Naval Operations, I serve as the co-chair of DON's new Learning to Action Board, which provides a structure, process and forum to drive transparency and accountability for implementing recommendations from external reviews, investigations, reports, and studies.

Together with our partners, the Department is working hard to protect our people and communities from chemicals of emerging concern, such as per- and polyfluoroalkyl substances (PFAS). The DON is implementing a comprehensive strategy to manage and address known or

potential releases of PFAS at Navy and Marine Corps installations. This includes testing drinking water for perfluorooctane sulfonic acid (PFOS)/perfluorooctanoic acid (PFOA), and identifying, evaluating, and addressing PFAS releases resulting from DON activities. Over the past year, the DON installed systems near two closed installations to treat municipal water wells that have been impacted by the Department's prior releases of PFAS. Finally, the DON continues to support DoD's research and development effort to identify suitable replacements to transition to a PFAS-free firefighting alternative on installations.

Stewardship of the Environment as a Strategic Asset

The Navy and Marine Corps are enhancing mission effectiveness through the thoughtful and deliberate implementation of environmental programs to meet mission requirements, avoid and reduce future liabilities, build trust and equity with stakeholders, and protect the environment where we live, work, and train. To help advance and preserve mission readiness, the DON uses the Readiness and Environmental Protection Integration (REPI) program to achieve mutually beneficial, sustainable communities near our installations and ranges by leveraging shared resources and partnering with local governmental and non-governmental organizations. Since 2003, DON's REPI program has protected more than 200,000 acres of land around key installations and ranges to enhance military installation resilience, promote compatible land uses, and preserve habitat to relieve existing or prevent future restrictions on military activities. In January 2022, the DON and Beaufort County partnered to purchase a conservation easement on 2,068 acres near Marine Corps Air Station Beaufort in South Carolina to preserve the installation's mission and permanently protect the land from commercial development. In September 2021, the DON joined forces with the U.S. Fish and Wildlife Service, the United

States Department of Agriculture Forest Service, the Georgia Forestry Commission, conservation groups, and private foundations to conserve more than 27,000-acres of land, protecting the mission of Naval Submarine Base Kings Bay from incompatible development while also preserving a vital habitat for a number of threatened and endangered species.

Competition for land, air, and sea space is growing, and the DON is mindful of the compatibility of current or future activities or developments that could impact military operations, training and testing. The DON and DoD are working collaboratively with the DOI and the Bureau of Ocean Energy Management to support the Nation's growing offshore wind energy industry while ensuring wind energy development is compatible with national defense requirements.

Conclusion

I appreciate the ongoing commitment and attention of this committee, and I thank you for the opportunity to discuss the DON's EI&E portfolio. In coordination with our stakeholders and partners, the DON remains focused on ensuring our regions, installations, and stations build, train, and equip the world's most powerful naval force to meet both today's operational demands and the warfighting needs of the future.