

RECORD VERSION

STATEMENT BY

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BEFORE THE

**SUBCOMMITTEE ON READINESS
COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES**

SECOND SESSION, 119TH CONGRESS

**DEPARTMENT OF THE ARMY ENERGY, INSTALLATIONS,
AND ENVIRONMENT PROGRAMS**

MARCH 4, 2026

**NOT FOR PUBLICATION UNTIL RELEASED BY THE
COMMITTEE ON ARMED SERVICES**

Introduction

Chairman Bergman, Ranking Member Garamendi, and distinguished members of the subcommittee, thank you for this opportunity to discuss the Army's installations, energy, and environment portfolio. Our installations form the bedrock of the Army's mission. From our installations, our warfighters train and deploy to fight and win our nation's wars. Critical to the success of our installations and the Army's mission is having resilient and reliable energy and water. As we develop additional capabilities to enable our warfighters, those technologies have an ever-increasing energy demand, which the Army is working quickly to address. Beyond delivering real warfighter capabilities, the Army is fully committed to delivering high-quality, safe environments for our Soldiers and their families to live and work.

To deliver on President Trump's and Secretary Hegseth's promise to achieve peace through strength, the Army has embraced a holistic approach to installation investments and management. Our installations are much more than just where our Soldiers and their families live. The historic investments in installation housing, operational facilities, and energy capabilities will increase our warfighter's lethality for years to come.

Since January 2025, the Army has been working quickly to deliver real change that our warfighters deserve. From eliminating unnecessary bureaucracy that drove up military construction costs, to the critical investments in barracks made by Secretary Hegseth's Barracks Task Force, the Army has taken concrete action to invest back in our lethality. We look forward to working with this subcommittee to identify additional authorities that can further enhance the Army's ability to invest in our warfighter's readiness.

Military Construction Reform

The current Military Construction process takes too long and makes insufficient investment late to need. A recent Army study estimated that Military Construction may cost up to 60% more compared to private construction for certain building types. Some of the cost drivers are linked to the Army's control, while others require Congressional action. The Army appreciates this subcommittee's leadership to reduce requirements,

where possible, as shown in last year's subcommittee mark up and the final National Defense Authorization Act (NDAA).

For our part, the Army has identified been identifying opportunities for increased efficiency. Last year, the Army discontinued our requirement that our buildings be Leadership in Energy and Environmental Design (LEED) Silver Certified and adopted the Guiding Principles for Sustainable Building Design. Beyond no longer needing to pay for an outside certification in the order of tens of thousands of dollars, the Army has reduced bureaucratic requirements in our facility designs without sacrificing facility performance or safety. Using these guidelines as our new standard, we can achieve this objective but no longer believe that we need an outside organization to simply add layers of reviews to the design process that only increases costs and delays us delivering critical facilities to our warfighters. Initial estimates indicate that we could save up to six percent on the cost of constructing our facilities by eliminating this additional level of outside review.

Secondly, the Army is exploring innovative design technologies and methodologies at every opportunity. At multiple installations, the Army plans to use 3D printed facilities where it makes sense to do so. In other cases, we have decentralized supervision of construction projects rather than have additional layers of oversight that only drives up costs.

The Army is also taking a critical look at our requirements to determine if they are necessary.

Lastly, the Army is looking for additional partnership and opportunities to work with private industries to deliver for our warfighters. Leveraging existing authorities, we are looking to work with our private industry partners to identify opportunities to deliver construction projects faster, cheaper, and of higher quality, while ensuring these partnerships uphold our stringent safety standards. Here, too, we have also identified areas where we can work with this subcommittee to enhance the Army's ability to deliver for our warfighters.

Army Training Lands

Critical to the Army's success is our ability for our Soldiers to train in realistic and enough maneuver space. At our training ranges in Hawai'i, the Department of War hosts several joint and combined exercises that provide a geostrategic deterrence to our adversaries in the region. Some of those training lands are leased from Hawai'i. That lease expires in 2029. The Army continues to work with the State and the local community on a mutually beneficial land deal.

In the continental United States, the Army continues to adapt to evolving training and testing needs. At Fort Polk, Louisiana, the Army is acquiring additional land to increase range capabilities.

Enhanced Use Leasing

The Army is also working with private industry to deliver effective impacts within mission readiness to leverage our enhanced use leasing authority. This authority allows us to obtain value from underutilized real estate and fulfill this Administration's mandate of unlocking potential on federal lands. Our reinvigorated enhanced use leasing program pursues a new generation of leasing agreements that will unleash innovative agreements with private capital, and industry, strengthen our installations, and benefit our communities outside the gate.

The Army just announced a potential lease opportunity at Pine Bluff Arsenal for a manufacturing facility with Hanwha Defense USA who will produce critical energetics for munitions. This leasing effort, if finalized, will support our Army industrial base modernization efforts. The Pine Bluff Arsenal manufacturing facility lease is the first of many leases we hope to award in the coming months. We have several on-going actions to include a solicitation for data center facilities on four of our installations and another solicitation to support critical mineral processing at three installations. Both efforts support multiple Executive Orders on unlocking the potential of federal lands, data center infrastructure, and critical mineral production.

We intend for these leases to create benefit for the Army, bring in new jobs for the local communities, and support modernizing our organic industrial base. With our enhanced use leasing program, the Army can invest lease consideration into critical infrastructure to support Army priorities.

Facility Investment

For many years, the Army had to decide between making long term investments in our facilities and funding more immediate operational needs. Both the Army and Congress have recognized the shortcoming of those tradeoffs, and we look forward to working with Congress to properly resource our facility investments going forward. The Army continues to evaluate if the current minimum Facility Sustainment, Restoration, and Modernization (FSRM) required by law is the best metric for evaluating if facility investments are enough. With more facilities than any other agency in the government, the Army has a particularly acute challenge with achieving this minimum FSRM investment.

The Army appreciates the Congressional engagement on this provision of law as well as the clarification provided in the FY26 NDAA. Estimating the cost for replacing facilities has several factors that can be interpreted and estimated in multiple ways. For example, is the “replacement” of a facility to current standards—such as the minimum square footage of a barracks room—or is the estimate to replace the facility in its current configuration. These uncertainties result in a wide range of values for PRV, further complicating the calculation for the required investment.

Another factor that further complicates the minimum facility investment calculation is excess infrastructure. Excess infrastructure is considered facilities capacity that is not needed to fulfill mission requirements. While the Army continues to work on minimizing excess infrastructure, not all excess spaces are contiguous and can be easily demolished. For those facilities that can be demolished, the Army is working to resource those demolition projects to remove them from the PRV calculations, but some demolition projects require additional time to plan and execute due to

complex environmental or safety considerations, such as hazardous material abatement, and may not fall under the 2-year PRV exclusion in current law.

Lastly, the Army is working diligently to ensure that our installations have the capacity to execute this increased level of facility investments. Here too, we have identified opportunities to work with this subcommittee to improve our installations' ability to surge capacity and leverage private sector expertise to accomplish the work.

To prioritize the Army's military construction and other facility investments (to include demolition), we use a deliberate process, which is used to produce a Facility Investment Plan (FIP)—a prioritized list of projects, by component, which the Army develops infrastructure requirements. This prioritization considers several factors from our commanders and senior leaders, including the relative importance of various facility types, the installation's location, and the installation's primary mission. The FIP is used to inform the Army's annual budget request.

Unaccompanied Housing - Barracks

Our first and highest priority is to take care of our warfighters. To do that we must ensure they have proper training and living facilities. The challenge we face is a substantial backlog of deferred maintenance that built up over many years. The Army, with the support of Congress, has significantly increased annual investment over the last few years to address this backlog, but these investments sometimes take a number of years to realize their effect. As investments in the Army's permanent party barracks with construction and modernization continues to grow, the Army continues to plan funding to 100% of the modeled sustainment requirement each year for permanent party barracks to prevent accelerated degradation of these facilities.

The Army is grateful to this subcommittee and the Congress for the investment in our barracks from last year's reconciliation bill. Leveraging this funding, Secretary Hegseth's Barracks Task Force is making coordinated investments to deliver the highest quality housing to our Unaccompanied Soldiers. For the Army's part, we are making a \$520 million investment across all components for immediate and longer-term barracks

improvements. \$405 million is allotted to planned large-scale FSRM projects. \$115 million was distributed to senior commanders across components and installations to support ongoing and near-term improvements such as replacing water line infrastructure, furnishings, and smoke detectors and purchasing new fans, dehumidifiers, and mattresses. For example, 10th Mountain Division in Fort Drum, New York, invested \$3 million to replace critical water main lines for an over 35 years-old, failing water distribution system for several barracks. This funding is just a down payment on addressing the conditions of our barracks going forward.

Some of these investments will take time, but Commanders are empowered to take immediate action, when necessary. If living conditions are unacceptable by moving Soldiers into appropriate housing—on or off post. To help ensure our barracks are up to standard, the Army is inspecting all Soldier's rooms to ensure they are clean, comfortable, and safe, which is a critical component of operational readiness and well-being. The Army has conducted inspections of all occupied barracks rooms to help identify where immediate action is needed.

In addition, the Army expanded our annual Tenant Satisfaction Survey (TSS) to include Soldiers living in our barracks to help assess whether investments in our barracks are improving Soldiers' quality of life. This will be the second year that the TSS is open to Soldiers in barrack. This will provide critical data on Soldiers' satisfaction of the barracks overtime. We hope that this allows us to start tracking trends in Soldiers' satisfaction in their barracks to know if our investments are making a meaningful impact.

The Army continues to look for new and innovative ways to maximize its facility investments that improve barracks quality and lower military construction costs. For example, the Army is pursuing privatization where life-cycle cost analyses show it is cost-effective to have a private company build and manage the housing for junior enlisted Soldiers. Last year, the Army initiated a second privatized apartment project for junior enlisted Soldiers at Fort Irwin, California. The Army currently has five other locations with privatized apartment living options for junior enlisted Soldiers, with

another two locations under development. The Army is looking to expand this effort to privatize traditional barracks buildings through a building lease model.

Army Family Housing

Taking care of our warfighters also means taking care of their families. The Army takes care of our families whether their warfighter is at home or not. The Army continues to make significant progress to provide high-quality family housing—both government-owned and privatized.

The Army has made significant investments in overseas family housing, which is mostly government-owned. In FY25, the Army executed \$580 million for operations, maintenance, leasing, oversight, and construction.

In addition to providing high-quality government-owned housing, the Army is working to ensure our Soldiers have the high-quality privatized housing they deserve. Over the next three years, privatized housing providers will invest over \$2.5 billion for the construction of over 2,900 homes, renovations of 24,000 homes, and other developmental work.

Over the last two years, the Army has implemented several oversight reforms to better hold privatized housing providers accountable for maintaining the high-quality privatized housing our Soldiers deserve. These efforts have included strengthening and clarifying enforcement language in ground leases, conducting house-by-house inspections, implementing quality assurance of construction and renovations, and developing a standardized quality assurance maintenance program that will be applicable to all privatized housing companies doing business with the Army. The Army also conducts the annual TSS to assess military families' satisfaction with their homes and hold housing providers accountable for maintaining those homes. The FY25 TSS results showed an overall portfolio score of 76. While this marked a small increase from last year's results, the Army realizes that there is significant room for improvement. We hope that the historic investment in housing will result in a noticeable increase in tenant satisfaction.

By the end of FY26, the Army will finish one-time, third-party inspections of all our family housing inventory. When our inspections reveal deficiencies in work performed, the Army privatized housing provider or installation Director of Public Works reacts quickly to rectify the situation.

In FY26, the Army planned approximately \$46 million for housing oversight and training. Funding will support civilian pay, travel, Basic Allowance for Housing payback, ground lease compliance and supplemental agreement processing, environmental and real estate assessments, training, financial consultant services, and the privatization modules.

Historic Housing

The Army thanks Congress for its assistance in streamlining the management of our historic housing inventory of over 30,000 homes, while still ensuring proper stewardship of the homes and compliance with the National Historic Preservation Act (NHPA).

Building on that successful model, we are now applying the same strategic approach to the infrastructure that supports our warfighting readiness. Currently, a fragmented and inefficient system of 115 separate, installation-level NHPA compliance agreements hamper our mission readiness. This patchwork created inconsistency and bureaucratic delays, diverting critical resources from our primary mission.

To streamline the management of these agreements, the Army developed the Program Comment for Army Warfighting Readiness and Associated Infrastructure, a strategic, enterprise-level solution that was recently submitted to the Advisory Council on Historic Preservation (ACHP) for their review and approval. This landmark program comment represents a fundamental overhaul of our approach. It replaces the 115 disparate NHPA compliance agreements with a standardized framework for our warfighting mission and its supporting infrastructure. By establishing consistent, Army-wide standards, this program comment accelerates the modernization of our facilities and directly enhances military readiness. The ACHP votes to approve or disapprove the program comment on April 3, 2026.

Installation Resilience

Critical to the Army's mission success, our installations must be protected from threats to our facilities, waters, and energy infrastructure. Army installations must adapt to threats as they evolve. A recent example includes unmanned aerial systems. The Army looks forward to continuing working with the Joint Inter-Agency Task Force 401, which is leading the adaptation to address this emerging threat.

Given our installations primarily rely on commercial utilities for energy and water, we must ensure they are protected from external disruptions and can quickly recover. Several key threats to CONUS and OCONUS energy and water infrastructure continue to impact operations and underlie the need for resilience and acceleration of modernization. Vulnerabilities, both natural and man-made, associated with interdependent electric power grids, natural gas pipelines, and water resources and systems can jeopardize installation security and mission capabilities. Installations must be equipped to withstand natural disasters and have the capability to maintain mission readiness and operations during emergencies.

To address these potential risks to our water and energy systems, 99% of our installations have finished Installation Energy and Water Plans to identify resource requirements and risks, and to develop mitigation measures. For example, the Army is deploying energy-generating microgrids on installations, conducting Black Start Exercises (BSEs) to assess system vulnerabilities, and testing the cyber domain through the Cyber Readiness Resilience Exercises.

In addition to decreasing installation operational costs, efforts to reduce energy and water consumption also increase resilience as less water and energy are needed to meet mission requirements if service is disrupted. The Army reduced its energy use intensity (energy use per square foot) by 12.4% as compared to the FY 2003 baseline and reduced its water use intensity by 22.2% compared to the FY 2007 baseline. To test installation energy resiliency, BSEs simulate the impact of a power outage from a commercial grid service disruption. The Army has finished 32 BSEs since program inception. Additionally, the Army is expanding performance of additional pilot Readiness

Exercises to include Cyber and Water Resilience. Results from these pilots will help inform future requirements to assure our ability to support critical missions under a contested threat environment.

Overseas, the Army is doing comprehensive energy and water resilience planning at installations in the U.S. Central Command, U.S. European Command, and U.S. Indo-Pacific Command regions. These forward installations are critical to assuring the Army is ready to respond to the needs of the Nation. In the Indo-Pacific, fuel logistics and vulnerable island locations present unique energy challenges. The Army is building energy resilience across the region by developing microgrids, implementing energy and water efficiency measures, and ensuring enough fuel reserves to support operations during potential disruptions.

Janus Program

In response to President Trump's May 2025 Executive Order to acquire safe, secure, reliable, on-site energy generation to increase installation resilience and support critical missions, the Army launched the Janus Program last year. Building on the lessons learned from Project Pele and the National Aeronautics and Space Administration Commercial Orbital Transportation Services contracting model, the Janus program will ensure military energy independence through private sector investment in and use of advanced nuclear microreactor technologies. This year, we, in close partnership with the Defense Innovation Unit, anticipate executing Other Transaction agreements with several companies to develop prototype reactors, with the aggressive goal of breaking ground on multiple Army installations by FY28.

For this first phase of the Janus program, the Army has identified nine installations to potentially site these microreactors. The nine installations are Forts Benning, Bragg, Campbell, Drum, Hood, and Wainwright as well as Joint Base Lewis-McChord, Redstone Arsenal, and Holston Army Ammunition Plant. As we continue the acquisition process to select microreactor vendors, the Army will select the most ideal locations from these nine installations. Considerations will include reactor siting requirements, adherence to the most rigorous nuclear safety standards and state and

local community support. If industry interest permits, the Army plans to expand the Janus program to all nine installations and beyond.

Installation Partnerships

The Army's utilities privatization program is a key component of our strategy to recapitalize and sustain installation utility systems, ensuring they are reliable, safe, and efficient, which is vital for supporting our missions and the well-being of our installation community. By partnering with private sector providers, the Army is able to leverage their financing and technological expertise to upgrade and maintain installation infrastructure. Utility privatization allows the Army to focus on its core mission while ensuring our installations have resilient and modern utility systems to support our Soldiers and their families.

The Army's Office of Energy Initiatives (OEI) continues to explore public-private arrangements that reduce the need for appropriated funding and employ a wide array of modern energy technologies in support of installation mission operations. The OEI looks to leverage the value of underutilized installation land for the development of energy-generation facilities that will enhance energy resiliency. Rather than a monetary rent payment for leasing installation lands, the Army typically seeks in-kind consideration to satisfy the fair-market rental value requirement. For energy-generation facilities, this includes the ability to prioritize power from the project to support critical missions during grid disruption. The Army's collaboration with private industry (both public utility companies and independent power producers) has resulted in approximately \$628 million of private-sector investment and over \$407 million of avoided operational costs for the Army.

For our current installations, the Army continues to use Energy Savings Performance Contracts (ESPCs), Utility Energy Savings Contracts (UESCs), and Intergovernmental Service Agreements (IGSAs) to improve installation efficiency and lower facility operational costs across all utilities and services. The Army awarded six ESPCs and UESCs totaling \$327 million in FY25. For FY26, FY27, and FY28 the Army hopes to award another 22 contracts with \$606 million in private investment. Resilience

enhancements remain a focus for ESPCs and UESCs, including a planned natural gas pipeline providing 16 megawatts of power generation at Fort Irwin and numerous industrial equipment upgrades to improve operational efficiency at Anniston Army Depot. The Army's 160 IGSAs include agreements for environmental services, waste management, and dozens of other community partnerships. Going forward, we intend to increase our use of ESPCs, UESCs, and IGSAAs to reduce the long-term costs of our installations.

Safety and Occupational Health

Confident, trained, and fit Soldiers are the foundation of readiness and combat power. Those capabilities are diminished when our warfighters are taken out of the fight due to injury or unsafe facility conditions. The Army continues to work on decreasing preventable injuries, especially in training environments. Further, our investments in modern and safe facilities reduce preventable health risks posed to our Soldiers.

The Army is working to resource and implement the tactical vehicle data record pilot program enacted in the FY23 NDAA. These recorders will provide critical data to support mishap investigations and will give us the capability to proactively improve driver and passenger safety by identifying hazards for mitigation. The recorders will also provide the potential for daily monitoring of each vehicle and will give individual feedback for improving driver performance, directly enhancing both safety and readiness.

Additionally, the Army continues to review the potential risks of blast overpressure on our warfighters and civilians. The Army conducts health hazard assessments for equipment – to include weapon systems – as part of design, testing, and new equipment training. The Army utilizes scientific collection and measurement methods to develop and publish standardized training procedures, providing leaders and Soldiers guidance on proper use, required mitigation steps, and potential risks related to blast overpressure. When new scientific methods or tools are developed or monitoring indicates emerging injury trends, the Army reassesses and publishes updated training guidance to preserve the long-term health and combat effectiveness of our Soldiers.

Environmental Compliance and Remediation

The Army still has approximately 15% of its closed installations that requires environmental remediation before the land can be redeveloped. The Army continues to dispose of the excess property as quickly and efficiently as possible. The revenues from some of the disposed property helps to resource the environmental work.

The Army recently finished transfer of all surplus acres at Fort Gillem and Stratford Army Ammunition Plant. The Army also closed Pueblo Chemical Depot and is preparing to dispose of the 7,000 acres of excess land. We also thank Congress for enacting a provision in the FY25 NDAA to address the outcome for the former Army Navy Hospital in Hot Springs, Arkansas.

In alignment with the Department of War's updated National Environmental Policy Act (NEPA) procedures, the Army has taken significant steps to further streamline the NEPA process for more efficient and timely reviews while ensuring our environmental stewardship responsibilities. The Army is maximizing the use of proven strategies by prioritizing comprehensive Environmental Impact Statements for major actions with the greatest potential for significant environmental effects, particularly those that are multi-regional or nationwide in scope. For other actions, we are leveraging more concise Environmental Assessments, programmatic reviews, and mitigated Findings of No Significant Impact to right-size the analytical effort. To further reduce redundancy and expedite decision-making, our process now emphasizes adhering to strict page limits and deadlines, utilizing categorical exclusions, tiering from previous studies, and incorporating existing analyses by reference, thereby reducing duplicative efforts and focusing resources on the most critical environmental considerations.

The Army recognizes that exposure to certain levels of per- and polyfluoroalkyl substances (PFAS) may pose a risk to our warfighters and surrounding communities. The Army is committed to complying with the maximum contaminant levels promulgated by the U.S. Environmental Protection Agency for perfluorooctanoic acid (PFOA) and perfluorooctanesulfonic acid (PFOS) and will continue to take action to address Army's

drinking water impacts in a transparent and systematic manner, as providing safe drinking water for our personnel and surrounding communities is a top priority.

The Army has been proactive in addressing the Army's PFAS releases on- and off-installation, using a risk-based approach to prioritize actions at sites with higher PFAS levels first. This "worst first" approach is consistent with OSW guidance. The Army follows the federal cleanup law, Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), to investigate and assess if remedial actions are needed. Of the 345 installations where PFAS may have been stored, used or released, 235 installations are moving to the next, more-intensive level of Remedial Investigation. The Army is continuing efforts to replace Aqueous Film Forming Foam (AFFF) with fluorine-free alternatives such as fluorine-free foam (F3) and transition vehicles and facilities to using these alternatives to decrease potential sources of PFAS at Army installations.

Conclusion

Providing safe, reliable, and high-quality installations for Soldiers, families, civilians, and defense communities is critical to ensuring the Army can remain adaptable to mission requirements around the world. In order to maximize installation support for the Army's lethality, it is critical to evolve facility investment programs all the while supporting efficient and modern installation management. This requires the Army to continue investing in quality of life and the resiliency of our installations and services.