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PRESENTATION TO THE HOUSE ARMED SERVICES COMMITTEE SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES SUBCOMMITTEE ON READINESS UNITED STATES HOUSE OF REPRESENTATIVES

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SUBJECT: Sealift and Mobility Requirements in Support of the National Defense Strategy

STATEMENT OF:

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INTRODUCTION

Chairman Courtney, Chairman Garamendi, Ranking Members Wittman and Lamborn, distinguished members of the subcommittees, thank you for having us here today with U.S. Transportation Command and the Maritime Administration to discuss the "State of the Mobility Enterprise" and to provide testimony on Air Force role in supporting the Department of Defense's air mobility capabilities.

The Air Force provides capabilities, crews and fleets essential to mobilize global support. The mobility fleet faces challenges to provide the force and fleet readiness needed to meet the ever increasing demands our nation relies upon. As we move towards a two tanker fleet, we must stretch our resources to meet these demands, while balancing the appropriate risk by divesting legacy aircraft to move toward the future force. As we modernize to counter growing threats, we must also ensure that forces remain ready and able to offer options to our Nation's leaders. The demand for mobility capabilities remains high. For example, Air Force mobility forces conducted more than 27,000 airlift and refueling sorties across the U.S. Central Command area of responsibility, offloading more than 590 million pounds of fuel and moving more than 226 million pounds of cargo. With the support of Congress, we have made major improvements to mobility readiness and hope to continue increasing our ready forces. Looking forward to the discussion today to continue working towards a more ready and capable mobility force.

CURRENT CAPACITY AND CAPABILITY

The Department of the Air Force conducted an exhaustive review of our portfolios and made hard decisions to better align with the National Defense Strategy, which includes the acceptance of calculated short-term risk. Some difficult choices require the divestiture of legacy platforms in exchange for capability needed for the future. Our decisions are supported by

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learning from multiple, complex wargame scenarios that assess alternative warfighting approaches against a peer adversary. Our modernization investments focused on connecting the Joint force, dominating in space, generating combat power, and conducting logistics under attack—reflect the new strategic reality.

<u>Tanker Fleet</u>

Tankers are the lifeblood of our Joint force's ability to respond to crises and contingencies quickly and are essential to keeping our Department of the Air Force fueled as a global force. At the end of fiscal year 2020, the tanker fleet will be comprised of 398 KC-135s, 56 KC-10s, and 52 KC-46s that provide the backbone of rapid U.S. global operations. We have accepted 31 KC-46s and will receive a total of 179 KC-46 Pegasus aircraft while we continue to divest the aging KC-10 and KC-135 fleets and look towards the next generation for tanker recapitalization options.

KC-46

While we continue to sustain the current tanker capability, building the future tanker fleet remains one of the Air Force's top acquisition priorities. The KC-46 will deliver greater operational readiness, flexibility, and survivability to the Global Reach mission. The Air Force awarded Lot 5 on 27 September 2019, increasing the number of production aircraft on contract to 67. The Lot 6 contract for 12 aircraft is projected to award in May 2020.

The first KC-46 aircraft was delivered to McConnell AFB, Kansas (Main Operating Base 1), on 25 January 2019. The Formal Training Unit at Altus AFB, Oklahoma, received its first KC-46 on 8 February 2019. The Department of the Air Force established Main Operating Base 2 at Pease Air National Guard Base, New Hampshire, on 8 August 2019. The Department of the Air Force will continue taking delivery of KC-46s at a rate of approximately three per month

through fiscal year 2020, at which point the delivery rate will reduce to approximately 1.25 per month. The Department of the Air Force began dedicated Operational Test and Evaluation on 14 May 2019, executed the first Operational Test flight on 4 June 2019, and formally transitioned into Initial Operational Test and Evaluation (IOT&E) on 23 October 2019.

In Partnership with Air Mobility Command, we have worked hard to accept the KC-46 while ensuring its major deficiencies—the Remote Visual System (RVS) and stiff air refueling boom—are properly addressed without undue burden on taxpayers or warfighters. We established a subject matter expert team that derived critical performance parameters for both the RVS and boom and codified these parameters in legally-binding agreements with Boeing. Due to the extensive nature of the fixes, especially the RVS, design solutions to both issues will take three to four years to develop, and additional time to fully retrofit across our fleet.

The Department of the Air Force remains committed to holding Boeing accountable to fix deficiencies identified in both developmental and operational test and evaluation of the KC-46's effectiveness, suitability, and mission capability. We remain concerned with Boeing's slow progress resolving issues limiting the KC-46's ability to accomplish all missions and will continue to work with Boeing to ensure the KC-46 meets all essential mission requirements. The Department of the Air Force is withholding up to \$26.5 million per aircraft. If applied to all 67 aircraft on contract, withholds could be as high as \$1.8 billion. The Department of the Air Force will not pay for capability not delivered.

Despite its current deficiencies, the KC-46 is safe to operate (adhering to flight manual cautions provided to our operators) and will be the Department of the Air Force's best tanker for contested environments due to enhanced situational awareness, battle management, and threat countermeasures. Accepting the KC-46 with known deficiencies permitted initiation of

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familiarization and operational test activities while the Department of the Air Force works with Boeing on long-term efforts to correct deficiencies. Accepting the KC-46, and fixing deficiencies in parallel with operational test and evaluation, is the fastest way to achieve full operational capability to meet warfighter requirements.

The FY21 Budget requests \$106.3 million in Research, Development Test and Evaluation (RDT&E) funding for ongoing KC-46 Engineering and Manufacturing Development and post production modification efforts, to include the boom telescope actuator redesign (BTAR) effort resolving the stiff boom deficiency. Additionally, the FY21 Budget requests \$3.1 billion in procurement funding to award Lot 7 (15 aircraft plus associated spares, engines, support equipment, and wing air refueling pods).

KC-10 and KC-135

The average age of our KC-135 and KC-10 tankers is 58 and 35 years old, respectively. Both fleets are challenged by aircraft parts obsolescence and diminishing manufacturing source issues. We are able to maintain these platforms as effective and safe weapon systems for the warfighter with the help of organic Department of the Air Force depots and industry. We are executing several key modernization, safety, and compliance initiatives to ensure our KC-135 fleet remains viable through at least 2045.

The FY21 Budget requests \$88.25 million to continue KC-135 modernization efforts. The Block 45 program addresses supportability, reliability, and maintainability issues with legacy flight and engine instruments by integrating a digital flight director, autopilot, radio altimeter, and electronic engine instrument display for our operators. Additionally, the Rudder Position Indicator program enhances safety of the KC-135 by providing the aircrew with situational awareness for the actual rudder position.

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Furthermore, the FY21 Budget also requests \$7.1 million through the FYDP to keep our KC-10 fleet operational through its planned retirement, and includes funding for service bulletins and low cost modifications to ensure Federal Aviation Administration certification.

The Department of the Air Force took measured risk in FY21 tanker capacity in order to resource the capability we need for the future fight. As we look to better align the Department of the Air Force with the National Defense Strategy, divestments were accelerated in both the KC-135 and KC-10 fleets. Specifically in FY21, the Department of the Air Force is divesting 16 KC-10s and 13 KC-135s from the Active Duty fleets.

<u>Strategic Airlift</u>

C-5

The C-5 Super Galaxy provides all-weather worldwide strategic airlift for combat forces, equipment, and supplies, exemplifying Rapid Global Mobility outlined in the National Defense Strategy. Current investment programs focus on fleet obsolescence, maintainability, and safety of flight.

The FY21 Budget requests \$71.8 million in procurement funding, predominately for communications, navigation, surveillance/air traffic management (CNS/ATM) and C-5 core mission computer/weather radar (CMC/WxR) system equipment. CNS/ATM upgrades include Automatic Dependent Surveillance-Broadcast (ADS-B) Out modifications required for global airspace compliance. The CMC/WxR effort replaces an antiquated radar system with diminishing manufacturing sources and upgrades the core mission computer processor to meet the demands of future software modifications.

Additionally, the FY21 Budget requests \$32.6 million in RDT&E funding to support replacement of the Multifunctional Control and Displays (RMCD). This comprehensive sustainment modification mitigates the obsolescence of the current control and display units and increases capacity for future technology integration into the cockpit.

C-17

The C-17 is the only aircraft in the Department of the Air Force inventory that combines tactical capability with strategic range to operate from austere airfields. The fleet of 222 aircraft provides our Nation unmatched flexibility to conduct theater and inter-theater direct delivery, airdrop, aeromedical, and special operations airlift missions. Agile and efficient software and hardware updates will ensure timely readiness, safety, and capability improvements as this premier airlift platform contributes to our national security objectives.

The FY21 Budget requests \$107.4 million in procurement funding to continue critical modifications to the C-17 fleet. This includes Identify Friend or Foe for the identification and control of military aircraft, and Large Aircraft Infrared Countermeasures defensive systems. The sustainment modification effort of a replacement heads-up display will address obsolescence of the current C-17 heads-up display and improve the system's availability, reliability, and maintainability. Additionally, \$10 million of FY21 RDT&E funding will address obsolescence and flight safety issues. The Beyond Line-of-Sight communication system effort modernizes multi-channel voice and data communication subsystems to ensure the C-17 keeps pace with changes in Department of Defense communication infrastructure.

Tactical Airlift

The C-130 fleet consists of legacy C-130H and newer C-130J aircraft, as well as special mission aircraft (AC/LC/EC/MC/HC/WC-130s). C-130Hs and C-130Js are medium-size

transport aircraft capable of completing a variety of tactical airlift operations across a broad range of missions. The fleet delivers air logistics support for all theater forces, including those involved in combat operations.

C-130H

The Department of the Air Force continues to modernize the C-130H legacy fleet through a four-pronged approach emphasizing aircraft safety, airspace compliance, modernization, and partial recapitalization. Our C-130H Center Wing Box replacement program breathes new life into some of our hardest flown aircraft, enabling them to continue to safely operate well into the future. The C-130H Avionics Modernization Program (AMP) Increment 1 ensures the legacy fleet is outfitted with modern communication equipment and complies with U.S. and international airspace transponder mandates. The Department of the Air Force is on track to complete these upgrades in FY21. The AMP Increment 2 program improves the C-130H fleet maintainability and reliability by providing a new digital avionics suite, and mitigating obsolescence and diminished manufacturing source challenges. The FY21 Budget requests \$42 million in RDT&E and \$5.9 million in procurement funding to support the legacy C-130H fleet.

As with other weapon systems, the Department of the Air Force is taking acceptable risk in the C-130 portfolio as it focuses resources toward the future force. Specifically, in FY21 the Department of the Air Force is divesting 13 C-130H from the Air National Guard (ANG) inventory. Also in FY21, aided by the decision to retain A-10s at the Maryland ANG base in Baltimore, the Department of the Air Force is able to execute the planned transfer of eight C-130Js from Active Duty to the ANG. Additionally, thanks to the support of Congress, the ANG will be receiving 11 new C-130Js from Lockheed Martin to recapitalize 11 C-130Hs.

C-130J

The Air Force is also partially recapitalizing the legacy C-130H fleet with C-130Js, which specifically supports our Special Operations missions by providing Special Forces with extra weight carrying capacity, longer range, and better fuel efficiency. These special mission variants of the C-130J conduct airborne psychological operations and offensive electronic warfare (EC-130J), weather reconnaissance (WC-130J), search and rescue (HC-130J), and special operations (MC-130J and AC-130J). In addition to purchasing new aircraft, the Department of the Air Force has multiple modification efforts for the C-130J, including Center Wing Box replacement, Large Aircraft Infrared Countermeasures, and an accelerated avionics upgrade to meet 2020 Federal Aviation Administration and international airspace mandates. The C-130J Block 8.1 modernization program, currently in production, delivers new communication and data link capabilities, a modern flight management system, and other key capabilities to the field. In addition, the Department of the Air Force plans to upgrade both our C-130H and C-130J fleets with a Mobile User Objective System (MUOS) satellite communication system to ensure we maintain key communication links anywhere in the world.

The FY21 Budget requests \$10.7 million for C-130J RDT&E and \$140 million for C-130J procurement and modification efforts. It also requests \$24.7 million for HC/MC-130J RDT&E and \$423.6 million for HC/MC-130J procurement and modification efforts.

FUTURE CAPABILITY

Competing against rising near-peer adversaries during this time of unprecedented technology change requires a competitive acquisition system: one that is faster and more agile than our rivals. Consequently, the Department of the Air Force is transforming what we buy, how we buy, and who we buy from to retain the battlefield dominance we currently enjoy.

The average aircraft flown by the Department of the Air Force is 23 years old, and systems like the C-5, KC-135, are older at 33, 58, and 58 respectively. These aging fleets face significant readiness challenges as approximately sixty percent of their supply chain is single-source or, increasingly, unsourced. To date, the Department of the Air Force has certified broad swaths of metal and plastic additively manufactured parts, cold spray repairs at our depots, and predictive maintenance for the Mobility fleet, saving costs while increasing readiness.

We ask for Congress' continued support for these difficult force structure and capability decisions that are critical for our future military superiority. Thank you again for the opportunity to testify before these subcommittees.