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STATEMENT OF

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ON THE SEALIFT AND MOBILITY REQUIREMENTS IN SUPPORT OF THE NATIONAL DEFENSE STRATEGY

BEFORE THE

HOUSE ARMED SERVICES COMMITTEE

SEAPOWER AND PROJECTION FORCES AND READINESS SUBCOMMITTEES

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NOT FOR PUBLICATION UNTIL RELEASED BY THE HOUSE ARMED SERVICES COMMITTEE Chairmen Courtney and Garamendi, Ranking Members Wittman and Lamborn, and distinguished members of the House Armed Services Subcommittees on Seapower and Projection Forces and Readiness. As the Deputy Chief of Naval Operations for Fleet Readiness and Logistics, I appreciate the opportunity to provide you an update on the current state of readiness of the Combat Logistics and Strategic Sealift Forces. My testimony will describe the forces and the framework in which they operate. Additionally, it will touch on what has been accomplished over the past year, to include – continuing to meet operational requirements, while simultaneously driving successful, innovative, and non-traditional solutions to global maritime logistics.

Persistent and Predictive Logistics

Logistics is the delivery of all things necessary to REFUEL, REARM, RESUPPLY, REPAIR and REVIVE our Naval Forces. These five vectors are reliant upon foundational crosscutting enablers (such as digital Information Technology (IT) or infrastructure) to ensure persistent logistics, which allows our forces to compete, deter and win in unpredictable operational environments. Logistics in support of Distributed Maritime Operations (DMO), Littoral Operations in a Contested Environment (LOCE) and Expeditionary Advanced Base Operations (EABO) concepts must be transformed to enable maneuverability, provide agile sustainment, and ensure rapid recovery and resiliency both ashore and afloat. The framework for guiding this transformation is the Logistics Continuum. The continuum includes acquisition and industrial base activities that precede naval actions, followed by three distinct phases that complete the end-to-end chain: inter-theater, intra-theater and the last tactical mile.

Mission

The Combat Logistics and Sealift operate under different mission sets accomplished by a combined force of 156 ships. The total force brings a variety of capabilities in direct support of numerous missions: from at-sea resupply of our naval combatants, to the maintenance and repair of surface and sub-surface vessels, to inter-theater, large cargo transport and prepositioning of critical cargo for Marine Corps, Army, and Air Force. Additional missions include afloat command and control, humanitarian assistance/disaster relief (HA/DR), diving and salvage operations, rapid intra-theater movement of cargo/personnel, towing, and afloat staging capabilities. This unique segment of the naval fleet provides and facilitates the scalable capability required by the combatant commander to execute their missions around the globe.

Combat Logistics Force (CLF)

Combat Logistics Forces (CLF) comprise 29 battle force ships that deploy and distribute commodities across the five vectors of sustainment. These ships are managed and operated by Military Sealift Command (MSC) and crewed by government-civilian mariners. These forces provide direct support to our combatant naval vessels operating independently or with our Carrier Strike Groups (CSG) and Amphibious Readiness Groups (ARG).

The Navy's mission is expeditionary and has long required the capability to conduct worldwide and sustained operations at sea. The Navy has been, and will always be, called upon to operate forward in areas where access to shore bases may be limited. Therefore, the ability to Refuel, Resupply, Rearm, Repair, and Revive our ships at sea, independent of any restrictions placed on it by a foreign country, is critical to the Navy's ability to project warfighting power from the sea. As the lifeline of resupply to Navy operating forces underway, the ships of the Navy's CLF enable CSGs and ARGs to operate forward and remain on station during peacetime and war. The global peacetime CLF force structure supports continuous global Navy presence worldwide to include sustainment, training and deployment workup cycles close to home. For perspective, in fiscal year 2019 these ships delivered just over 490 million gallons of fuel (in 2,742 events), 22,901 pallets of ordnance (in 149 events), and 80,115 pallets of dry cargo (in 1,101 events).

The CLF consists of single and multi-mission ships. The single-mission ships, specifically the Fleet Replenishment Oilers (T-AO), provide one product, fuel, and have the ability to provide limited quantities of dry cargo. The Fast Combat Support Ships (T-AOE) provide multi-mission support by simultaneously replenishing ammunition, provisions and fuel. The Dry Cargo and Ammunition Ships (T-AKE) provide ammunition and provisions, and can also supply fuel at limited transfer rates and quantities, compared to the AOE or AO. Details about the ships of the Combat Logistics Force can be found on the MSC website: https://www.msc.navy.mil/publications/.

Service Support and Special Mission Ships

Another facet of naval logistics is provided by our Service Support and Special Mission Ships, which are crewed by hybrid USN/MSC teams. 24 Service Support platforms, 22 of which are battle force ships, provide capabilities which include afloat medical treatment facilities, towing, rescue and salvage, routine and emergent maintenance and repairs, re-arming and logistical support to our submarine and surface fleets. Many of these ships routinely participate in delivering humanitarian assistance across the globe and reinforcing efforts with our allies and partnering nations. Our 18 Special Mission ships, 5 of which are battle force ships, bring unique capabilities for Joint and inter-agency use such as oceanographic and hydrographic surveys, underwater surveillance, missile tracking, acoustic surveys, cable laying and repair services and support to submarine and special warfare communities. Collectively, Service Support and Special Mission ships continue to prove their ability to support operations worldwide.

Strategic Sealift

Strategic sealift is a key enabler of the National Defense Strategy and U.S. power projection. Sealift ships transport approximately 90 percent of Army and Marine Corps combat unit equipment and supplies in support of major combat operations. Organic (U.S. governmentowned) sealift capability is made up of a combination of Afloat Prepositioning and Surge Sealift vessels. Major ground combat operations require the capability to access a high volume of unit equipment and supplies – well over a million short-tons in some scenarios. Transportation of the heavy land-combat forces into the theater of operations requires multiple round-trip sailings by strategic sealift vessels, which comprise the Common User Sealift Pool (CUSP) under operational control of U.S. Transportation Command (USTRANSCOM). The strategic sealift CUSP program is comprised of a mix of government-owned and long-term-chartered, dry-cargo ships and tankers, as well as additional short-term or voyage-chartered ships, which provide our surge sealift capability in a range of various sizes and types of vessels.

<u>Afloat Prepositioning</u>

Of the 85 ships performing Sealift missions, 24 are designated as Afloat Prepositioning. The afloat prepositioning ships support Marine Corps, Army and Air Force requirements. Fifteen ships are assigned to the Maritime Prepositioning Force (MPF), seven are assigned in support of an Army Prepositioning Set Three (APS-3), and two support the Air Force. These ships are a combination of U.S. government-owned ships and long-term chartered U.S.-flagged

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ships all of which are pre-loaded with Service equipment, supplies and ammunition. Navy funds the procurement of pre-positioned vessels. Funding for operations and sustainment is servicespecific with Navy providing funds for MPF only. The afloat prepositioning vessels are strategically staged in key areas, such as Guam, Saipan and Diego Garcia, to reduce response time in a contingency.

<u>Surge Sealift</u>

The 61 ships not pre-positioned forward provide surge capacity that is held in reserve near U.S. strategic seaports. Unit equipment is transported from the U.S. to a theater of operation primarily using the Roll-On/Roll-Off (RO/RO) ships which facilitate the rapid on-load and off-load of rolling stock and service-unique, special-mission equipment. Of the 61 ships, 15 Surge Sealift vessels are operated by MSC and include ten large medium-speed roll-on roll-off vessels (LMSR's) and five RO/RO-Container ships. The remaining 46 Ready Reserve Force (RRF) ships, maintained by the Department of Transportation's Maritime Administration (MARAD), include 27 RO/ROs, eight Fast Sealift Ships, two heavy lift, two aviation support, six crane ships, and one offshore petroleum distribution ship (OPDS). Navy funds the procurement and maintenance costs for all surge sealift capability. The respective services fund the operating and sustainment costs when the surge vessels are activated.

These surge vessels are maintained in a 5-day Reduced Operating Status (ROS) in order to provide a rapid response in support of major ground-combat operations in time of war. While in ROS, these ships are crewed by small, commercially-contracted, teams whose responsibility it is to bring the ship online when activated. Upon activation, MARAD vessels are under MSCoperational control. Each year, some ships are provided no-notice activation orders to be "ready to sail" by the prescribed timeline, known as Turbo Activation, to test the ship's ability to

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transition from reduced to fully operational status within 120 hours and get underway. Turbo Activation testing is a USTRANSCOM program resourced through Joint Staff exercise funding. Sealift Readiness

Turbo Activation 19-plus (TA 19+), conducted September 16 -29, the largest and most comprehensive no-notice exercise for the MSC Surge and MARAD RRF since program inception, tested vessel and support structure readiness; validating the reported sealift readiness rate of 64%. The purpose of this exercise was to objectively evaluate the ability of as many Organic Surge Fleet vessels as possible to transition from ROS to Full Operating Status (FOS) within 120 hours; and to assess the vessel's performance. TA 19+ highlighted concerns regarding the readiness of the Organic Surge Fleet and reinforced the need for recapitalization, appropriate levels of resourcing to correct material deficiencies, and continued emphasis on readiness improvements to regain the fleet readiness goal of 85%. As a result, PB21 increased operations and sustainment funding by \$131.4M in FY21. These funds will increase the level of annual sustainment per hull, and increase the amount of maintenance and repair across both MSC and MARAD fleets; enabling significant work to be done during repair periods. As a result of this complex work, longer maintenance periods are expected which has the foreseeable consequence of decreased readiness in the near-term as an investment toward improved long-term readiness.

Sealift Recapitalization

Over the next 25 years, ~60% of the sealift fleet will reach end of service life. In 2018, the Navy reported our recapitalization strategy in the Sealift that the Nation Needs report to Congress. It described a three-pronged strategy:

(1) procure a new class of inter-theater sealift ships, intended for the afloat prepositioning mission, building on the capabilities of the current T-AKR class.

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(2) acquire used commercial RO/RO vessels to replace aging vessels in the surge sealift fleet; and

(3) execute service life extensions (SLEs) to extend the 50-year service life of select surge sealift vessels to 60 years in order to maintain the required lift capacity of the force in pace with the delivery of used and new vessels.

PB21 requests additional Research, Development, Test and Evaluation, Navy (RDTE,N) funding and Operations and Maintenance, Navy (O&M,N) funding to accelerate the Navy's sealift recapitalization strategy. The additional RDTE,N supports exploring cost effective procurement strategies for new construction sealift vessels. PB21 requests an additional \$30M of O&M,N to accelerate used vessel procurement from FY21 to FY25 as a result of the readiness concerns identified over the previous two years.

Market analysis indicates that sufficient vessels exist to execute the budgeted profile for the procurement of used ships. Navy completed the used vessel requirements documentation in coordination with USTRANSCOM and MARAD in 2019 to support initial procurement in the first quarter of FY21.

In 2019, the Navy contracted with four shipyards to review Army/USMC design requirements, and provide cost and capability trade-off analysis.

Making Naval Logistics More Agile and Resilient

Leveraging the Power of the Integrated Fleet, Navy is introducing new intra-theater combat-credible maritime force capabilities to ensure warfighters remain in the fight. In support of USN/USMC Integrated Warfighting Concepts of Operations including DMO, LOCE and EABO, we are pursuing experimentation, exercises and war games to develop and test innovative concepts that complement Combat Logistics and Strategic Sealift capabilities; enhancing overall Naval combat force availability. Supported by Congressional authority and appropriations in FY20, the Navy is developing the EPF Flight II which will expand the logistics capability of these vessels to embark enhanced medical capability in support of DMO, LOCE and EABO. EPF 14 will be the first EPF Flight II.

Further, PB21 includes RDTE,N to commence concept studies in FY21 to evaluate nextgeneration medium-lift, intra-theater, amphibious platforms, and logistics ships. These studies will focus on naval sustainment (Refuel, Resupply and Rearming), movement and maneuver for our integrated naval forces. These efforts can create cost effective opportunities for our fleet to expand support missions and sustain global presence to ensure warfighters remain in the fight. The Navy also welcomes outside analysis, and is considering elements of a recently completed Center for Strategic and Budgetary Assessment report on resilient maritime logistics, as the Navy pursues its overall logistics strategy.

Summary

Global operations continue to assume an increasingly maritime focus. As we look to the future, we see a continued need for naval forces on station to meet the mission requirements of the Joint Force and combatant commanders. We will continue to support forward presence and relieve stress on the rest of the force through traditional and innovative approaches. Combat Logistics Forces, Service Support Ships, Special Mission Ships and Strategic Sealift are foundational to the National Defense Strategy. I want to thank you for your continued support of our Force. Also, thank you again for the opportunity to appear before the Committee.