



**TESTIMONY OF
VICE ADMIRAL PAUL F. THOMAS
DEPUTY COMMANDANT FOR MISSION SUPPORT
ON**

**BUILDING THE FLEET:
ASSESSING THE DEPARTMENT OF HOMELAND SECURITY'S ROLE
IN THE UNITED STATES COAST GUARD'S ACQUISITIONS PROCESS**

**BEFORE THE
HOUSE HOMELAND SECURITY
SUBCOMMITTEE ON TRANSPORTATION AND MARITIME SECURITY**

MAY 7, 2024

INTRODUCTION

Good morning, Chairman Gimenez, Ranking Member Thanedar, and distinguished members of the Subcommittee. Thank you for your continued oversight and strong support of the U.S. Coast Guard. I am honored to appear before you today to update you on our ongoing efforts to recapitalize the Nation's legacy fleet of polar icebreakers. This work is a part of a larger, comprehensive effort to deliver mission capability across the Coast Guard's surface and aviation fleets; Command, Control, Communications, Computers, Cyber, Intelligence, Surveillance and Reconnaissance (C5ISR) systems; and shore infrastructure.

Our Commandant speaks regularly about the need to adapt to the ever-increasing pace of change. To keep up with the changing world around us, we must provide our total workforce with modern assets, systems, and infrastructure to support mission execution. In line with this direction, the Service continues to invest in a multibillion-dollar portfolio of acquisition programs established to identify and deliver the right capabilities for the Service. At the same time, the Coast Guard continues to prioritize investments in shore infrastructure, where every mission begins and ends: the facilities, piers, runways, and buildings that are as necessary for operations as our ships, boats, aircraft, and C5ISR systems.

Indeed, recapitalization remains a top priority for the Commandant and the Service, and today's efforts to invest in tomorrow's needs will shape the Coast Guard and impact national security for decades. This Subcommittee's continued support has helped us make tremendous progress, and it is critical that we continue to deliver assets to the field that improve mission execution and provide the capabilities the Nation needs. Simply put, we must act today to be prepared for tomorrow.

Significant investment is needed to advance our Nation's interests in the Arctic, and I embrace the trust Congress and the American people have placed in the Coast Guard. The Service will continue to prioritize actions that safeguard U.S. interests while promoting safe, secure, and environmentally responsible maritime activity in the Arctic.

ENDURING MISSION NEEDS IN THE POLAR REGIONS

As one of only eight Arctic Nations, the United States has both sovereign rights and responsibilities to safeguard our interests in the Arctic. Similarly, the United States has strong interests in the Antarctic region. The Coast Guard has been the lead federal agency in assuring surface access to the Polar Regions since 1965, meeting the Nation's most critical mission needs in the high latitudes.

In the Arctic, we are witnessing a dramatic transformation of the physical, operational, and geostrategic environment. Climate change is opening up new access to Arctic waters, and Arctic activity is increasing and evolving at a rapid pace, from a surge in oil and gas exploration a decade ago to growth in types and locations of vessel transits, including an expansion of environmental tourism. Dynamic and accelerated changes in the Arctic environment create new opportunities and challenges.

In addition to the challenges posed by increased access, the Arctic is a region of increasing strategic competition with the potential to elevate geopolitical tensions. In the U.S. Arctic, the Coast Guard is engaging more often with a growing number of strategic partners and competitors. Among the competitors, the Service is observing an increased presence by the People's Republic of China and the Russian Federation. Both nations have declared the Arctic a strategic priority; both have made significant investments in new or refurbished capabilities; and both are attempting to exert direct or indirect influence across the region using instruments of national power.

Likewise, the Coast Guard is a critical mission enabler in the Antarctic region, supporting scientific and U.S. objectives in the region by conducting the annual Operation *Deep Freeze*, which involves breaking a navigable channel through miles of ice up to 21 feet thick to allow fuel and supply ships to reach McMurdo Station, the U.S. Antarctic Program's logistics hub and largest station.

DELIVERING ENHANCED CAPABILITY

Coast Guard polar icebreakers are the foundation of U.S. operational presence and influence in the Polar Regions. These multi-mission cutters provide assured, year-round access not only for Coast Guard missions, but also in support of critical activities that protect key U.S. interests in the high latitudes.

With the strong support of this Subcommittee, we are moving forward with the acquisition of the Nation's first new heavy polar icebreakers in nearly five decades. The Polar Security Cutter (PSC) is one of the top acquisition priorities for the Coast Guard. When fully operational, PSCs will provide the global reach and icebreaking capability necessary to project U.S. presence and influence, conduct Coast Guard missions in the high latitudes, and advance our national interests in the Arctic and Antarctic regions.

The Coast Guard has established an Integrated Program Office (IPO) with the Navy to leverage each service's experience and expertise in large, complex vessel acquisition programs. The roles and responsibilities for each service are well-defined, and the acquisition is following established processes and procedures under the Department of Homeland Security's (DHS) acquisition framework.

The Coast Guard and Navy remain committed to attaining the necessary design maturity prior to beginning production activities. This approach ensures shipyard readiness and mitigates overall schedule risk. Detail design activities are ongoing, and long lead-time material for the lead ship has been delivered to the shipyard. The IPO has adopted an innovative and incremental approach to support early production, Prototype Fabrication Assessment (PFA), which is based on Navy best practices. By prioritizing and starting construction on up to eight low-risk modules, PFA allows the shipbuilder to progressively build workforce capability, test new processes and equipment, and reduce production risk. Four modules are currently under construction. These modules have achieved near 100 percent design maturity and present very low risk of re-work. These modules, unlike work done under special studies previously authorized, are part of the first PSC.

As the first heavy polar icebreaker to be constructed in the United States in nearly 50 years, we recognize the challenges associated with this effort, especially given the Defense Industrial Base's lack of recent experience and available infrastructure to design and build such a complex vessel. The Defense Industrial Base is a critical component of the United States' economic prosperity and national security, and the Coast Guard recognizes the strategic need to preserve national shipbuilding capacity. Bollinger Mississippi Shipyard is one of few U.S. shipyards with the capacity and capability to build and launch large government and commercial vessels, and we are committed to working together to produce the PSC.

Earlier this year, the Coast Guard notified Congress that the PSC program would exceed cost and schedule thresholds, in accordance with statutory and policy requirements. The program is in the process of reviewing cost and schedule projections provided by the PSC prime contractor to formally establish new cost and schedule parameters in the acquisition program baseline. This work is occurring in parallel with ongoing program activities to support delivery of the PSC fleet as quickly as possible.

PSCs will provide the global reach and icebreaking capability necessary to project U.S. influence, conduct Coast Guard missions in the high latitudes, and advance our national interests in the Arctic and Antarctic regions. Continued investment is key to meeting our Nation's growing needs in these rapidly evolving and dynamic areas of responsibility.

ADDRESSING NEEDS IN THE NEAR-TERM

To maintain heavy polar icebreaking capability until the PSC class is delivered, the Coast Guard established an effort to complete a service life extension on Coast Guard Cutter *Polar Star*, the Nation's only operational heavy polar icebreaker. The cutter recently began the fourth of five planned annual work periods to enable continued operation of the aging cutter and availability for the annual breakout of national facilities in Antarctica's McMurdo Sound and other missions in the high latitudes.

Likewise, the Service has initiated a service life extension program for Coast Guard Cutter *Healy*, the Service's only operational medium polar icebreaker, which was commissioned in 1999. The five-year phased production builds upon the lessons learned from *Polar Star*'s service life extension and is planned to be completed between 2026 and 2030. When complete, this effort will recapitalize a number of major systems while addressing significant operational degraders to maintain the Coast Guard's required heavy icebreaking capability.

In addition to the ongoing maintenance and service life-extending work in the Service's current fleet and with the Subcommittee's support, the Coast Guard received funding in the Fiscal Year 2024 Homeland Security appropriation to procure a commercially available polar icebreaker. The purchase of a commercially available polar icebreaker is an effective strategy to increase operational presence in the near-term and add long-term national capacity in the Arctic. Under the authority granted by the Don Young Coast Guard Authorization Act of Fiscal Year 2022, the Coast Guard intends to acquire a domestically produced commercially available polar icebreaker through a streamlined acquisition process that aligns with DHS and Coast Guard policy requirements. Initial activities will be directed at achieving initial operational capability, followed by a series of phased modifications to achieve full operational capability between annual Arctic operations.

CONCLUSION

The physical, operational, and geopolitical environment in the high latitudes continues to change rapidly, driving demand for Coast Guard presence, influence, and missions. The Coast Guard has served in these regions for more than 150 years and is central to a U.S. whole-of-government approach to ensuring national interests in the Polar Regions are protected. The continued support of the Administration and Congress for a modernized and capable polar fleet and increased Coast Guard capacity and capabilities in the high latitudes will fortify the Nation's position at this critical juncture.

Since 1790, the Coast Guard has safeguarded our Nation's maritime interests and natural resources on our rivers, in our ports, on the high seas, and around the world. Each day, the Coast Guard carries out its missions to protect lives, protect the environment, secure our maritime borders, and facilitate commerce. Our mission support and acquisition enterprises are, likewise, working each day to plan and deliver the assets and capabilities needed to support these critical missions.

The cutters, aircraft, boats, C5ISR systems, and shoreside infrastructure we acquire today will provide vital capability for decades to come. We are committed to maximizing the Nation's return on these important investments. Thank you for the opportunity to testify before you today and for all you do for the women and men of the Coast Guard. I look forward to answering your questions.