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SUBCOMMITTEE ON READINESS,
HOUSE ARMED SERVICES COMMITTEE

STATEMENT OF
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BEFORE THE
SUBCOMMITTEE ON READINESS
HOUSE ARMED SERVICES COMMITTEE

OPTIMIZED FLEET RESPONSE PLAN (O-FRP)

10 SEPTEMBER 2015

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Introduction

Chairman Wittman, Ranking Member Bordallo, and distinguished members of the subcommittee, we are honored to be here today to discuss the Optimized Fleet Response Plan (O-FRP). O-FRP is the Navy's sustainable force generation model, and is how we will maintain and train our ships to deploy in support of our national security interests. It provides a force ready for any challenge, from a high-end war fight against a peer-competitor to humanitarian operations.

We would like to begin this statement by providing an overview of O-FRP, and then some highlights of how O-FRP will balance global presence with warfighting readiness and the long-term health of the force.

Overview

Navy has managed force generation using the Fleet Response Plan (FRP) since it was adopted in 2003 and fully implemented in 2007. This cyclic process was designed to synchronize periodic deep maintenance and modernization necessary to readiness with the training of the Fleet to achieve Global Force Management Allocation Plan (GFMAP) forward presence objectives and provide contingency response capacity. The reality of the past decade has seen a shrinking Fleet along with the continuing employment of our contingency response capacity to generate increased presence, while driving up maintenance requirements and in turn compressing the time available to complete required maintenance and training. In testimony over the last several years, we have described this practice as unsustainable.

This prolonged period of high operational tempo resulted in the loss of schedule predictability, personnel gaps, deferred maintenance and modernization, and overall reduction in the health of the force. From 2008 to 2011, Carrier Strike Group (CSG) deployments averaged about 6.5 months in length. From 2012 to 2014, this increased to an average of 8.2 months as the Navy extended deployment lengths to meet global commitments to the Combatant Commanders (CCDRs). More recently, NIMITZ and HARRY S TRUMAN

completed 8.5 month deployments in FY2014, while GEORGE H W BUSH completed a 9 month deployment, CARL VINSON completed a 9.5 month deployment, and THEODORE ROOSEVELT will complete a 8.5 month deployment this year.

Maintenance is a key factor in the health of the force. To meet national tasking, we extended deployment length, which increased the wear on our ships, and resulted in additional maintenance and repairs that lengthened planned maintenance availabilities. Operational schedule changes, funding shortfalls, shipyard loading constraints, late modernization adds, and other factors led to inefficient maintenance and modernization planning, contracting, and completion.

Given these increased maintenance demands in shipyards, we should have been hiring more workers. Instead, because of the continuing resolution, a DoD wide hiring freeze and overtime restrictions through much of FY2013, all compounded by the effects of sequestration, we were losing people to other employment or retirement without replacement. We are still hiring to try to recover that shortfall, and will have to train those workers who do not have the requisite skills. This lack of skilled shipyard labor has further impacted performance and completion timelines. These operational and budget decisions directly contributed to the maintenance challenges we now face.

The fast pace of operations, and providing “just in time” readiness to deploy, also affected our Sailors. Last minute “crossdeck” moves, pulling Sailors off of one ship and on to another, led to a loss of stability for Sailors and their families. This lack of stability when combined with schedule uncertainty and increased deployment lengths left Navy challenged to retain our best Sailors.

We are now paying the price for this prolonged high operational tempo. Combatant Commander requirements continue to grow, and although we have historically sourced to capacity, we are routinely asked to surge or extend forces. In these cases, we are not so much generating new readiness, as we are consuming future presence and surge capacity.

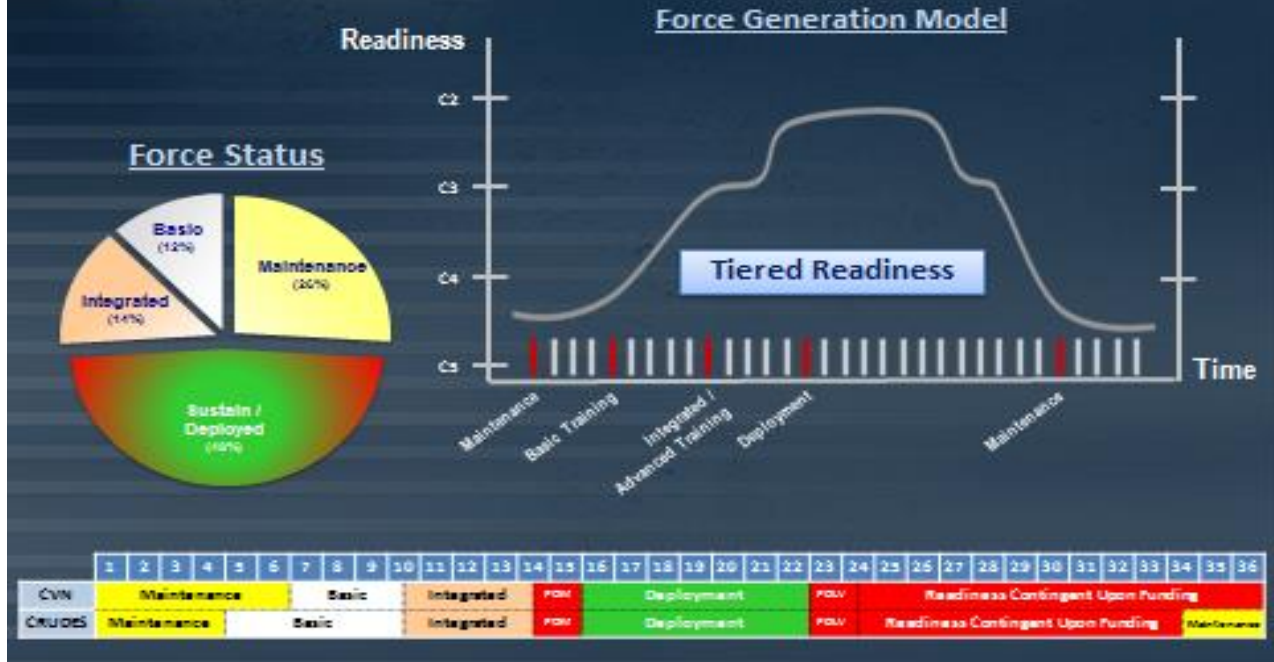
This year, Navy began implementation of the O-FRP to address these challenges. Designed to stabilize maintenance schedules and provide sufficient time to maintain and train the force while maximizing employability, O-FRP also aligns supporting processes and resources to improve the overall health of the force. Importantly, it will provide a more predictable schedule for our Sailors and their families. We will continue O-FRP implementation across the Future Years Defense Program (FYDP), with a goal of full implementation by FY2020.

Planned Outcomes of O-FRP

The CNO's overarching guidance was to establish a balanced, sustainable and predictable force generation cycle that would maximize the employability of our force structure. O-FRP is intended to deliver aligned and stabilized manning, a stable maintenance and modernization plan, improved quality of work and enhanced quality of life, embedded capability improvements, advanced tactics, and forces trained to a single, high end standard. Figure 1, below, illustrates the notional O-FRP cycle, and where are forces are in the cycle, on average, over time.



FLEET RESPONSE PLAN



(Figure 1)

Specific outcomes of O-FRP will include:

- An optimized process to ensure availability of manned, maintained, equipped, and trained Navy forces capable of surging forward on short notice while also maintaining long-term sustainability of the force
- Preservation of maintenance and training:
 - We need to protect maintenance time to preserve the long term health of the force. Delaying or deferring maintenance places equipment at increased risk, and increases the risk of equipment casualties when we need it most.
 - Disruptions to maintenance planning increase cost, reduce public shipyard productivity, and increase risk to the private ship repair industrial base.
 - Compressed training impacts full spectrum readiness over the long term.

- Standardized manning, training, equipping and alignment of Operational and Tactical headquarters.
- Consistent chain of command throughout the O-FRP cycle.
- Greater operational availability means less likelihood of lengthened or multiple deployments in the same cycle.
- Improve quality of work and enhanced quality of life. O-FRP will lead to enhanced quality of life through more predictable schedules for Sailors and their families. Stabilized manning also reduces the likelihood of last minute crossdeck personnel actions, resulting in fewer Operational Holds of Sailors who have already served their time at sea.
- Stable and predictable maintenance and modernization supporting warfighting readiness and interoperability.
- For the investment in maintenance and training, an increased period of operational availability supports both forward presence commitments and contingency response capacity.

Deployment Length

The Navy set seven months as the goal because longer deployments are unsustainable. Our decision was not arrived at lightly. The risk to deploying for greater than seven months comes in the form of increased consumption of the service life of our capital assets, and degraded long term health of the force. This level of risk is often not warranted for the marginal increase in global presence from longer deployments. Our intent, given the costs of maintenance and training, is to maximize presence and surge capacity.

Deployment lengths will vary based on a number of factors, however the Navy is planning to seven month deployments for CSGs, Amphibious Ready Groups (ARGs), and Surface Combatants, and 6-month deployments for Attack Submarines (SSNs), Maritime Patrol Aircraft (MPA), and most Expeditionary Forces.

Implementation Update

Our transition to O-FRP will occur over the next several years. CSG and ARG transition is in progress, and we project the last CSGs and ARGs will enter O-FRP in FY2018. We have approved and are implementing O-FRP cycles for our remaining units, including ships homeported overseas, including Attack Submarines, Maritime Patrol and Reconnaissance Aircraft, and our Expeditionary Forces such as Explosive Ordnance Disposal (EOD), Coastal Riverine Forces, and Naval Construction Forces.

For our ships and submarines, completing maintenance availabilities on time is essential to reducing deployment durations. Maintenance delays may result in other ships completing extended deployments to meet global commitments. The FY 2016 President's Budget (PB-16) made a significant investment to increase available naval shipyard and aviation depot capacity. We have moved some submarine work to the private sector, and increased the size of the workforce. Navy is making significant investments in workforce training to improve worker productivity. The combination of these improvements will reduce the number of availabilities that exceed scheduled end dates.

Additionally, in support of O-FRP, we have:

- Synchronized Carrier and Surface Combatant maintenance periods
- Standardized training of our headquarters staffs
- Consolidated and streamlined inspection processes
- Made significant progress in ensuring ships are properly manned prior to commencing the training cycle
- Continued work to ensure maintenance and modernization are completed on time

We will carefully manage O-FRP implementation and execution and adjust course as necessary. Specific challenges include:

- We will need to fund O-FRP to the right standards for manpower, maintenance and training, and across all readiness pillars. PB-16 does this, but a return to sequestration levels will disrupt O-FRP implementation.
- We need to meet not only the numbers for manpower fit and fill, but ensure the quality of fit is correct, ensuring a trained Sailor with the right skills arrives at the right time.
- We need to closely manage ship schedules and alignment of Surface Combatant and Amphibious Ships with the Aircraft Carriers and big-deck Amphibious Ships. This is complex because it involves coordinating maintenance and modernization schedules across numerous shipyards.
- We need to invest in increasing naval shipyard capacity by addressing workforce manning and training requirements. We will have to execute the planned PB-16 investment to increase available naval shipyard capacity by moving submarine work to the private sector and by increasing the shipyard workforce to 33,500 Full Time Equivalents (FTE) by FY 2017.
- Responding to emerging crises with surge or extended deployments will disrupt schedules and could further delay O-FRP implementation.

Risk to Force: Impacts of Not Shifting to O-FRP

We cannot continue doing business as usual and expect to maintain an operational and tactical advantage over our adversaries. If we do not implement O-FRP, our challenges will continue to grow:

- We will be unable to retain our best Sailors due to high OPTEMPO and schedule unpredictability. Our Sailors also want to know that they are being given the resources to do their job.

- We will be unable to reach the expected service life of our ships, submarines, and aircraft. Additionally, degraded material readiness leads to reduced warfighting readiness, ineffective training, and increased safety risks.
- We will be unable to preserve the required industrial support base.
- We will continue to have inefficient maintenance/modernization planning and scheduling, which will lead to unacceptable/unaffordable cost overruns, training entitlement impacts and deployment delays.
- We will continue to consume our contingency surge capacity for routine operations, and it will be more challenging to meet Defense Strategic Guidance (DSG) objectives.

Ultimately, this is a pay-me-now or pay-me-later discussion. If we are not given time to reset the force through O-FRP, and are forced to source beyond sustainable levels, we will remain challenged in all of these areas.

Conclusion

In conclusion, after years of operating above sustainable levels, we remain challenged to meet the necessary surge capacity in quantity and readiness across a wide array of forces. Moreover, a return to sequestration levels will further challenge our maintenance, readiness, and training, and risks reversing recent gains.

We will continue to man, train and equip combat-credible forward naval presence – being where it matters, when it matters – as well as supporting our commitment to allies and partners. Our historic naval functions – deterrence, sea control, power projection, and maritime security – remain essential to our strategy. O-FRP will provide an optimized process to ensure availability of manned, maintained, equipped, and trained Navy forces capable of surging forward on short notice while also maintaining long-term sustainability of the force.

We thank the subcommittee for your continued support and look forward to answering your questions.