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HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES
U.S. HOUSE OF REPRESENTATIVES

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE
HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES
U.S. HOUSE OF REPRESENTATIVES

SUBJECT: LEGACY C-130 MODERNIZATION AND RECAPITALIZATION

STATEMENT OF: Lt Gen Jerry D. Harris, Jr. USAF Deputy Chief of Staff
(Strategic Plans and Requirements)

September 28, 2018

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Introduction

Chairman Wittman, Ranking Member Courtney, distinguished members of the subcommittee, thank you for the opportunity to provide you with an update on the legacy C-130 fleet modernization and recapitalization. We appreciate your continued support of our intra-theater airlift fleet, and look forward to continuing to work with you.

The new National Defense Strategy (NDS) is clear: Inter-state strategic competition, not terrorism, is now the primary concern in U.S. national security; as such, the Air Force is committed to regaining readiness soonest. We are examining a myriad of initiatives to mitigate the toll 27 years of global operations has taken on our Airmen, equipment, and infrastructure. Meanwhile, our adversaries leveraged this opportunity to advance their own capabilities and close the technological gap. We must modernize the core Air Force missions, to include Rapid Global Mobility, in order to maintain our asymmetric military advantage.

Rapid Global Mobility sustains the Joint Force military advantages both globally and in key regions, not only enabling our forces to hold any target around the world at risk at any time, but also supplying the largest military logistic network in history. In 2017, Airmen transported nearly 1 million personnel and delivered over 738 million pounds of warfighting equipment and humanitarian supplies. At home, Airmen delivered 13,600 short tons of relief supplies following a string of record-setting hurricanes and helped combat multiple wild fires in the western United States. 2018 is on pace to meet or exceed Rapid Global Mobility's 2017 efforts.

In light of the new NDS, the Air Force is committed to build a more lethal and ready force, strengthen alliances and partnerships, and cost-effectively modernize to *compete, deter,*

and *win* in any environment. Modernization is a multi-year effort, and the Air Force needs your continued support in the form of stable, predictable and timely funding levels to prevent our adversaries from closing the technology gap. With this help, we can fulfill our mandate of providing the most effective Air Force possible for the nation.

C-130s

The combat delivery C-130 fleet is diverse and consists of legacy C-130H and newer C-130J aircraft, both of which are medium-size transport aircraft capable of delivering air logistic support for all theater forces, including those involved in combat operations. Additionally, we have a fleet of special mission C-130 aircraft (AC/LC/EC/MC/HC/WC-130s) that complete a variety of tactical operations across a broad range of mission environments.

The Air Force is modernizing the combat delivery C-130 fleet through a prioritized approach emphasizing aircraft safety, compliance, modernization, and limited recapitalization. First, we are ensuring the C-130 is safe to operate by keeping the aircraft structurally sound through programs such as center wing box replacement; for the past decade, the Air Force has invested in the replacement of aging center wing boxes on the C-130 fleet--degradation has been exacerbated by nearly 17 years of continuous deployment to the harsh Central Asian theater of operations. The Air Force will continue to advocate funding for this critical safety effort, for both the C-130H and C-130J fleets, as it replaces center wing boxes with service life that expires before aircraft retirement. Second, both the C-130H and C-130J fleets require avionics and communication upgrades to comply with the Federal Aviation Administration (FAA) and foreign government mandated airspace management improvements. The FAA's deadline for compliance is January 1, 2020; the C-130H fleet will meet the deadline via the C-130H Avionics Modernization Program (AMP) Increment 1, and the C-130J will be compliant via the

accelerated Automatic Dependent Surveillance Broadcast (ADS-B) out program. Third, both the legacy C-130H and the C-130J fleets require avionics, communications and electrical upgrades to maintain their warfighting capability and improve maintainability and reliability; these upgrades are in addition to the aforementioned compliance driven upgrades. The C-130J Block 8.1 upgrade will equip the C-130J fleet with a common configuration and will ensure worldwide airspace and terminal access; while the Avionics Modernization Program (AMP) Increment 2 upgrade for the C-130H fleet will mitigate pending obsolescence and diminishing manufacturing source issues by replacing aging, non-sustainable equipment with a new digital avionics suite. AMP Increment 2 also introduces capabilities that will lower the cost of ownership and extend the viability of the USAF C-130H fleet by increasing reliability, maintainability, and sustainability.

The FY19 PB requests \$106.0 million in research, development, test and evaluation (RDT&E) and \$22.7 million in procurement funds to support the legacy C-130H fleet. As reported in our April 2017 Report to Congress, given limited Air Force funding and a focus on areas of greater risk, at this time there is no plan to purchase additional combat delivery C-130Js beyond the current program. Therefore, instead of recapitalization, the Air Force currently intends to modernize the remaining combat delivery C-130Hs in our total force inventory via C-130H AMP Increments 1 and 2. Additionally, the Air Force is currently evaluating the various C-130H propulsion upgrade programs. In contrast to combat delivery C-130H partial recapitalization, the Air Force intends to fully recapitalize the Air Force Special Operations Command's and Air Combat Command's special mission legacy C-130 aircraft with C-130Js (AC/MC/HC-130Js).

Regarding limited recapitalization with C-130J, the C-130J aircraft provides extra cargo

carrying capability, longer range, and better fuel efficiency for our combat delivery mission when compared to legacy C-130s. 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). The FY14 National Defense Authorization Act authorized multi-year procurement for the C-130J; as part of the FY14 PB multi-year contract, the Air Force is procuring 83 C-130Js (all variants) through FY18.

The FY19 PB requests \$15 million for C-130J RDT&E and \$177 million for C-130J modification efforts. The FY19 PB also requests a new multi-year procurement contract which starts with our request of \$33 million for HC/MC-130J RDT&E and \$1,217 million for HC/MC-130J procurement efforts in FY19. This new FY19 multi-year contract procures a total of 25 Air Force aircraft from FY19 to FY23 (23 AC/MC-130J and 2 HC-130J along with 28 Navy, Marine Corps and Coast Guard Aircraft). The FY19 multi-year procurement contract, together with our FY19 Overseas Contingency Operations (OCO) request for 1 HC-130J completes recapitalization of the Air Force Special Operations Command's 94 AC/MC-130J fleet and Air Combat Command's 39 HC-130J fleet by FY23.

As previously mentioned, when the Air Force considers modifications and modernization for a legacy fleet, the Air Force invests via a prioritized approach emphasizing aircraft safety, compliance, and modernization. Aircraft safety and airworthiness is always an investment priority and is not subjected to risk analysis when it comes to resourcing. With limited total obligation authority, the Air Force will, at times, delay compliance-related or modernization modifications, but not safety modifications. For the legacy C-130H fleet, we have fully funded safety-related modifications such as the Center Wing Box replacement effort and we have

funded aircraft modernization through AMP Increment 1 and AMP Increment 2. Finally, the Air Force is testing the various engine modification programs and is currently conducting an Operational Utility Evaluation (OUE) on the combined engine modifications with an estimated completion date of March 2019. The OUE will provide a fielding recommendation based upon the operational effectiveness and suitability of the propulsion system upgrades. Due to limited budgets, the Air Force will need to balance investment costs and timelines of payback with other Air Force priorities for a final decision on the engine modification programs.

As we embark on this strategy, we understand the recommendations of the 2014 National Commission on the Structure of the Air Force. We considered those recommendations when developing our April 2017 report to Congress which was directed via the national Defense Authorization Act for Fiscal Year 2017 and the Department of Defense Appropriations Bill for 2016. As previously mentioned, the April 2017 report points out that given limited Air Force funding and a focus on areas of greater risk; at this time there is no plan to purchase additional combat delivery C-130Js beyond the current program. The Air Force seeks to balance requirements with affordability and continually weigh the relative improvement in capability the C-130J would provide over the legacy C-130H against other Air Force programs with greater risk. It is worth mentioning that the C-130H was first deployed in June of 1974 which makes it younger than many aircraft fleets in our Air Force inventory (C-5, KC-135, B-52, etc.)

Finally, in reference to the Air Force's process for assigning aircraft to particular units, during the Air Force's Planning and Programming Processes, aircraft assignment decisions are made via the Air Force Corporate Structure. For execution-year aircraft assignment, decisions are made via the Program Change Request in the Air Force's Corporate Structure Process. As part of this process, the WC-130Hs in the Puerto Rico Air National Guard are in the process of

being retired while the Air Force considers alternate missions for the Puerto Rico Air National Guard.

Conclusion

The USAF remains committed to providing the most reliable, safe and effective intra-theater airlift fleet possible to the nation. In the midst of the challenges ahead, we aim to continue these programs and deliver these systems - not only as a vital capability to our forces - but also as a best value to our taxpayer. When the Air Force considers risk in resource trades, we are only discussing risk in capability and capacity to meet war plan requirements. We do not consider trades when it comes to safety of flight. In light of these constraints, the President's Budget for Fiscal year 2019 is consistent with the results and recommendations of the C-130H Recapitalization and Modernization report delivered to Congress in April of 2017.