U. S. Department of Homeland Security

United States Coast Guard



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### TESTIMONY OF VICE ADMIRAL THOMAS ALLAN JR. DEPUTY COMMANDANT FOR MISSION SUPPORT

ON

# "COAST GUARD POLAR SECURITY CUTTER ACQUISITION"

# **BEFORE THE**

# HOUSE COMMITTEE ON HOMELAND SECURITY -SUBCOMMITTEE ON TRANSPORTATION AND MARITIME SECURITY

#### **18 DECEMBER 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 fleet of polar icebreakers. The United States is an Arctic nation with Antarctic interests, and the Coast Guard has been a key leader and interagency and international partner in advancing maritime safety, security, and stewardship in our Arctic homeland and throughout the high latitudes for over 150 years. Through routine presence, meaningful engagements, and deliberate actions that strengthen maritime governance, the Coast Guard provides a full suite of mission capabilities and services to promote a peaceful, stable, prosperous, and cooperative Arctic and Antarctic during a time of great regional change.

Recapitalizing the Nation's sole operational heavy polar icebreaker is a critical national security imperative. Simply put, our adversaries are present in the high latitudes. They are working to disrupt the rules-based international order and infringe on America's sovereign interests. If we do not continue to invest in heavy polar icebreaker acquisition, we risk undermining our interests in the region. Our single operational heavy polar icebreaker is nearly fifty years old and while we are working to extend its service life, that is not a long-term plan. Despite setbacks, the Polar Security Cutter (PSC) program has worked hard to overcome obstacles, and I am confident that it remains the quickest and most cost-effective way to deliver the first three new heavy polar icebreakers America needs to assure our interests in the Arctic and Antarctic.

The high latitudes are experiencing markedly increased geostrategic activity, amongst partners and competitors alike. In and near the U.S. Arctic, the Coast Guard is observing increased presence by the People's Republic of China (PRC) and Russia, which are engaged in unilateral and combined military and coast guard activities, as well as increased research vessel presence. Internationally, the Coast Guard and our partners are increasing activities and engagements that support our common goals.

The Coast Guard has the right combination of authorities, mission expertise, and partnerships to address polar equities head on. However, the Service needs significant investment to modernize and grow our capabilities to keep pace with rapidly evolving challenges and to advance our Nation's interests, and we appreciate the trust and support of Congress and the American people. The Service will continue to prioritize actions that safeguard U.S. interests and serve Americans while promoting safe, secure, and environmentally responsible maritime activity.

### **Investing in Arctic Capabilities**

A peaceful, stable, and prosperous Arctic and Antarctic that are increasingly open to human activity require sound rules-based governance and responsible behavior in accordance with international norms. As the National Strategy for the Arctic Region states, we continue to "expand U.S. engagement and leadership, pursue new partnerships and arrangements that advance shared interests, and prepare for increased and evolving activity in these regions." With our unique combination of authorities – as an armed force, a law enforcement agency, a regulatory agency, and a humanitarian service – the Coast Guard is an ideal instrument for the Nation to responsibly engage in these unique maritime environments. However, given the vast and unforgiving reaches of the high latitudes, the Coast Guard needs more capable modern assets and resources.

The Coast Guard's broad operations and wide-ranging activities are executed in some of the globe's most expansive, remote, and unforgiving maritime environments. We are the only federal agency responsible for ensuring surface vessel access to polar regions. Our vast responsibility supports myriad national security, scientific, and strategic objectives, and requires commensurate investment. To maintain operational readiness while we recapitalize and build the capacity and capability necessary to meet increasing polar challenges, the Coast Guard requires predictable, consistent, and expanded investment. To keep pace with the ever-increasing rate of change, we must provide our workforce with modern assets, systems, and infrastructure to support mission execution. In line with this direction, and with strong congressional support, the Service continues to pursue a multibillion-dollar portfolio of acquisition programs established to deliver capabilities to meet these national demands.

Highlighting the importance of the investments in polar icebreakers, the United States, Canada, and Finland recently formalized and signed a Memorandum of Understanding advancing the Icebreaker Collaboration Effort (ICE) Pact. While ICE Pact will not directly impact the ongoing PSC acquisition, this trilateral arrangement is intended to strengthen the shipbuilding industry and industrial capacity of each nation and build closer security and economic ties among our countries through information exchange and mutual workforce-development focused on building polar icebreakers. The Coast Guard is supporting United States interagency efforts to craft the framework of this agreement and looks forward to working with our trilateral partners and interagency partners to advance our Nation's icebreaking capacity through collaboration.

#### **Polar Icebreaking**

Heavy 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. The Coast Guard faces gaps in capability that challenge our ability to operate reliably and meet mission needs. For instance, the Coast Guard has assessed that achieving a persistent presence in the Arctic (which includes year-round cutter presence in both the East and West Arctic) and a seasonal Antarctic presence would require a fleet mix of eight to nine icebreakers – including both heavy and medium types. Today we rely on an aging and limited ice-breaking fleet comprised of one heavy and one medium icebreaker.

With the strong support of Congress, we are moving forward with the acquisition of the Nation's first new heavy polar icebreakers in nearly half a century. 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.

Through an Integrated Program Office (IPO), the Coast Guard and Navy are leveraging each Services' experience and expertise in large, complex vessel acquisition programs. The Coast Guard and Navy remain committed to attaining the necessary design maturity prior to beginning production activities. Detail design activities are nearly complete, and long lead-time material for the lead ship has been delivered to the shipyard. The IPO adopted an innovative and incremental approach to support early production, Prototype Fabrication Assessment (PFA), which is based on Navy best practices. By prioritizing work 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. Six modules are currently under construction. These modules have achieved near 100 percent design maturity and present very low risk of re-work. All these efforts are aimed to begin PSC production as soon as possible.

We are following through on the commitment that my predecessor made to the Subcommittee when he testified on this subject earlier this year. The Coast Guard will seek a production decision from the Department of Homeland Security by the end of 2024.

Earlier this year, the Coast Guard notified Congress that the PSC program would exceed cost and schedule thresholds. The program is working closely with Bollinger Shipyard, who assumed the PSC contract from VT Halter Marine in 2022. The Service is nearing the end of the long and complex process of reviewing their proposal and, following Bollinger's acquisition of the shipyard from VT Halter Marine, negotiating the contract modifications necessary to formally establish new cost and schedule parameters in the updated acquisition program baseline. This work is occurring in parallel with ongoing program activities to support delivery of the PSC fleet as quickly as possible.

To maintain heavy polar icebreaking capability until the PSC class is delivered, the Coast Guard will continue an innovative service life extension on Coast Guard Cutter *Polar Star*, the Nation's only operational heavy polar icebreaker, in 2025. The cutter recently completed the fourth of five planned annual work periods, which will enable continued operation of the aging cutter.

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. This effort will recapitalize a number of major systems while addressing significant operational degraders to maintain the Coast Guard's required medium icebreaking capability.

In addition to the ongoing maintenance and service life-extending work of the Service's current fleet and with the Subcommittee's support, the Coast Guard awarded a contract on November 20, 2024, to acquire and reactivate a commercially available polar icebreaker. The purchase of a commercially available polar icebreaker is an effective strategy to increase operational surface 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 2022 and augmented by the temporary correction in the current continuing resolution, the Coast Guard recently took delivery of the *Aiviq*, which is the only available U.S.-built icebreaker that meets the Service's requirements.

Following delivery of this icebreaker, the Coast Guard's initial activities will be directed at achieving initial operational capability for deployment to the Alaskan Arctic no later than the summer of 2026. A series of phased modifications will occur between annual Arctic operations to achieve full operational capability. We look forward to adding this important medium icebreaker to our fleet, furthering our ability to meet increasing demands in the Arctic.

# Conclusion

The physical, operational, and geopolitical environment near the poles continues to change rapidly, driving demand for U.S. investments, to include Coast Guard presence, influence, and services. The Coast Guard has shaped national security in the high latitudes for over 150 years and is central to a U.S. whole-of-government approach to securing national, state, and local interests in the polar regions.

Continued support for a modernized and capable polar fleet and increased Coast Guard capacity and capabilities will fortify the Nation's position in the increasingly critical Arctic and Antarctic domains. Coast Guard leadership is essential in maintaining a coalition of like-minded partners to shape those domains as peaceful, stable, prosperous, and cooperative regions. Thank you for the opportunity to testify before you today and for your ongoing support to the members of the Coast Guard.