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U.S. TRANSPORTATION COMMAND'S (USTRANSCOM) AIRLIFT, SEALIFT, AND SURFACE LIFT PROGRAMS

JOINT HEARING

BEFORE THE

SEAPOWER AND EXPEDITIONARY FORCES SUBCOMMITTEE

MEETING JOINTLY WITH

AIR AND LAND FORCES SUBCOMMITTEE

OF THE

COMMITTEE ON ARMED SERVICES

HOUSE OF REPRESENTATIVES
ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

HEARING HELD
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[There were no Questions submitted during the hearing.]	
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[There were no Questions submitted post hearing.]	

U.S. TRANSPORTATION COMMAND'S (USTRANSCOM) AIRLIFT, SEALIFT, AND SURFACE LIFT PROGRAMS

HOUSE OF REPRESENTATIVES, COMMITTEE ON ARMED SERVICES, SEAPOWER AND EXPEDITIONARY FORCES SUBCOMMITTEE, MEETING JOINTLY WITH AIR AND LAND FORCES SUBCOMMITTEE, *Washington, DC, Wednesday, February 25, 2009.*

The subcommittees met, pursuant to call, at 10:07 a.m., in room 2118, Rayburn House Office Building, Hon. Gene Taylor (chairman of the Seapower and Expeditionary Forces subcommittee) presiding.

OPENING STATEMENT OF HON. GENE TAYLOR, A REPRESENTATIVE FROM MISSISSIPPI, CHAIRMAN, SEAPOWER AND EXPEDITIONARY FORCES SUBCOMMITTEE

Mr. TAYLOR. The subcommittee will come to order. Today, the Seapower and Expeditionary Forces and the Air and Land Forces Subcommittees will meet to receive testimony from the commander of the United States Transportation Command (USTC), General Duncan McNabb of the United States Air Force.

General McNabb is uniquely suited to this challenging assignment. He is a graduate of the United States Air Force Academy class of 1974. He has significant experience as a command pilot in both transportation and rotary wing aircraft.

General McNabb has commanded at every level, including commander of the 41st Airlift Squadron during Operation Desert Storm, the 89th Operations Group, which has responsibility for transporting the President on Air Force One.

Prior to his current duties as commander of the United States Transportation Command, General McNabb served as the Commander of the Air Force Joint Military Command as Vice Chief of Staff of the Air Force.

Thank you, General, for being with us today to discuss the challenges you face in supplying our troops around the world with the equipment and the supplies they need.

The United States Transportation Command is the largest shipper of goods and material in the world. On an average day, Transportation Command (TRANSCOM) is moving 100 railcar shipments, has 44 ships loading, offloading or underway, has 1,000 trucks moving with cargo, and executes 480 airlift missions.

There is a staggering amount of transportation occurring on each and every day.

To accomplish this mission, TRANSCOM relies on the Army Surface Deployment and Distribution Command, the Navy's Military

Sealift Command, and the Air Force Air Mobility Command, along with commercial partners in rail, trucking and sea transportation.

In addition to other issues that the general would care to discuss with us today, he has been requested to update the joint subcommittee on TRANSCOM's current and future force structure needs, the current capability to accomplish all the assigned missions, and, particularly, the issue of sustainment of our forces in Afghanistan.

As I am sure you are all aware, recently, the overland supply routes to Afghanistan by way of Pakistan have been targeted by insurgents. Lacking a different delivery route, the Pakistani overland supply routes are critical to resupplying our troops.

I look forward to the general discussion the issues associated with the Pakistani routes and with alternative routes from the north that I know he and others have been working on.

Again, General, thank you for being with us today.

I now call on my good friend from Hawaii, the Chairman of the Air and Land Forces Subcommittee, Mr. Abercrombie.

[The prepared statement of Mr. Taylor can be found in the Appendix on page 35.]

STATEMENT OF HON. NEIL ABERCROMBIE, A REPRESENTATIVE FROM HAWAII, CHAIRMAN, AIR AND LAND FORCES SUBCOMMITTEE

Mr. ABERCROMBIE. Thank you, Mr. Chairman. No comments at this time.

Mr. TAYLOR. Mr. Bartlett.

STATEMENT OF HON. ROSCOE G. BARTLETT, A REPRESENTATIVE FROM MARYLAND, RANKING MEMBER, AIR AND LAND FORCES SUBCOMMITTEE

Mr. BARTLETT. Thank you, Mr. Chairman.

General McNabb, thank you for joining us today. It is a true privilege to have you before the committee today and I look forward to our discussion.

We are all very aware that this Nation is in the midst of some difficult economic times. There is no doubt that tough decisions must be made if we are to continue to provide and maintain a military force that adequately supports our National Military Strategy.

In making those decisions, it is critical that this body understand the equipping needs of our military in the context of joint requirements and integrated capabilities.

In my 17 years of service on this committee, I have always found it very difficult to determine the Nation's procurement priorities when we are given a budget that reflects the individual services' procurement priorities.

We are told that the new tanker is the Air Force's number one priority and that Future Combat Systems is the Army's number one priority. But no one seems to be able to tell us how those priorities stack up against each other.

As an example, no one can tell us if the Air Force's need for a new combat search-and-rescue-X helicopter outweighs the Army's need for a new Armed Reconnaissance Helicopter and they certainly can't tell us whether either of those helicopter programs

stack up—how they stack up compared to the Navy's need for the Littoral Combat Ship.

I am particularly pleased to have you with us today, General McNabb, because I believe you can shed some light on several recapitalization and modernization programs and help us understand their value, from their standpoint.

Although we do not expect you to be able to address the fiscal year 2010 budget request, I do believe that you should address your requirements and priorities as a combatant commander.

As the commander of U.S. Transportation Command, you provide critical transportation services, air refueling support and terminal management, so that our frontline forces can successfully execute their mission.

However, you cannot do your job unless your service components, the Army, Navy, and Air Force, are properly equipped and resourced to meet your requirements.

Efforts to grow the Army and Marine Corps, theater requirements for heavily armored vehicles and increased demand for intra-theater aircraft due to roadside bombs and impassible terrain are just a few of the challenges that shape your requirements.

If we don't understand these requirements from a joint perspective, we will continue to have a military with capability gaps in some areas and duplication in others.

This results in the inefficient allocation of our Nation's precious resources at a time when we simply cannot afford it.

For that, Mr. Chairman, I am thankful to you for holding this very important and very timely hearing.

General McNabb, I look forward to your testimony.

Mr. TAYLOR. Thank you, Mr. Bartlett.

General, you are now recognized.

STATEMENT OF GEN. DUNCAN J. MCNABB, USAF, COMMANDER, UNITED STATES TRANSPORTATION COMMAND

General MCNABB. Chairman Taylor, Chairman Abercrombie, Congressman Bartlett, Congressman Akin, and distinguished members of the committees, it is indeed my privilege to be with you today representing the men and women of U.S. Transportation Command, more than 136,000 of the world's finest logistics professionals.

I am pleased to have this opportunity to highlight the state of our command and the strategic capabilities this team gives to our Nation.

USTRANSCOM provides strategic lift, deployment and integrated end-to-end sustainment and distribution capabilities unmatched by any other nation. This total force team of active duty, Guard, Reserve, civilian, contractors and commercial partners delivers logistics solutions which enable the combatant commanders to succeed anywhere in the world.

The Chairman of the Joint Chiefs, Admiral Mike Mullen, visited TRANSCOM last week and described logistics capabilities at TRANSCOM as like oxygen—you take it for granted unless you don't have it, because when you don't have it, you die.

We know the Nation and our war fighters depend upon us and we are honored to deliver. And this committee is well aware that

it is our great people that get it done. It is our total force, air crews flying combat approaches at night on night vision goggles, or airdropping supplies to sustain our troops in Iraq, Afghanistan and around the globe.

It is our refueling crews that deliver five million pounds of fuel every day, at night and in the weather, extending the reach of our joint force and coalition partners.

On any given day, our military and commercial crews, with maintenance teams and aerial porters behind them, execute more than 900 sorties. That is a takeoff and landing every 90 seconds, sometimes in the most austere places on the globe, like Antarctica, or the most dangerous, like a forward operating base under fire in Afghanistan.

It is our merchant mariners and military and civilian port operators who are loading, offloading or sailing 35 to 45 ships every day to support the war fighter, carrying cargo, like hundreds of Mine Resistant Ambush Protected (MRAPs), life-saving vehicles for the men and women who put their lives on the line.

It is our terminal operators executing hundreds of containers, domestic freight and railcar shipments, pushing units and their vital supplies to the fight and ultimately bringing home to the outstretched arms of a family and friends.

It is our contingency response groups, a joint task force, port opening experts who arrive first to open up the flow in contingency or disaster relief operations.

It is our commercial airlift and sealift partners standing with us side-by-side, enduring relationships that allow us to open up new avenues of supply, for instance, from the north into Afghanistan, or support the Nation during times of surge.

It is our medical crews and critical care teams tending to our wounded warriors, rapidly delivering them from the battlefield to the finest world class care on the planet, saving lives and families at the same time.

And it is our crews bringing back fallen comrades, transporting heroes dressed in our Nation's colors, Americans returning with dignity to our country, which owes them so much.

It is this logistics team that gives our Nation unrivaled global reach, committed to serving our Nation's war fighters by delivering the right stuff to the right place at the right time and at the best value.

Whether it is sustaining the fight, providing disaster relief to friends in need or moving six brigades simultaneously, we are there. Whether at home or abroad, this championship team succeeds by giving the combatant commanders what they need.

And the support of these committees has been instrumental in providing the resources our team needs to win, and I thank you.

Chairman Taylor and Chairman Abercrombie, we have learned many lessons as a Nation at war and your support on key programs has allowed us to take global mobility to new heights.

You have given us the large, medium-speed, roll-on/roll-off ships and supported upgrades to the ready reserve fleet, all of which have been tremendously successful over the last seven years, and the new Joint High-Speed Vessels will give us even greater flexibility.

The C–130J and the C–17 have come of age since 9/11 and have allowed us to change how we support the combatant commanders by air. The current C–5, C–130 and KC–10 modernization programs will also make an enormous difference in our capability and reliability in support of the war fighter.

And my top priority remains the recapitalization of our aging tanker fleet. The KC–X will be a game-changer. Its value as a tanker will be tremendous. Its value as a multirole platform to the mobility enterprise will be incomparable.

It will do for the whole mobility world what the C–17 did for the theater and strategic airlift. It will be an ultimate mobility force multiplier.

Chairman Taylor and Chairman Abercrombie, I am grateful to you and the committees for inviting me to appear before you today to discuss our TRANSCOM and distribution process teams, the critically important work we do, and the challenges and issues we face.

I respectfully request my written testimony be submitted for the record, and I look forward to your questions.

[The prepared statement of General McNabb can be found in the Appendix on page 37.]

Mr. TAYLOR. Without objection.

General, again, thank you for being with us. And I know there are a number of members that have their questions, but I would like to start off and, one, I want to compliment you for the job you are doing and I realize how difficult it is.

You probably could not pick a worse place on earth to be involved in a conflict than Afghanistan. All one has to do is look at a map and realize there is just no easy way to get things there.

So I do want to compliment you on the job you are doing thus far.

I also have become aware that in the past year or so, about 130 drivers for the contactor to Maersk have been murdered just transiting Pakistan. I am aware of the attacks on the convoys in Pakistan, the hijackings of trucks in Pakistan.

And I have heard you talk about the different options, other than Pakistan, for getting things there, the 50-day overland route from the north, going through China, going through Russia.

None of them appear to be very good ideas. And I realize that, again, we could not have picked a worse place to be in a conflict, in my opinion, as far as resupply.

What I am curious is when you fly over Pakistan, particularly toward the Iranian border, you fly for hours and see virtually nothing. Virtually nothing. It is a very uninhabited area.

Has any thought been given to using a port other than Karachi and using those roads closer to the Iranian border as an alternate route for getting into Pakistan, with the idea being that I would think it would be easier to defend a road where there are fewer people rather than more people? And that if someone is out there in that desert, they are most likely out there to cause you harm rather than, again, transiting these routes where, traditionally, I believe, the towns in Pakistan are one day's walk apart from each other. Which means there are a lot of them that these trucks have

to transit, and you have got several hundred trucks a day transiting a dangerous area before they even get to Afghanistan.

So I am curious. Again, I know you are at the Russian option, you are looking at the Chinese option, you are looking at the Turkish, Azerbaijan, Turkmenistan option.

But it would seem that it would at least be worth exploring an alternative route through Pakistan to resupply our troops. And again, maybe the Pakistan government is saying that is all out of the question.

But I am curious if you have even looked into that.

General MCNABB. Chairman, in fact, we got that question and I think it was probably one of the visits that we had up here on the Hill, I think you either your or Chairman Abercrombie asked us to take a look at——

Mr. ABERCROMBIE. Would you move just a touch closer to your mike, please? Thank you.

General MCNABB. Yes, sir.

You or Chairman Abercrombie had asked about that and one of the places that they looked at, something that General Petraeus had actually asked us to examine.

I think the big part there is that it is really the infrastructure after you get into the ports. It is what is the road like. As we look for connecting roads, large enough connecting roads, they estimate that it will take 5 years to build a road that would go up north and kind of join up with the rest of the lines of communications, and they are thinking even 10 years for a railroad, which eventually is probably good stuff to do that would probably be in Pakistan's interest to do anyway.

But I would just say that at this point, we would have to build that road, as well. So right now, your road network, if you came into that port, would still go back to the east to get up into those major highways.

When you talk about lines of communication, you are looking at the whole types of networks, like your road and rail, to see what you can do for throughput.

So when you go through mountains or you go through different areas, it is harder, obviously, if it is mountainous. And you have it exactly right. When you think about Afghanistan, you really are talking about different terrain than what we are used to, much different than Iraq.

And so when you look at the number of ways and passes that you can get into in Afghanistan, they actually are fairly limited.

I know that last week, Admiral Harnitchek showed you that there are five major ways to get into Afghanistan and that is from historic times. It is just tough to get through those very, very high mountains in a reasonable way, which is one of the reasons we have looked to the northern side today can we bring in things from the north.

Whenever I think about a ground network, I would like to have lots of options. If you have one, you kind of are at risk. So as a logistician, you are always saying, "Well, I want to have multiple options. So that whatever way you go, I can go a different way if I end up having some trouble."

The success on the northern distribution network—and we call it a network because it is not one line, it is a number of lines and what you want to do is use normal commercial routes that already have rail, the road infrastructure is already built, because anything that you have to go in and build, obviously, will be much harder, especially in another country where you go if you expected them to build that for you.

So that is kind of where we are headed on looking at the lines of communication. I totally agree with you that Afghanistan is much harder. You couldn't choose a harder place.

Mr. TAYLOR. What is the—I am sure you measure your instantaneous rate of change as far as the security of those vehicles transiting Pakistan.

General MCNABB. Right.

Mr. TAYLOR. Is it getting better or is it getting worse?

General MCNABB. What I would say is it has—over the last two or three months, we saw, in December, quite a few attacks. It actually has gone down on the number of vehicles that actually have been attacked.

But again, it is something that gives us great concern. In fact, that is one of the reasons that we went to the north to say, "Hey, can we have some alternative ways of coming in."

When you get into Afghanistan itself, when you talk about the ring road, same thing applies. Something that General Petraeus and I talked about is that we are going to have to figure out as we go in there, as we increase the troop presence there, we will have to look at which areas will you secure, which areas will you convoy through, and which areas will you have to jump over, in other words, go by vertical lift, much like we did in Iraq between al Asad and al Taquaddum.

It was a very dangerous road, so we went above it, took C–130s and C–17s and basically took all air eligible cargo for the Marines and took it over the place where they were under attack, and I think that we will look at the same way in Afghanistan.

Mr. TAYLOR. Mr. Abercrombie.

Mr. ABERCROMBIE. General, I am a little disappointed in the testimony here with regard to what the chairman was just speaking about.

There is no significant—at least I don't have in front of me any significant maps or topography or any testimony that I can see with regard to where you get the idea that it would take 5 years to build a road or 10 years to build a railroad.

You say in your testimony that you have made significant progress in partnership with the Department of State about establishing new routes, but there is nothing here, at least in the testimony to me, about anything—of consultations with the Pakistan government, about whether or not to have, say, a cooperative venture coming out of the Arabian Sea, moving toward southern Afghanistan.

I mean, I suppose we can do this all on our own, but that is what I thought you were going to be talking about today.

What is the origin of your idea 5 years for a road and 10 years for a railroad?

General MCNABB. Chairman, that was in discussion with the theater, talking to U.S. Central Command (CENTCOM) and talking to Pakistan, taking a look at what those roads look like, using our intelligence (INTEL) sources.

I would also say I am open to continuing to work that. I think that any alternative that we can do is useful, Chairman. Please don't get me wrong.

Mr. ABERCROMBIE. And in your testimony, you say, for example, that you had to fly. You were apparently able to put something together pretty quick here, Georgian troops serving in Iraq back to Georgia in less than 92 hours.

You flew 14 C–17 missions to get 1,700 Georgian troops back to Georgia. You had humanitarian rations that went.

In other words, if it is a priority, one would think that the United States could move a hell of a lot faster than 5 years or 10 years. In other words, an alternative route to this northern—various northern distribution routes, which includes, for example, going through Georgia, is not a priority.

Can we conclude that?

General MCNABB. Chairman, please don't conclude that. What we have done is gone every place we can to see what kind of network we can come in by.

I would tell you that the lines of communication are very different than, obviously, our ability to do air, and air is kind of your ultimate flexibility. And in fact, if we had to do everything by air into Afghanistan, that is what we would do. You would see like a Berlin——

Mr. ABERCROMBIE. I understand that. I am talking about whether our sense of priority comes in.

Let me ask you, then. Set aside the politics of it for the moment and consider, for our conversation's sake, that we were making this a priority, moving in from the Arabian Sea, as directly north as possible out of port on the Arabian Sea near the Iranian border or west of Karachi, going into southern Pakistan.

Now, I am presuming that if you know—if you even have a number of years attached to road and rail, that this has been looked at in some detail.

What would it take to do it? Set aside the politics and set aside the rest of it. What would it take?

General MCNABB. Chairman, I would have to take that for the record and come back to you, because if you are talking about building a new road network or a new rail network going through Pakistan on the west side, which is what I think you are referring to, we would have to go—we have looked at the initial portion.

I would say that is right now what we understand the Pakistanis plan to do. As we look at that, we would have to come back to you and say, "Here is what we could do to help." Obviously, there are very heavy political issues at bay there and, obviously, it goes kind of beyond——

Mr. ABERCROMBIE. Wait. The heavy political issues. You are talking about Pakistan, ostensibly an ally, whom you say wants to do this, so that it would just be Pakistan and ourselves on a project that both want to get done or could get—one wants to do and the other could be of assistance in doing, that we could control, that

we could monitor, as opposed to coming through China, coming through Russia, coming through God knows how many multiple political and regional issues elsewhere, along commercial routes that are impossible to monitor and to guard, let alone taking into account military cargo that has to go through.

Commercial cargo is tough enough as it is. Forgive me, but taking it for the record, why isn't that available right now?

The reason that that is so important is I can't even begin to figure out how many years we intend to stay in Afghanistan, let alone what we are going to do when we get there.

Your own testimony this morning says you don't have a clear idea of where troops are going, what they are going to do. You even talk about having to leapfrog different areas.

You could be dealing with hundreds-of-thousands of troops before this is over. We are stumbling on into—well, I won't get into the political side of it. You needn't answer anything about that.

But my point here is if we are going to stumble into Afghanistan the same way we stumbled into Iraq, which is, from what I can see, exactly what we are going to do, you have to have at least as much logistical control as possible.

I sympathize and empathize with what you have to accomplish in the Transportation Command. This is one of these unified commands here. Believe me, I totally empathize with what you are trying to accomplish.

I live in an area 2,500 miles from everything else. I understand the whole question of transportation, believe me, from supplies of everything, from food, from oil, from everything else that we have to get. I understand that. That is crystal clear what we have to accomplish just to get to Hawaii.

But in this instance, I cannot understand how, if the Pakistan government wants to do this and we, at a minimum, have a logistical interest in trying to accomplish it, why this isn't a higher priority.

General MCNABB. Chairman, if I could, maybe I could answer it this way.

When you look at the requirement that we have to do to make sure that we sustain our forces and take the unit equipment through, it ends up being about 78 to 80 containers a day. That is what it takes.

We are trying right now—and the capacity to go through the Pak Lines of Communication (LOC) is probably three times that. So the current Pakistan LOC, that is what it takes.

We are trying to open up, also, from the north, an ability to do 100 to 200 containers a day so that we have another option to be able to make sure that we can do that.

We are looking to the south, making sure that we can go with that, as well. We are making sure that we can go into Afghanistan by air, if, in fact, we have to do all of that.

All of that is set in place. I will look for any way and we will—Chairman, we will look at that and we have been looking at that and I will say that if that ends up making sense overall, we will be glad to pursue it.

And I will be glad to come back and say "Here is a way we could get that done." Right now, building that road, given that you al-

ready have an existing infrastructure, it just becomes a—going through those mountains will not be easy.

Mr. ABERCROMBIE. It all depends on how important it is.

Let me ask you—just indulge me a moment more. Now, there is talk of sending more troops. Where they are going to be sent, nobody knows. It is just we are talking numbers now, as if numbers will do it.

When you did the original report, you are having to do this as you go along, because the report that we have available to us from 2005 and the updates and the one that you apparently are not going to be able to get to us until next month, right? The update report that we ordered you to do last year.

When we get all these reports, they didn't take into account—the 2005 couldn't take into account the increase in the end strength, those kinds of things.

So whether we are talking about Afghanistan or elsewhere, you have lots more on your plate right now than you did when that baseline report of 2005 was given to us.

Is that correct?

General MCNABB. Chairman, that is true. The mobility capability study, the things that have changed will be in the new report, the mobility, capability and requirements study 2016.

So we have taken into account that we are fighting a little bit differently, the way we are using assets, the growth of the Army and Marines, and the Future Combat System as the types of things that they are taking a look at, as well as updated scenarios.

Mr. ABERCROMBIE. Let me just conclude then. I have gone over my time.

Do you have then actively under consideration this what I will call a southern route?

General MCNABB. Chairman, we look at every option. It is a network and I will look—I mean, we ended in Iraq, we built a route now that goes through Jordan to the port in Aqaba.

We look at every way we could do that would make sense and this one we will look at, Chairman. And I would say that the more routes I have, as a logistician, the happier I am.

If I have got four or five routes rather than one, we win. And what it allows me to do is to tell General Petraeus, "You do not need to worry about this." We will figure out a way to get the stuff in so that our forces don't need to worry about that.

Mr. ABERCROMBIE. Excuse me. Did you say Aqaba? I want to make sure I understood. Did you say you are considering utilizing Aqaba?

General MCNABB. Chairman, right now, as you think about the Jordan route, we go all the way to the sea.

Mr. ABERCROMBIE. That is to go into Iraq.

General MCNABB. Yes, sir. I am just saying that we have developed routes that are completely different than when we started, if we can figure out a way to make that make sense. We work with everybody involved.

Mr. ABERCROMBIE. If you are using Aqaba, you are certainly talking about tough conditions, as well, are you not?

General MCNABB. Yes, sir.

Mr. ABERCROMBIE. You don't have to see "Lawrence of Arabia" for the 16th time to understand that.

General MCNABB. And when you look at the ports in Iraq, when you think about where we started, coming directly up from Kuwait, if you look at today, we use Umm Kasar, we use the Jordan route. We have worked with Turkey to use them, as well.

What we do is we constantly work it to say any way possible.

Mr. ABERCROMBIE. I would like to be—I, certainly, Mr. Chairman, request, I would like to be briefed by your command with regard to what kind of activity has taken place in either your command or the Pentagon or both with regard to a serious—I am presuming a serious look at coming out of the Arabian Sea into Afghanistan.

If we are going to be involved in Afghanistan, we have to have a supply route that we can control as much as humanly possible and the fact that there may be logistical or monetary or political difficulties, to me, is entirely beside the point, particularly in the context of what the President said last night with regard to what he considers important or central or crucial to the question of terrorism.

General MCNABB. Chairman, and you all have always been very supportive. If we can come up with a way, you all have helped us.

Mr. ABERCROMBIE. Thank you.

General MCNABB. And that has not changed and I appreciate that.

Mr. TAYLOR. Thank the gentleman.

General, for the record, we have approximately 30,000 troops in Afghanistan now and you are saying it takes about 70 twenty-foot equivalent units (TEUs) a day to resupply them.

General MCNABB. Seventy-eight for the stuff that we use by ground.

Mr. TAYLOR. So if the force is increased by 17,000, you would expect half, again, as many TEUs would be necessary.

General MCNABB. Yes, Chairman. And then, obviously, as we move the forces in, obviously, the movement of those forces would—the unit equipment will be higher until we get them moved in and stabilized.

So that is kind of what we are thinking along the lines of. That will be the requirement. Obviously, everything that we take that is sensitive we take in by air now and that is what we will continue to do.

So what we are talking about is the stuff like construction material, food. That is what we bring in by surface.

Mr. TAYLOR. Thank you, sir.

The chair recognizes the gentleman from Maryland, Mr. Bartlett.

Mr. BARTLETT. Thank you very much.

General McNabb, I have in front of me a Congressional Research Service article, October 10, 2008, entitled "Military Airlift: The Joint Cargo Aircraft Program."

It is a very interesting story of the rather tortured history of developing intra-theater lift.

I would gather that in Iraq and Afghanistan, that is quite important. And my question is: what are your thoughts on the value of

the Joint Cargo Aircraft (JCA) to the Air Force and, in particular, to TRANSCOM?

General MCNABB. Certainly, Congressman Bartlett. I have supported the Joint Cargo Aircraft both for the Air Force and Army as part of our intra-theater airlift capability that I think will bring great value to the fight.

Today, we do intra-theater airlift primarily with C–17s and C–130s, C–130 being the workhorse, but C–17 as we need them, and that is actually paid great dividends for us both in Iraq and in Afghanistan.

And I know many of the members of the committee, if not all, have flown on both C–17s and 130s into both Iraq and Afghanistan.

The JCA is smaller than a 130 and would allow us to—it kind of fills a very nice niche of the direct support to the Army. That is where they are planning to use it.

They were finding that they were burning up CH–47 blades. So when you look at it from an enterprise standpoint, it would make sense that you could reduce the wear and tear on them.

You still will have to do helicopter lift, but that allows you to only do it when you need to do the vertical lift using helicopters.

The Special Operations Forces (SOF) also have a need. So you put those two in and, from our standpoint, sometimes tails are more important than capacity, especially when you talk about a dispersed operation, where we anticipate we will have in Afghanistan, where you have these smaller forward operating bases where you need to get one or two pallets in, you don't need six or eight pallets.

So the JCA will allow us to more optimize the 130s and the C–17s. And so it kind of fills a very nice niche in there, especially when you talk about unconventional warfare or being able to resupply a dispersed force. That is what we see.

Mr. BARTLETT. Thank you very much.

I have a question about heavier lift, the C–5 and the C–17. The early assessment indicated that we needed 111 re-engined and modernized C–5s. The cost went up and so our need, in quotation marks, kind of "went down." We now have 52.

And my question is: Is 52 enough? If it is not enough, what is the way forward, to look at the other 59 or look at the C–17?

General MCNABB. Congressman Bartlett, you and I and this committee, we have talked a lot about this over the years before as the Air Mobility Command commander.

As Chairman Abercrombie talked about, the mobility/capability study was kind of at the forefront and it said, at the end of that, we need about 300, it is 292 to 383, but we need about 300 strategic lifters and, at that point, we said that would be 180 C–17s and 111 C–5s, 112, at that point, modernized, so re-engined.

But like anything, that was based on price and as the cost on the re-engining of the C–5 went up, then you have to make tradeoffs and decide what do we do about that increased cost of the C–5 re-engining program.

The Nunn-McCurdy breach, which we came back to the Congress with, had everybody involved, to include the requirements side under the Joint Requirements Oversight Council (JROC), got all

the services, got TRANSCOM, and said, "Okay, what are we going to do about this and what is the best way forward given that cost increase, what should we do."

And out of that Nunn-McCurdy, we decided that the 205 C–17s that we have now, if you modernize the 52, as you mentioned, and then do an avionics modernization program on the remaining C–5s, we actually grow the force structure a little bit, but we still meet the requirements of 33.95 million ton miles that we must have in our organic fleet.

So that is where it sits right now. The Nunn-McCurdy was very well vetted. Everybody played in that and that is kind of what we did to make up for the fact that the re-engining program became too costly to do on the C–5As.

I would say that if that cost comes down, in other words, our first one has been delivered, we will see how it does. The test has gone well. The reliability has gone well. We are very hopeful and that does give us an option that if, in fact, that cost comes down or other events, like the outcome of the new study dictates, we can take another look to see if we want to do more of those.

But it does give us a little bit of an insurance policy, if, in fact, we want to do that. But again, it will really be on cost and that is tended to be the big issue that has always come up on this.

As with any acquisition program, competition really does work and, in fact, that you have other options, it allows you to say, "Okay, what are we going to do best now if that is going to be a cost overrun."

Mr. BARTLETT. I understand that competition in this program is a little difficult since we don't own the technical data which we paid for.

Are we going to stop this kind of contracting so that we can, as you indicated, achieve the advantages of competition in the future?

General MCNABB. Congressman Bartlett, I would have to defer to the services on that, but I would say that anything that makes our acquisition process better, obviously, all of us are for.

And I would say that the fact that when you really bring competition and you make it full in every way you can, it really does pay big dividends for us and certainly does for me as the TRANSCOM commander.

Mr. BARTLETT. But isn't it true on this program that we really can't compete it because we don't own the data?

General MCNABB. Well, the competition, obviously, has been whether or not you do additional C–17s. That has been the competition against the re-engining program.

Mr. BARTLETT. I am talking about the C–5 program. We really cannot compete that one, can we, because we do not own the data?

General MCNABB. You mean within the C—you mean have somebody else do the C–5, the upgrade.

Mr. BARTLETT. Yes. My understanding is we do not own that data, so we cannot compete it.

General MCNABB. Congressman, that would be my understanding, as well, but I would have to come back for the record.

Mr. BARTLETT. This has happened a number of times and I think, as a committee, we are concerned that we ought not contract this way.

The taxpayer is paying for it. The taxpayer ought to own it. And we find that the contracts are written such that, at the end of the day, we pay for it, but somebody else owns it, so that we have a noncompetitive situation.

This is not in the best interest of either the taxpayer or our services and I would hope that we would end this kind of contracting.

General MCNABB. Congressman Bartlett, that certainly makes sense to me and we will certainly pass that back to the services, because I do think they are looking at all of those things to make sure that they enhance that.

Mr. BARTLETT. Thank you very much, Mr. Chairman.

Mr. TAYLOR. Thank you, Mr. Bartlett. You have raised an excellent point.

I am going to ask Captain Ebbs to see if that is the law of the land now and if it is not, we will certainly welcome a Bartlett amendment to the Seapower markup this year that says that from now on, whenever we purchase something, we get technical rights.

The chair now recognizes, in the order that people were here, by seniority, that were here at the gavel, the gentleman from Texas, Mr. Ortiz.

Mr. ORTIZ. Thank you, Mr. Chairman.

General, thank you so much for your service and for testifying before this committee today.

The mobility capability study didn't account for 159 percent utilization rate of the current fleet of C–17 aircraft and, as Chairman of the Readiness Subcommittee, I am very concerned that the continued utilization rate of our strategic airlifters will affect our long-term readiness.

What steps are being taken to reduce utilization rates to avoid the unnecessary aging of the aircraft?

And I just came from another part of the world, some of us, as you know, Okinawa and Guam and Korea, and we have another serious problem with North Korea.

And I know that for you to be able to move some of the equipment or personnel, maybe it takes tankers to refuel them and I know it probably takes so many tankers to refuel so many jet fighters or so many Airborne Warning and Control System (AWACS).

As far as equipment, for you to be able to do the job that you will have to do, do you feel that you have adequate equipment to do that now?

General MCNABB. Congressman Ortiz, I do and I think especially with the modernization programs that we have on the books and the great support of both these committees, when I look at the airlift and sealift accounts, you all have been very good about helping us make sure we have the resources that we need.

Obviously, that never stops. You have got to constantly continue resourcing that, recapitalizing and modernizing the fleet.

As you know, we use our commercial partners to a great degree, our civil reserve air fleet, on the air side, our visa program on the sea side, and when you think about what that brings, those fleets are being constantly upgraded and I would say that that really has paid big dividends for us.

Our merchant mariners, their ability to man that, we have got that all worked out. So whenever we have to surge, they are all set.

And I think those programs have really shown their value, especially over the last seven years.

And I think that one of the things that we are watching very closely, especially with the downturn in the economy, is to make sure that if there is excess capacity out there, that we upgrade both our sealift fleet and our air fleet on the commercial side with the newer, more modern types of vessels and aircraft.

And it is an opportunity and I have talked to all the carriers about that, and I think that that is the way we stay at this. We just constantly make sure that we are getting the best value out of the ships that we hold and I do think that is working.

Mr. ORTIZ. Have you had problems getting the equipment to the areas? I know that drivers have been killed and we are talking about moving so many containers and stuff like that.

Are we losing any of the equipment?

Chairman Abercrombie raised a question. If we bring in 30,000 more troops to Afghanistan and if we are having problems equipping them now because of the violence and because they are attacking our convoys, can we do that in a way where we don't put our troops in harm's way?

General MCNABB. Congressman Ortiz, I believe so and one of the things that I—with the tools that you all have given us, again, we have lots of options to make sure that we get the equipment that they need in.

As we were talking before about the 78 containers a day that we need to kind of hold even, make sure that we get the stuff in to the theater that they need, again, that is stuff that comes in by ground, if you think about it, that is stuff that if, in fact, you don't get it, we can get it in the next day, it is stuff like construction materials, cement.

It is food, it is water. It is things that as long as we get more in than that 78, we are okay. And we watch our 7-day average. Our 7-day average this week was—if you look at how much we have been getting in, it is about 140 containers a day.

I watch that every day to make sure that we can get that through. As we do the surge of the—as we increase the number of troops in Afghanistan, there will be a new number that we want to make sure that we can get in.

As Chairman Abercrombie and I were discussing, we will look at every avenue that we can get in and try to figure out the cheapest and best way and if that cheapest and best way doesn't work, we will figure out another way.

Sometimes it is more expensive and I will say, ultimately, if we have to bring it in by air, obviously, that is much more expensive, but we can do that. And that is how we said it for General Petraeus to say however you need—my job is to make sure that we can get that stuff through no matter what the threat will be.

You bring up a great point. If you ask me what I worry about at night, it is the fact that our supply chain is always under attack. My job, I think, that you have given to us is to make sure that we get that through regardless of the attacks on it, because you don't want to make this a vulnerability. You don't want to have people think that it is a vulnerability, and I, quite, frankly, do not think it is.

I think we will get the stuff through. That is the part that I would play in.

Mr. ORTIZ. And the reason I ask you, General, is because I know that there have been thousands of weapons missing that we cannot account for, into the hundreds of thousands of guns and weapons, even though we know that most of the lethal weapons are airlifted, not sent on convoys.

But still, I just hope that whatever we send to our troops get to our troops, because we hate to see these types of lethal weapons be used against our troops. So that is another concern that I have.

General MCNABB. Chairman, that is an absolutely excellent concern and that is why when we say any sensitive, any kinetic kinds of material for our forces we bring in by air.

Right now, all the MRAPs come in by air into Afghanistan, Strykers, all of that stuff will be moved by air because of the sensitivity. We will not send that through the ground line of communication because of the attacks.

But when I think about the ground lines being under attack, I think about piracy, I think about shooting at our aircraft. Obviously, again, with the support of these two committees in support of our defensive systems that go on our aircraft, all of that plays to allow us to make sure that we get the stuff through and that is our job and that is what we will do.

The fourth area that we, quite frankly, get attacked at is our cyber and we have people looking every day, because if you can figure out what people are doing logistically, you many times can figure out what they are doing.

And we know that, but the nature of our job, we end up saying, "Here is how we will do that."

Mr. ORTIZ. Thank you, sir.

Thank you, Mr. Chairman.

Mr. TAYLOR. Thank you.

The chair recognizes the gentleman from Connecticut, Mr. Courtney, for five minutes.

Mr. COURTNEY. Thank you, Mr. Chairman.

Actually, I just have a quick follow up to Mr. Bartlett's questions regarding the Joint Cargo Aircraft.

General, as you know, the issue of where the home is for that program has been kind of a punching bag up here for the last couple of years.

The quadrennial roles and missions review report that was issued last month stated that the Department found that the option that provided the most value to the joint force was to assign the C–27 to the Air Force and the Army, which would be a very good outcome as far as Air National Guards are concerned.

And I just want to ask you, for the record, do you agree with that conclusion?

General MCNABB. Yes, Congressman. What I would say is as long as we have common standards and that when you bring it forward, it fits into our existing system, which everybody has agreed it will do, whether it is Army, whether it is Air Force, whether it is Air National Guard, Army National Guard, and everybody has agreed to that.

And that has to do with not only the direct support to the forces on the ground providing that capability, but it is also the ability that if you have got those excess, that they fall into the common user pool so that we can use them.

All of that movement, especially as a distribution process owner, I care about all of that stuff, so as long as it fits in there. And right now, everybody has agreed that it will.

Mr. TAYLOR. Thank you, Mr. Courtney.

The chair now recognizes the gentleman from Georgia, Mr. Marshall.

Mr. MARSHALL. Thank you, Mr. Chairman.

I guess I will start by following up on JCA issues, as well.

The program, as originally envisioned, contemplated a lot more platforms and now I think both services have greatly reduced what they anticipated taking advantage of.

Where are we as far as making decisions concerning long-term sustainment, modernization, maintenance is concerned?

There was a split of view between the Army and the Air Force. The Army doesn't really have the depot capacity that must be maintained for the good of the country over a long period of time and, consequently, filled with work. So the Army was heading towards Contractor Logistics Support (CLS), contractor maintenance.

And the Air Force, of course, was pretty anxious to get data rights and to have an understanding with the contractor concerning the transfer of responsibility to a depot in the original acquisition agreements, both by the Army and the Air Force.

Where are we on that, do you know?

General MCNABB. Congressman, I would have to go back and take that for the record. But in general, I think they are still have the discussion, especially as they are working through the Special Operations Force buy, as well, to make sure that as you look at all—because you will have SOF, Army and Air Force—how do we best look at it as an enterprise and how we will best do that.

I know there are a lot of discussions that are going on and I know that in the Pentagon, it doesn't come under me as TRANSCOM. So I would have to make sure that folks got an answer back to you on that.

Mr. MARSHALL. I think it is widely conceded at this point that the C–17 acquisition process was flawed because we simply didn't take into account, appropriately take into account the need for a gradual transition to depot maintenance, sustainment and modernization.

And so we are just sort of struggling back and forth with Boeing on how we are actually going to accomplish that, and I am sure it is costing us a lot more money than it should have had we properly planned for this in advance.

So whatever influence you and TRANSCOM can have on the acquisition teams to get this done right. There is an additional challenge, obviously, and that is you have got two branches, not just one, that are detailed with the responsibility to somehow come together and make this happen appropriately.

Are we in the process now of stockpiling, trying to stockpile critical commodities now that commodity prices are lower?

Some of the dramatic cost increases, whether it is modernization or it is initial development, some of the dramatic cost increases have been associated with the contractor referencing huge, extraordinary increase in commodity prices for critical components.

Are we taking advantage right now of very low commodity prices to go ahead and stockpile?

General MCNABB. Chairman, I would have to check the specifics, but it is kind of the same issue we were talking about on our sealift and airlift fleet. You want to take advantage of the market when it is like this, to make sure that you don't miss an opportunity, and I will definitely take that back and ask that question.

Obviously, it is an acquisition and a service question, but I will go back and ask it. I couldn't agree with you more.

Mr. MARSHALL. Well, thank you. Ultimately, it is going to wind up affecting your mission to the extent you are not able to acquire the assets that you need to accomplish the mission, because it is just too costly.

There has been this back-and-forth concerning whether or not to Reliability Enhancement and Re-engining Program (RERP) the C–5As and we have got the C–5A which has been RERP'd and Avionics Modernization Program (AMP)'d and is now being tested.

We have had various estimates concerning the appropriate number, the total number of C–17s that we are going to need and what the size of our fleet, C–17/C–5, should be.

If I recall correctly, in the Mobility Capabilities Study (MCS), they were contemplating that the C–5As would all be RERP'd and AMP'd.

General MCNABB. Right.

Mr. MARSHALL. Does that say that the MCS really—the figure adopted by the MCS, which is a flawed study and I think we all concede that it is a flawed study at this point, that figure should be higher, assuming that we don't RERP the C–5A.

General MCNABB. Right, yes. In fact, when you look at the fact that right now our program is to have 350, that is what came out of the—315, which came out of the Nunn-McCurdy, before we were at the 292 and then to 300 level, it was to make up for that lost capacity on not re-engining the C–5As.

Again, I think that is one that, as we get more tests on the C–5s—as you mentioned, we have got three flying, one delivered, that we are going to start taking a good, hard look at and if the reliability and the cost stays down, I think that gives us—that will be one thing that we will consider.

I tell all of the major suppliers that what I am looking for is the perfect airplane for free and then we can negotiate from there. Obviously, if they can get that cost down, it changes the dynamics and then things that may not have made sense before make sense now.

And I think that now that the C–5 is starting to move, that re-engining program, I think it could sell itself and I think that is a good incentive for them.

Mr. MARSHALL. I appreciate the realism of your approach. Would you like to take over Wall Street for us?

Thank you, sir.

Mr. TAYLOR. The chair recognizes Mr. Akin and then we will take a recess. There are three votes on the floor and I think it is about eight minutes until we have to be on the floor.

Mr. Akin.

STATEMENT OF HON. W. TODD AKIN, A REPRESENTATIVE FROM MISSOURI, RANKING MEMBER, SEAPOWER AND EXPEDITIONARY FORCES SUBCOMMITTEE

Mr. AKIN. Thank you, Mr. Chairman.

And I had really—you did a great job in a private meeting a couple of weeks ago answering a lot of my questions.

Just one quick one. The maps you have given us are not scaled. What is the distance across Pakistan there if you go—assume that you have got containers ships or whatever it is in the Arabian Sea. You want to go across Pakistan into Afghanistan.

How many miles is that really before you hit the Afghanistan border?

General MCNABB. Depending on where you go, I think it is in the neighborhood of 400 to 500. That is what hits me, but I will——

Mr. AKIN. Four to 500.

General MCNABB. That is what I would say.

Mr. AKIN. So you are still talking about a hike and a lot of mountains in the process, right?

General MCNABB. Right.

Mr. AKIN. Yes, okay. Thank you very much. That is all I had.

Thank you, Mr. Chairman.

Mr. TAYLOR. General, we are going to take about a 20-minute break for those three votes.

We have got a rather large map of Pakistan and Afghanistan and I do think it would be worthwhile for the committee members if you could give us the visual of where the ships land in Karachi—it is my understanding it is about a five-day truck route just to transit Pakistan—and for the committee to get a full understanding of the challenges that you face and thus far have done a very good job of overcoming.

General MCNABB. Absolutely.

Mr. TAYLOR. Thank you.

[Recess.]

Mr. TAYLOR. General, thanks again for being with us and I apologize for the delay. There will be votes again in about 20 minutes. I regret that none of my Republican colleagues have made it back yet, but I hope they will forgive us if we continue.

During the break—we had asked the General prior to the break if he would explain the route through Pakistan, how the ships are unloaded at the port of Karachi, and he made, during the break, a very good point that we have already lost about 130 contract drivers transiting Pakistan.

We don't really need to tip our hand to our foes and potential foes any further.

So I would hope that you would make yourself available to any member of the committee that would like this information, but I very much respect your point that we just don't need to tip our hand any further to our foes.

Having said that, the chair now recognizes the gentleman from Arkansas, Dr. Snyder.

Dr. SNYDER. Thank you, Mr. Chairman. Thank you for letting me participate in your hearing, even though I am not a member of this subcommittee.

One of the reasons, General McNabb, I wanted to attend today is I think what you do is one of the most complicated things that is done in the military, how to figure out how to keep things moving around in a timely way, both on an ongoing basis, but then, also, on an emergent basis.

And I had two questions I wanted to ask about. One is very specific about the C–130 and then a more general question.

My C–130 question is: On page 8 of your written statement, you say, "The Air Force also needs the flexibility to retire and replace aircraft at the end of their service life," and I think you are talking about the C–130E models there.

I have C–130s in my district, but I don't find there is any value in keeping planes that you don't want, that don't fly or we don't think are reliable.

I don't understand the issue. Mr. Saxton and I, before he retired, we kept pushing to give you all the flexibility that you want. On the Senate side, there is resistance to that.

Would you explain to me where the breakdown is, because it is not as simple as just members want to have tails in their district? I think it is more complicated than that.

Why are we having the problem that we are having and have we made any improvement in the last year or two on the language in the defense bill?

General MCNABB. Thanks, Congressman Snyder, and great to see you again, sir.

We have asked the committees on a number of occasions, that is, you bring in new airplanes like "Js", we would like to get rid of the older stuff because our requirements are—we roughly need 400 C–130s, equivalents, and right now our plan is to make that up of C–130Js and C–130Hs through H1, 2 and 2.5 and 3s.

And our plan is to do avionics modernization program upgrades on the "Hs" so that they are a common fleet. Right now, 222 is what we plan to do on that.

You put the "Js" in there and then we have the "H" model 130s that we are taking a good look at, at whether or not it is better to put the avionics modernization program in there or replace them with the "Js" as they become available.

The older airplanes, like the "E" models, obviously, having opportunities that if, in fact, we wanted to take one of those and put a center wing box and do all the upgrades to them.

I think there are airplanes like the C–130Es, they don't have the -15 engines, so it really doesn't make sense for us to put any kind of additional investment into the C–130Es. So basically, we are ready to retire those as we get the "Js."

Where we stand now, you all have been very supportive of that and we have been able to start clearing those 130Es off the ramps. The same thing we can say about the KC–135Es.

Dr. SNYDER. You still have legal restrictions, though, do you not, on the ability of you all to manage the "E" model fleet?

General MCNABB. We have type 1000 storage that says we want to be able to get to them if we need to. I think that once we get the airplanes in place, the crews are all trained up, again, we would come back to the committee and say, "We really would like to be able to just kind of get away from the type 1000 storage and so forth," because we would like to use some of those parts.

The other one that I would mention for the committee is some of these airplanes we probably could put into foreign military sales. If you put a center wing box, they may not need the avionics upgrades, depending on where the countries are.

And there is some resale value of that equipment that, while it wouldn't be pertinent perhaps to what we are doing in Afghanistan or other places, there are other countries that perhaps could put a little investment in there and be able to have a pretty good 130.

Dr. SNYDER. There also is the cost of putting them in the type 1000 storage, is there not?

General MCNABB. Right.

Dr. SNYDER. Which you are all are being required to do and you would prefer not to do and yet it is millions-of-dollars that are going to maintain these planes in a status that you would just as soon not have them in.

General MCNABB. Absolutely.

Dr. SNYDER. Would you provide me and the committee with the language that you would think would be helpful?

General MCNABB. Absolutely.

Dr. SNYDER. I don't think a light ever went on, Mr. Chairman, but I wanted to ask just one final question.

How do you test whether or not a product or commodity, a part, goes from A to B in a timely way? What kind of test do you run that tells you that something that is on a shelf at a depot somewhere in the Continental United States (CONUS) actually ends up in the hands of the mechanic that wants to put the fan belt in the vehicle?

General MCNABB. Last year was our year of metrics and one of the big things you have to do on an enterprise like this is to be able to watch the stuff and be able to say—and track it en route, if you can.

I would tell you that is one of the big improvements that have been made. I would talk even on the Pak LOC. Our ability to do in-transit visibility on the containers has made a big difference on knowing where things are in that supply chain, all the way to the point of being able to say we need to reprioritize the flow because the pipeline—we have had the bridge go down, so we have got to reprioritize how we get the flow in.

Dr. SNYDER. Now, when you say that last year was the year of the metrics, are we saying the first five or six years of this was not a year of measuring how things go?

General MCNABB. No, sir. I would say that we have been doing the metrics, but we have said that we are getting to the point where, as the distribution process ownership, with my other hat, our ability to watch all this and measure it and say, "Here is how that flow goes from beginning to end," shortening that supply chain, just like industry, you save lots of dollars.

If you can build trust into the system, basically, people don't order stuff two and three times. I use FedEx and UPS as an example. They changed the culture, because you really did trust that they would get it there, and you also knew you could go check on it if you had to.

Most of us don't check. If somebody says they FedEx'd it, we don't check it unless it didn't make it there. But we trust that it will get there.

It is the same thing here. It also allows us to make decisions on multimodal. In some cases, it is faster to do a combination of surface and air rather than trying to do it all by air.

That is what TRANSCOM is doing, as the distribution process owner, is taking a look at all of those and saying, "Okay, what is the best way we can do this."

Some of our earlier discussion, the more options we have means that we can do this a lot of different ways. In many cases, using normal commercial practices, using normal commercial routes and letting our commercial carriers take care of this is a much better way than if we put a military solution in there, and you all have seen where we have done that and what a difference it is made.

Dr. SNYDER. Part of that commercial practice is how you order, too. You don't necessarily need to order one fan belt to be delivered. You all would probably do better if you delivered a box of fan belts so you only had to do it one time.

Thank you, Mr. Chairman, for your courtesy.

Mr. TAYLOR. The chair recognizes the gentleman from California, Mr. Hunter.

Mr. HUNTER. Thank you, Mr. Chairman.

General, thank you.

Could you tell me about your involvement with ARCENT, Army Central Command, at Camp Arifjan and how you are going to be working with them for the Iraq exfiltration?

General MCNABB. Sure. Congressman Hunter, great to see you.

In fact, I was just down seeing General Lovelace, about two months ago, went by and saw them, talked about as they look at what they need to do across the theater, but certainly in Iraq, as to how do we make sure that we have got the flow right.

In fact, we did have discussions about the different avenues by which we can have stuff go in and come out of that theater, especially Iraq.

One of the big discussions was, for instance, the port at Umm Kasar. The other one was that line of communication through Jordan and talking about how we can look at the types of things that we need to have come out and then what is the best route to do that by; also, discussion about what we need to do by air, by surface, to make sure that we sort that out.

So I think that the discussion that CENTCOM is having, in general, we have been in the middle of and, certainly, General Lovelace and that—with the Coalition Forces Land Component Commander (CFLCC), that is obviously one that will be big-time on how we do that with them.

Mr. HUNTER. Got you. I was there about five days ago talking to him, the general there at Camp Arifjan, and they were not too—they didn't know when exactly we were going to have our expel at

that point. That was last week. We now know, seeing the paper, it might be August of next year.

Their timeline, from what they were saying, that timeline would be extremely difficult to meet to leave properly in a "non-dirty" way, because that is about 18 months out. That is about the bare minimum that they would need to get everything out.

Are you guys involved with them to speed that up and make that a non-dirty move from Iraq out?

General MCNABB. Congressman, what we have done is looked at what will they need us to do and I would say that the strategic lift portion of this is not the showstopper. So we have more than enough to be able to handle their needs, if they need to accelerate it, but that is not the chokepoint.

Obviously, they are working with that. What we have made sure is that we have ship availability and aircraft availability to be able to make sure that we can handle that, whatever service requirement they have.

Mr. HUNTER. Are there things you can do that they aren't asking for?

General MCNABB. From my end, we have plenty and they know it. So it is just not that kind of an issue.

One thing we have said is, "We will work with you, whatever you all need," to be able to make sure that we can open up that pipeline to whatever they need.

As you say, it is really the issue of how much time they need to prepare the equipment to move it as we bring it back.

Mr. HUNTER. True, yes. That is a big chokepoint, with the wash rags and the Agriculture Department (AG) check and everything else.

General MCNABB. You bet.

Mr. HUNTER. Thank you, General.

Thank you, Mr. Chairman.

Mr. TAYLOR. Are you through, Mr. Hunter?

Mr. HUNTER. Yes, Mr. Chairman, thank you.

Mr. TAYLOR. Thank you very much.

The chair recognizes the gentleman from Virginia, Mr. Wittman.

Mr. WITTMAN. Thank you, Mr. Chairman.

General McNabb, thank you for joining us today, appreciate your great work there in moving our folks and all their supplies around. So we really appreciate that.

One question. When I was most recently in Afghanistan, there was some discussion about the movement of supplies from Pakistan into Afghanistan and some interruption in those supply chains, and then I know, as we previously talked about, about air transport and the number of C–17s available.

Can you shed a little more light on the current status of movement of supplies into Afghanistan, what the challenges are, what your contingencies are to deal with interruptions there?

And I know there was some talk there, Chairman Taylor and myself had some discussions about airlift capacity, what capacity is there, and what are the contingencies to deal with the things we are facing, the interruption of supply chain.

General MCNABB. Thank you, Congressman.

As we look at that theater, what we are trying to do is make sure we have as many options as we have, especially on the ground kinds of transportation.

Obviously, getting into Afghanistan, being a landlocked country, there is not a whole bunch of ways to come in and basically there are five major gates, if you will, that allow us to come in.

And from the south, we use the Torkham gate and the Chaman gate. There are also three from the north, Termez being the major one that goes that.

What we try to do is make sure that we can—by having multiple options, you also have competition between these different ways and we try to make sure that we are not taking sensitive—everything that is sensitive/kinetic we take by air.

The things that we are talking about are like food, like water, like fuel, like construction material, those kinds of things, APs and foreign military sales.

What we are trying to do is make sure we have lots of ways to be able to increase that flow if we need to, especially as we increase forces in Afghanistan, and that if, in fact, one way is shut down, for whatever reason, we have other ways to be able to surge so that it doesn't impact the war fighter.

Today, I use a measure of 78 containers a day. It kind of keeps us even with the forces that we have and kind of keeps everything flowing. That, obviously, will increase a little bit. And what I do is try to make sure that we are always beating 78 on the average, of which we do. Our average is about 138 for this week, to give you an example, and we have averaged about 90 since the beginning of January.

So we have kind of stayed ahead of the flow. The second part to that is we know that, again, if you have multiple options, if we end up having to do some of the stuff by air, we will do that, and we have promised the folks on the ground that "If you have something that was supposed to get to you on a surface and, for some reason, it doesn't make it through, you let us know and we will bring that in by air."

I have not had to do that. So that is kind of the ultimate guarantee, if you will.

The other portion to that is we have worked with the folks in Afghanistan, along with CENTCOM, to look at all of the airfields and the ports going in there to see how we can streamline that so you can make the pipe larger.

Termez would be an example that we would like to be able to increase the throughput through there. The airfields in Bagram, Kandahar and Bastian are the three major places that we will be going into, and we have increased our throughput into those all the way from an extra—increasing by 50 percent all the way up to increasing by four times.

That is what we have done, again, in conjunction with the folks in theater to make sure that we have that option. We haven't had to use it, but I would say that we want to make sure that if we do need it, we have it there for General Petraeus, so that nothing will stop this.

So that is kind of where we are.

Mr. WITTMAN. One other question. How are our relationships with the Pakistani groups that are working with us to do the transport?

I know at some time, there was discussion about how that dynamic existed between us, as contractors, and them, as providers.

General MCNABB. Absolutely. That is one that is probably Pakistan—we do normal commercial carriers that will go through there. A lot of discussion about how the Pakistanis can secure their routes.

A lot of that is done as the contractors work with the different trucking companies that they do. They have different ways of doing that.

In fact, that is exactly what we are going to do in the north, as well. It is going to be completely commercial. It is their relationships they already do and it is the movement of normal commercial cargo.

Lots of discussion that they like to hide in the open, meaning that you don't want to have this designated that people would know that it is a shipment by us, and that seems to work very well, because, obviously, it is part of the normal commerce that goes through there and it brings capital to that region.

We keep working with them to make sure that we have different ways of watching this. One thing that we do have almost completely on the Pak LOC is satellite trackers so we can see if something has slowed down, maybe pilferage, maybe attacked, and we can basically know that very quickly. So if we have got to supplement, we can do that.

It also allows us, quite frankly, when you have a major disruption, let's say, a bridge, it allows you to reprioritize the flow en route and say, "Okay, now, the unit equipment that was in the back that is en route, it now needs to go to the front."

We are doing that. That is the folks, to be honest with you, the folks in CENTCOM and our surface deployment and distribution folks, and they make magic happen and I am still going, "Man, it is amazing you can do that," but that is what they are doing and that is why you are not hearing the—when you hear a bridge go down, we are working through coming different ways.

So that I want everybody to know we will get the stuff through. We have other options. Don't ever think that we totally depend on you and that actually helps the whole system.

Mr. WITTMAN. Thank you, Mr. Chairman. I yield the balance of my time.

Mr. TAYLOR. The chair thanks the gentleman.

The chair now recognizes the gentleman from Hawaii, Mr. Abercrombie.

Mr. ABERCROMBIE. General McNabb, has the issue between the Army and your command been resolved with regard to the C–130 and the man-ground vehicle or the future combat system?

General MCNABB. Chairman, I think that they have decided that the future combat system, we would put that on a C–17. I think they have come to us and said, "Yes, given the size of it, we will need to be dependent on the C–17 to move that."

Is that the question you were asking about?

Mr. ABERCROMBIE. Yes.

General MCNABB. Yes, sir.

Mr. ABERCROMBIE. That is if it moves forward.

What about the utilization rate then of the C–17? You weren't able to anticipate that it is much higher.

Do you need more replacements, what? What is the answer there?

General MCNABB. Chairman, you all have been—if I go back 2 years, the 10 airplanes that you added took us from 180 to 190. That was really because of the wear and tear on the fleet, as you have said, basically, the flying hours that we have used up.

But a lot of it is the type of flying hours that we are doing in theater. You all have been great about making sure that our fleet-wide—we are staying about even with the wear and tear on that fleet.

The additional 15 airplanes, what it will allow us to do is take the newer airplanes, put them into places where we are going to do a higher utilization rate and be able to transfer some of the older airplanes and fly less hours on them.

Mr. ABERCROMBIE. Is there discussion of having more in the upcoming budget?

General MCNABB. Chairman, I know that at the highest levels in the Pentagon, that is one of the issues that we know we need to come back to you, and I know that they are discussing that.

Mr. ABERCROMBIE. Part of your testimony—sorry to keep rolling, but we have to go back and vote again.

Part of your testimony, on page 3, "U.S. Africa Command grows and expands its mission," one of the scariest sentences that I have seen, I mean this, one of the scariest sentences that I have seen in any testimony, "as the U.S. Africa Command grows and expands its mission."

What is its mission, as you understand it?

General MCNABB. Well, obviously, I would defer to General Ward on that, but what I would say is that I know that given what that continent looks like, the kinds of things that he is talking about and the kinds of infrastructure they have, I know that he will be dependent on what TRANSCOM can bring him to whatever he is asked to do.

Mr. ABERCROMBIE. You say you are going to leverage your resources and expertise to support this new command. You must have some idea, then. What is their intention? What have you been told the Africa Command is supposed to be doing in Africa?

General MCNABB. I think it is partnering with the other countries. It is disaster assistance. It is the kinds of things that, as you look at U.S. Africa Command (AFRICOM) and you look at the Africa continent, it is the kinds of things that we did in Rwanda.

It is kind of the things that we have done on——

Mr. ABERCROMBIE. Are you preparing?

General MCNABB [CONTINUING]. Evacuation operations.

Mr. ABERCROMBIE. Are you now engaged in scenarios and preparing budgets and materiel and personnel for these scenarios?

General MCNABB. Chairman, one thing that they are doing, they do a number of scenarios that we used to take a look at what kind of force we need. That is done by the Office of the Secretary of Defense (OSD). They set different criteria.

Mr. ABERCROMBIE. Were you brought into it?

General MCNABB. Yes.

Mr. ABERCROMBIE. Are you currently engaged in gaming scenarios with regard to the United States, through its Africa Command, going into Africa?

General MCNABB. I would say that we have an illustrative scenario that would—like Africa and other places in the world which we know that we may be asked to do, and, yes, we do game those kinds of scenarios.

Mr. ABERCROMBIE. The Nigerian delta?

General MCNABB. Chairman, I think I would rather talk about that on a closed session.

Mr. ABERCROMBIE. I think we ought to have a closed session. I think we are, once again, in a situation where we are getting into—this goes way beyond mission creep.

We have got an African Command. Nobody knows anything about it. We haven't the slightest clue as to what is involved in commitments that we may or may not find ourselves in and with whom.

And so far as I know, there is nothing coming forward in terms of budget from you—budget implications. Don't you think that that is something that this committee ought to have a very clear handle on in the upcoming 2010 fiscal year?

General MCNABB. Chairman, I believe this committee absolutely should be aware of those kinds of discussions, absolutely.

Mr. ABERCROMBIE. If you had to summarize what you have been told to this point as to what the mission of the African Command is, could you summarize that for me?

General MCNABB. Chairman, my——

Mr. ABERCROMBIE. In terms of what TRANSCOM is expected to do.

General MCNABB. I think given the distances and the kinds of scenarios where we have had to do courses of action in Africa, those are the kinds of things that I would expect that General Ward would come to me and ask me, "I need your help to do these things" and to be ready to do this if called upon.

When it was under the U.S. European Command (EUCOM), when Africa responsibilities sat under EUCOM, it was the same. In other words, EUCOM had responsibilities to Africa and they made sure that we were ready to support them, if called upon, and that is kind of where we have been.

Mr. ABERCROMBIE. And it is astounding that we are having this conversation. Africa is a continent. So we now have a command—we are now taking an imperial power orientation toward the entire continent of Africa.

General MCNABB. Chairman, I certainly don't believe that to be true.

Mr. ABERCROMBIE. So you have limited scenarios.

General MCNABB. Chairman, when I think about what you—this country may ask TRANSCOM to do, it may be anywhere in the world. That could include Africa, that could include South America.

We do humanitarian assistance and disaster relief to all parts of the globe. What I try to do is make sure that wherever you ask us

to go, we have the flexibility to deliver to the combatant commander.

Mr. ABERCROMBIE. I am concerned. I am concerned, General, that we won't be asking you to do it, that we are going to find ourselves involved in something again or multiple situations in Africa that are an extension of foreign policy that may not have been vetted at all in the United States Congress.

But for purposes of the committee, I think perhaps, then, Mr. Chairman, we might need to have—even at full committee level and I think we need to bring it to Chairman Skelton's attention that we have got to have a thorough vetting of what is expected of General McNabb and his unified command with respect to the continent of Africa.

Thank you, General.

General MCNABB. Thank you, sir.

Mr. TAYLOR. General, again, I, on behalf of the committee, want to thank you for what I consider to be a magnificent job the men and women in your command do resupplying our troops in Afghanistan and Iraq, extremely dangerous places for all involved, and, to the absolute best of my knowledge, you all have done a magnificent job.

We have asked some questions showing our concerns about what might happen in Pakistan and I think it is smart for us to be asking these questions upfront rather than get hit blindsided should the Pakistani government, either by omission or commission, decide that they are not going to let us use that as a route to resupply our troops.

The last thing I would ask you is—and I know that the President only made these remarks last night, with the President's announced desire to have American combat troops out of Iraq by August of 2010.

To what extent have you been involved in the discussions as to what stays in Iraq, what comes back, because, obviously, it is going to have enormous budgetary implications for the Defense Department if an extraordinary amount of equipment is left behind?

And I only raise this question because I remember the enormous amount of material that was left behind in Panama and I thought that was terribly wasteful. For the failure to budget the necessary resources to bring things home, we left hundreds of millions of dollars of things that the American taxpayer paid for, that had to be replaced someplace else.

And I would certainly hope that you will keep the committee informed of what the plan is, what is going to be left behind, what do we bring with us, and I would certainly hope that nothing is left behind that is of value because of the failure to appropriate the necessary funds to get it home.

General MCNABB. Chairman, I would say that in my discussions, for instance, with General Lovelace, my discussions with General Odierno, my discussions with Ann Dunwoody, for instance, the commander of the Army Materiel Command, they are focused on that to make sure that we have thought through that and made sure that we have done that as smartly as possible.

I have been given gross numbers that said this is about the amount of stuff that we need to move. That is kind of what I need in scheduling ships and aircraft.

But I do know that they are taking that seriously along the lines of exactly what you say, to make sure that we are doing this as smart as possible.

Those discussions, I could tell you, I know that they are having. I know that we are working through what exactly we would bring back, what we may end up leaving there.

But I would just say that that is what I have heard so far. I do know that we have plenty of lift to be able to handle any requirements they have. So I know that I am not the long pole in the tent and I just try to make sure that I never am.

So that is kind of where we go.

Mr. TAYLOR. So what is your target date for that plan to be in place?

General MCNABB. On this one, given that the President talked about that last night, they are working those final options now. I would expect that—I mean, we have been—we, the Department of Defense (DOD), have collectively been working that to say, hey, depending on what orders he gives, we want to make sure that we can respond as quickly as possible.

So I know they are into that final phase now.

Mr. TAYLOR. General, I want to be fair with you, but I also think it is important for Congress to have some idea of what you intend to leave behind, some idea of what you intend to leave behind, some idea of what you intend to either bring back to the continental United States or transport to Afghanistan.

So what would be a reasonable amount of time to give you in order for you to get back to us as to what that plan is?

General MCNABB. Let me take that for action and I will get with CENTCOM and be able to come back, and with OSD and the department, and let them provide that answer back to you, but say that we have got to do that in a quick manner.

Mr. TAYLOR. Is 120 days a fair amount of time?

General MCNABB. We can start with 120 and then we can—but it really isn't part of what I would be in the middle of.

Mr. TAYLOR. Because that was a real-life scenario that ended up, I believe, on "60 Minutes" or "20/20," for the lack of spending $3,000 or $4,000 to transport something, we left behind a $0.5 million piece of equipment here, generator there.

All of those things could certainly have been used if not by our Federal Government, by the local and state governments, who would have welcomed those things, and I just don't want to see that happen again.

General MCNABB. Chairman Taylor, I couldn't agree with you more. I mean, that is exactly right. It is exactly the way we should do it.

Mr. TAYLOR. Again, thank you for the great job that the men and women in your command do.

We are adjourned.

[Whereupon, at 12:10 p.m., the subcommittees were adjourned.]

A P P E N D I X

February 25, 2009

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

FEBRUARY 25, 2009

Opening Statement of

Congressman Gene Taylor

Chairman, Subcommittee on Seapower and Expeditionary Forces

At the Joint Posture Hearing for United States Transportation Command

The Joint Subcommittee will come to order. Today the Seapower and Expeditionary Forces and Air and Land Forces Subcommittees meet to receive testimony from the Commander of the United States Transportation Command, General Duncan McNabb, United States Air Force.

General McNabb is uniquely suited for this challenging assignment. A graduate of the United States Air Force Academy class of 1974, he has significant experience as a command pilot in both transport and rotary wing aircraft. General McNabb has commanded at every level including command of the 41st Airlift Squadron during Operation Desert Strom and the 89th Operations Group which has responsibility for transporting the President on Air Force One. Prior to his current duties as Commander of the United States Transportation Command General McNabb served as the Commander of the Air Force Joint Mobility Command and as Vice Chief of Staff of the Air Force.

Thank you General for being with us today to discuss the challenges you face in supplying our troops around the world with the equipment and supplies they need to perform the tasks the nation requests of them.

The United States Transportation Command is the largest shipper of goods and material in the world. On any average day TRANSCOM is moving 100 rail car shipments; has 44 ships loading, off-loading, or underway; has 1,000 trucks moving with cargo, and executes 480 airlift missions. This is a staggering amount of transportation occurring each and every day.

To accomplish this mission, TRANSCOM relies on the Army's Surface Deployment and Distribution Command, the Navy's Military Sealift Command, and the Air Force's Air Mobility Command along with commercial partners in rail, trucking, and sea transportation.

In addition to any other issues that the General would care to discuss with us today, he has been requested to update the joint subcommittee on TRANSCOM current and future force structure needs and the current capability to accomplish all assigned missions particularly the issue of sustainment for our forces in Afghanistan. As I am sure all are aware, recently the overland supply routes to Afghanistan via Pakistan have been targeted by insurgents. Lacking a different deliver route, the Pakistani overland supply routes are critical to supplying our forces. I look forward to the General discussing the issues associated with the Pakistani routes and the alternative routes from the North that I know he and others have been working on.

Again General, thank you for being here today and I now call on my good friend from Hawaii, the Chairman of the Air and Land Forces Subcommittee for any opening remarks he may wish to make.

Statement of

General Duncan J. McNabb, USAF

Commander, United States Transportation Command

Before the House Armed Services Air & Land Forces and

Seapower & Expeditionary Forces Subcommittees

On the State of the Command

February 25, 2009

INTRODUCING THE UNITED STATES TRANSPORTATION COMMAND

Mission/Organization

The United States Transportation Command (USTRANSCOM) operates the integrated, networked end-to-end distribution system that delivers to the "right place," at the "right time," for the warfighter and at the best value for our nation. As a supporting command, we execute military and commercial transportation, terminal management, aerial refueling and global patient movement throughout the Defense Transportation System (DTS) in a wide range of military and humanitarian operations. As a combatant command, we have operational warfighter requirements. As the Distribution Process Owner (DPO) we have business and logistics enterprise responsibilities.

USTRANSCOM leads a committed Total Force team of Active Duty, Guard, Reserve, Civilian, contractors and commercial partners. Our component commands – the Army's Military Surface Deployment and Distribution Command (SDDC), the Navy's Military Sealift Command (MSC) and the Air Force's Air Mobility Command (AMC) – and our enterprise partners provide the capacity to deliver logistics and distribution capability that supports the Joint Force Commanders' ability to project combat power and national power in peace and war.

Additionally, as the DPO, USTRANSCOM leads a collaborative effort within the Joint Deployment and Distribution Enterprise (JDDE) to deliver innovative and cost-efficient solutions to increase the precision, velocity, reliability and visibility of our distribution network and the overall Department of Defense (DOD) supply chain.

SUPPORTING GLOBAL OPERATIONS

In support of our warfighters across the globe our components have delivered those "right place," "right time" "best value" solutions in staggering quantities. Last year, AMC and our commercial partners moved more than 2 million passengers and 735,000 short tons (stons) of

cargo, and our aging tanker aircraft delivered 229 million gallons of fuel to U.S. and coalition aircraft. Equally impressive, MSC shipped 6.8 million square feet and SDDC moved 3 million stons of cargo worldwide. Finally, to support global DOD requirements, MSC's point-to-point tankers delivered 1.47 billion gallons of fuel. Each of our components individually possesses a tremendous capability. USTRANSCOM ties these capabilities together using intermodal solutions to maximize efficiency and best support the combatant commanders (COCOMs).

Support to USCENTCOM

USTRANSCOM continued its focus on supporting operations in the United States Central Command (USCENTCOM) Area of Responsibility (AOR). This year, establishing the Northern Distribution Network (NDN), alternative routes to Afghanistan through the Caucasus and Central Asia, has become a high priority. And we have made significant progress in partnership with the Department of State (DOS), DOD, USCENTCOM, U.S. European Command (USEUCOM), and U.S. Pacific Command (USPACOM) to establish these new routes. The NDN – along the historic Silk Road – will leverage the existing commercial distribution networks to move non-military commercial cargo using our U.S. Flag commercial carriers. The NDN also provides additional cargo throughput capabilities vital to support the increasing forces in Afghanistan.

Another top priority is working Gulf of Aden piracy issues with our commercial shipping partners. Recognizing that significant interagency and multinational actions are underway to address this growing problem, we held discussions with U.S. commercial carriers servicing DOD sealift transportation requirements to solicit their concerns. In collaboration with the Maritime Administration, USTRANSCOM served as a conduit to enable U.S. Flag carriers to develop tactics, techniques and procedures to minimize the piracy risk.

In direct support of USCENTCOM force flow, we deployed and redeployed 41 Brigade Combat Teams, 37,000 Air Expeditionary Forces, and 3 Marine Air Ground Task Forces and executed several short fuse deployments such as the 24th Marine Expeditionary Unit to Afghanistan. And to ensure warfighters in theater received the latest advances in vehicle protection, we delivered over 11,000 Mine-Resistant Ambush Protected (MRAP) vehicles and more than 8,300 improved vehicle armor kits. We also airdropped 8,000 stons of cargo in Afghanistan. This widespread use of our improved and precision airdrop capability is evidence of our promise to the COCOMs that we will take the supply chain vertically and as far forward as necessary to support them.

Support to Other Combatant Commands

The USEUCOM AOR was also very active. When Russia invaded Georgia, USTRANSCOM moved Georgian troops serving in Iraq back to defend their homeland. In less than 92 hours, AMC crews flew 14 C-17 missions, each averaging 31-minutes on the ground in Tblisi to deliver 1,700 troops – the entire Georgian First Brigade. Additional C-17 sorties delivered over 350,000 humanitarian rations as part of Operation ASSURED DELIVERY, providing hope and sustenance to the Georgian people.

As U.S. Africa Command (USAFRICOM) grows and expands its mission, USTRANSCOM will leverage our resources and expertise to support this new command.

In the U.S. Southern Command (USSOUTHCOM) AOR, we conducted detainee movement operations from Guantanamo Bay, Cuba. At the same time, our defense couriers transported attorney-client material in support of High Value Detainee litigation. Elsewhere in the region, we provided air refueling and aeromedical evacuation support for the repatriation of three U.S. hostages rescued in Colombia and moved time-sensitive cargo for humanitarian assistance and disaster relief missions in Haiti.

We supported USPACOM with force rotations and sustainment for OEF-P (Philippines), transporting more than 2,000 passengers and 2,300 stons and 63,000 square feet of cargo. In support of the National Science Foundation, Operation DEEP FREEZE set records – we airlifted over 6,400 stons of cargo and 5,400 passengers and sealifted nearly 6 million gallons of fuel and 10,500 stons of cargo into McMurdo Station, Antarctica.

Working closely with U.S. Strategic Command (USSTRATCOM), we supported the engagement of an uncontrollable satellite with operational planning and alert strategic airlift for potential recovery and consequence management. We are also actively and uniquely involved with USSTRATCOM in the cyber security challenges that are especially evident in the strategic partnerships USTRANSCOM has with industry and the logistics enterprise.

Finally, at home, we aided U.S. Northern Command (USNORTHCOM) and government agencies, such as the Federal Emergency Management Agency, during catastrophic events. During the California wildfires we deployed command and control, aerial firefighting, and evacuation elements to reduce loss of life and property. During Hurricanes Gustav and Ike, we provided defense support to civil authorities in Texas and Louisiana, including air evacuation of 5,600 civilians and 1,000 patients. Additionally, we are dedicated to providing deployment support for USNORTHCOM's Consequence Management Response Force.

Support for the Warfighter

One of our most critical missions is moving injured warfighters from the battlefield to world-class medical treatment facilities. This complex, time-sensitive process requires close collaboration with doctors, military hospitals and our aeromedical evacuation crews to move injured personnel at exactly the right time to the right place. In 2008, we transported over 7,800 patients from the USCENTCOM AOR and over 13,000 patients globally. Should a warfighter

perish in the defense of our nation, we ensure the most dignified transport from the battlefield to final destination.

Our support to the warfighter also includes improving quality of life at home. The Defense Personal Property Program improves household goods shipments by allowing personnel to evaluate transportation service providers online, obtain counseling via the web and file personal property claims directly with the provider. With over 329,000 personnel and their families and 1.5 billion pounds of household goods moving each year, USTRANSCOM has maintained a sharp focus on this program and its associated IT system, the Defense Personnel Property System (DPS). DPS successfully came online in November 2008 at 18 DOD locations, and will be available for all 136 DOD shipping offices beginning in March 2009.

Improving Global Joint Sourcing Solutions

USTRANSCOM is always searching for ways to improve performance. We recently established our Fusion Center to integrate planning and operations, which allows more effective requirements management, improves distribution pipeline visibility and fosters customer and partner relationships. Key stakeholders are now able to collaborate on decisions, resulting in synchronized, cost effective distribution solutions.

As a result of the 2005 Base Realignment and Closure (BRAC) process, USTRANSCOM began construction of our new building designed to capitalize on efficiencies by co-locating USTRANSCOM and component command experts in close proximity to one another. This design will enable USTRANSCOM, SDDC and some of the AMC and MSC staffs to work side-by-side to resolve issues and formulate solutions from an integrated, intermodal perspective. Additionally, the new facility will include the Joint Intelligence Operations Center – Transportation (JIOC-TRANS). By integrating operations and intelligence, we will further

improve mission execution by identifying and assessing threats to our intermodal operations at seaports, airfields and connecting surface networks worldwide.

A further BRAC related effort is the Acquisition Center of Excellence (ACE) which combines program management, common carrier acquisitions and contract functions under one authority. The ACE better positions USTRANSCOM to establish long-term national-level transportation contracts with decreased overhead costs, build strategic partnerships with multi-modal transportation and distribution service providers, and manage command modernization efforts for more efficient warfighter support.

Finally, USTRANSCOM created the Joint Distribution Process Analysis Center (JDPAC), an entity which consolidates analysts from USTRANSCOM, AMC and SDDC. Because of its significant analytical capabilities, we envision it becoming the DOD's center of excellence for all joint mobility deployment and distribution studies and analyses. JDPAC's first major undertakings include oversight of the congressionally-mandated study of the size and mix of the inter-theater airlift force (conducted by the Institute for Defense Analyses) and the Mobility Capabilities and Requirements Study 2016 (MCRS-16), which we co-lead with the Office of the Secretary of Defense. These studies, expected to be completed in 2009, will aid decision makers in determining the mobility requirements necessary to defend the homeland, prevail in the war on terror, conduct irregular warfare and win conventional campaigns in the 2016 timeframe.

Maintaining Air Mobility Readiness

While we await the outcome of MCRS-16 to help shape future mobility requirements, there is no doubt that some of our organic air mobility force structure requires recapitalization.

My number one recapitalization priority is replacing the fleet of 415 Eisenhower-era KC-135s with a new platform to preserve a unique asymmetric advantage for our nation. The KC-X

with multipoint refueling allowing same sortie service to Air Force, Navy, Marine and coalition aircraft will address the significant risk we are currently carrying in air capacity and address further capability risks associated with an airframe that is almost 50 years old - and will be over 80 years old by the time we recapitalize all of them. The ability to carry cargo and operate forward with defensive systems will be a game changer when the aircraft is not needed as a tanker. Further delays in replacing this aircraft will add significant risk to our ability to rapidly project combat power to support the nation and our allies. It is imperative to expedite a smart, steady reinvestment program.

Our newest tanker, the KC-10, has also served us well since entering service in 1981. We must continue to modernize the KC-10 fleet to operate in the global airspace environment and to remain viable past 2040.

Our national defense strategy requires a viable fleet of strategic airlift aircraft. The C-17 has proven itself a critical asset, offering the flexibility to fill key tactical requirements in addition to fulfilling its primary strategic airlift role.

Additionally, the C-5's outsized and oversized cargo capability is essential to meeting our global mobility requirements. Unfortunately, low departure reliability and mission capable rates continue to plague the C-5 fleet. Modernizing all the C-5s with avionics upgrades is essential to allow access to international airspace and foreign airfields. New engines and other reliability enhancements for our C-5Bs and two C-5Cs are necessary to increase aircraft availability, reduce fuel consumption and significantly improve performance throughout their projected service life. We will modernize the C-5 fleet while closely managing the costs.

The C-130 continues to be the workhorse supporting the warfighter in theater and will remain viable through acquisition of the C-130J and modernization of legacy C-130s via the

center wingbox replacement program and avionics upgrades. However, the Air Force also needs the flexibility to retire and replace aircraft at the end of their service life.

The C-27 (JCA) is an emerging intra-theater asset that will provide COCOMs and the Services an airlift capability to meet time sensitive/mission critical movement requirements. DOD will leverage the JCA for multi-use, alternating between direct support and general support to maximize utility for the warfighter.

Our mobility aircraft routinely operate in threat areas across the spectrum of conflict from humanitarian relief to combat resupply. To operate safely in these environments, AMC continues to equip aircraft with the Large Aircraft Infrared Countermeasures system and will soon begin developing other defensive systems to avoid radar-guided threats.

Operational Support Airlift (OSA) and Distinguished Visitor (DV) transportation are other key components of the global mobility force. Our senior leaders require time-critical, reliable airlift to carry out their global missions, and require communications capability equal to what they enjoy at their homestations. Therefore, in partnership with the Joint Staff and the Services, we are implementing an airlift information management system called the Joint Air Logistics Information System – Next Generation (JALIS-NG). JALIS-NG will improve visibility of high-priority OSA missions and DV passengers, thereby more efficiently employing the OSA fleet. Additionally, we are modernizing the executive aircraft fleet with the Senior Leader Command, Control, and Communications System – Airborne (SLC3S-A) package to significantly improve senior leader airborne communications.

The Civil Reserve Air Fleet (CRAF) is a critical partner in our ability to rapidly project and sustain forces. We appreciate the authorities granted in the FY09 National Defense Authorization Act allowing the Department to guarantee minimum levels of business to CRAF carriers. These authorities will help strengthen the CRAF program as business in the Defense

Transportation System (DTS) eventually returns to pre-9/11 levels. We will fulfill our Congressionally-mandated responsibilities to improve predictability of DOD charter requirements, strengthen CRAF participation and entice carriers to use newer, more fuel efficient aircraft as prerequisites to exercising these authorities.

Maintaining Sealift Readiness

Like airlift, flexible, cost effective commercial ocean transportation is vital to our national interests and is a critical component of the DTS. DOD's "Commercial First" policy helps ensure the U.S.-flagged maritime industry and pool of U.S.-citizen mariners are available in time of national emergency.

DOD is among the largest single shippers of ocean cargo worldwide, and in the past year alone spent nearly $1 billion on commercial transportation. We acquire worldwide intermodal transportation services in support of DOD and government agency requirements through the Universal Service Contract (USC). USC leverages commercial service on established trade routes and capitalizes upon existing commercial investment in global infrastructure.

USTRANSCOM also partners with the U.S. Commercial Sealift Industry through programs like the Maritime Security Program (MSP), Voluntary Intermodal Sealift Agreement (VISA) and Voluntary Tanker Agreement (VTA) to gain critical access to U.S. commercial capabilities to support DOD's force projection requirements in times of war or crisis. We are working closely with the Maritime Administration to help revitalize the VTA, and we support the Navy's program to replace four T-5 tankers with two newly built commercial charters in 2010.

MSC and the Maritime Administration are also improving the efficiency of surge sealift asset management for our organic fleet. This year we made significant improvements to our strategic sealift readiness posture by relocating three Large Medium Speed Roll-on/Roll-off

vessels and two Fast Sealift Ships to the West Coast. Our analysis indicated this move would improve our strategic sealift response capabilities in the USPACOM AOR, mitigate shortfalls in the Army's afloat prepositioning program and optimize sealift flexibility. MSC and the Maritime Administration are also identifying and capturing best practices for the activation, maintenance and operations of surge sealift ships to more efficiently manage the fleet and ensure the readiness of surge assets.

Finally, I urge the Congress to continue support for the National Defense Sealift Fund (NDSF) and MSP – both are critical to improving our sealift capacity for our warfighters. This past year, both the Maritime Administration and MSC utilized NDSF resources to improve the capability of roll-on/roll-off vessels in the Ready Reserve Force and the VISA program. Newly upgraded ramps installed on two of these ships increase ramp capacity, enabling loading of heavier vehicles and providing flexibility to load or discharge cargo without regard to pier configuration.

Maintaining Surface Readiness

Preserving and expanding infrastructure is the cornerstone of our ability to project national power. USTRANSCOM uses the Global En Route Infrastructure Steering Committee (GERISC) in combination with regional steering committees to identify worldwide priority construction projects. This year the committees recommended taxiway and ramp improvements in Colombia, a new passenger terminal at Bagram Air Base in Afghanistan and a fuel facility in Oman to improve global mobility capacity and throughput as priority infrastructure projects.

The security of our forces and transportation infrastructure is essential to accomplishing our global mission. Our Critical Infrastructure Program (CIP) fosters information sharing with the DOD and with the Department of Transportation, U.S. Coast Guard, and the Transportation

Security Administration. The CIP helps identify worldwide physical and cyber infrastructures critical to USTRANSCOM's global mobility mission and mitigates inherent vulnerabilities.

In addition to preserving and expanding global access, we continue to look for ways to optimize our CONUS infrastructure. SDDC recently completed and is implementing findings from Port Look 2008. This study recommended retaining all nineteen currently designated strategic seaports; designating Charleston Naval Weapons Station and the commercial Port of Charleston as two separate, distinct strategic seaports; planning for future increased capacity requirements on the Gulf Coast and in Alaska; and institutionalizing future Port Look studies on a recurring basis, synchronized with release of the Quadrennial Defense Review.

Finally, we continue active participation in the capabilities-based assessment of Sea Based operations for the 2015 – 2025 timeframe. The success of Sea Basing depends on advances in at-sea cargo handling, ship-to-ship cargo transfers with mitigation of motion effects through sea state four and interface with high-speed connectors. The Joint High Speed Vessel offers a promising capability to bridge the gap between high-speed airlift and low-speed sealift, for transport of forces, equipment and sustainment cargo as part of Sea Based operations.

LEADING THE JDDE TRANSFORMATION

Improvements in DOD Supply Chain Management

USTRANSCOM and our JDDE partners are working together to drive tangible improvements in the DOD supply chain. By improving the precision, velocity, reliability and visibility of distribution operations, we gain the ability to synchronize and prioritize the flow of forces and sustainment to support the warfighter across the full range of military operations.

The supply chain needs to move people, equipment and supplies to the right place, at the right time using the most efficient and effective combination of modes. Our DPO Strategic Opportunities initiative is designed to improve precision by examining and aligning key strategic

leverage points. Specifically, we are working to strike the optimum balance between inventory stocks and transportation; align supply, transportation and distribution processes; and optimize strategic surface and airlift networks.

For example, given the volatility of fuel and transportation costs, we are analyzing ways to minimize overall supply chain costs by positioning high-demand, low-dollar inventories forward to reduce transportation requirements. We are also examining the impact of consolidating cargo traditionally carried in 20-foot containers into 40-foot containers to gain efficiencies in surface transportation while maintaining "delivery location pure" pallets and containers where the demand supports high volume routes. Finally, we are studying ways to optimize air transportation by increasing pallet utilization, obtaining "best-value capacity" for the shipping volume, and achieving maximum use of organic and commercially contracted airframes. Collectively, these and other opportunities have the potential to improve distribution performance by 25 to 45 percent while reducing overall enterprise-level distribution costs.

USTRANSCOM will focus on velocity to rapidly move America's military might. We are improving velocity by eliminating bottlenecks and chokepoints identified across 200 Integrated Distribution Lanes (IDLs) where we move people and cargo. Each IDL represents a route along which assets travel and is broken down into supply, transportation and theater segments. Each segment has associated performance standards which represent the Combatant Commander's desired expectations. We improve velocity by optimizing mode and routing selection, and monitoring performance against the standards for each IDL. As an example, we have reduced transit times by as much as 35 days for sustainment cargo shipped from the U.S. to Afghanistan.

USTRANSCOM is also focused on improving reliability – delivering what is needed, when and where it is needed, the first time and every time. Perhaps the best example of a system

reliability improvement has been the Defense Transportation Coordination Initiative (DTCI). Over the past year, DTCI has changed CONUS freight movement from disparate, locally-managed processes to a more integrated, enterprise level program, bringing proven best commercial practices to DOD transportation. In partnership with the Defense Logistics Agency (DLA) and the Services, we have contracted with a commercial transportation services coordinator to manage the movement of eligible DOD CONUS freight. Under DTCI, DOD shippers specify destination and deadline - the contractor optimizes the shipments through load consolidation; maximizes the use of cost effective, intermodal solutions; and leverages lower commercial market rates. To date, the program's performance goals for on-time pickup and delivery, minimal damage, claims processing, small business participation, and cost savings/avoidance are all on track. Gross cost savings is approaching $10 million (greater than 20 percent savings), and DTCI has increased visibility of CONUS freight.

Replicating DTCI's visibility successes is particularly important. USTRANSCOM designated 2008 as its "Year of Visibility" to strive for exquisite visibility - knowing what is in the pipeline, where it is and how fast it is moving.

A great example of this need occurred in Pakistan. The Pakistan Ground Lines of Communication (PAKGLOC) were plagued by pilferage of unit movement cargo. In response, we leveraged commercial technologies to mount cellular and satellite tracking mechanisms on trucks and inserted lift and intrusion detection sensor technology on containers transiting the PAKGLOC. The resultant real time knowledge of cargo location, speed and container breaches enhanced security and significantly reduced pilferage.

To ensure continued visibility improvements, as DOD's lead proponent for Radio Frequency Identification (RFID) and related Automated Identification Technology (AIT), we have developed an AIT implementation plan with the Services, DLA and other agencies to fully

incorporate AIT into our business processes. Although active RFID continues to be the backbone of our efforts, we are also using satellite technology in austere environments and are continuing to expand use of emerging passive RFID technologies as a result of lessons learned in the Alaska RFID Implementation project.

Improved visibility across the DOD supply chain is dependent on transforming the enterprise information technology portfolio. Historically, logistics IT systems have been managed and acquired as Service-specific stand-alone systems. We have begun the process to replace large, expensive point-to-point monolithic systems and interfaces with streamlined, web-enabled enterprise level services. Our goal is to deliver core DPO enterprise services to standardize common distribution processes and information exchanges while allowing the Services the flexibility to be unique where they need to be.

One example of this transformation is the Integrated Data Environment (IDE)/Global Transportation Network (GTN) Convergence program, an innovative IT program combining DLA's IDE information broker and USTRANSCOM's Enterprise Data Warehouse capabilities. This convergence will allow one-stop access to enterprise level supply, transportation and logistics systems and data, eliminating redundancies. Although in its infancy, the program will serve as an IT backbone to provide data visibility and support the needs of the future force.

One of the most important initiatives over the coming decade is Agile Transportation for the 21st Century (AT21). AT21 is an effort to incorporate distribution industry best practices and processes using commercial-off-the shelf tools and then transition workflow management, optimization and scheduling solutions. This transition will improve transportation planning, improve forecast accuracy and increase on-time delivery of forces and supplies to Combatant Commanders at a lower cost to the Services. When fully operational, AT21 will provide the

warfighter full distribution pipeline visibility and enable throughput management at critical ports and waypoints around the world.

Looking Ahead

We are continuously exploring new ways to support the future force. Through our Deployment and Distribution Enterprise Technology research and development program, we leverage emerging technologies to fix distribution and sustainment issues. For example, using the Joint Precision Airdrop System Mission Planner we have delivered over 3,300 stons of sustainment cargo to Operations IRAQI FREEDOM and ENDURING FREEDOM over the past year, significantly reducing ground recovery operations and dangerous convoy operations. Additionally, the Node Management and Deployable Depot (NoMaDD), an Advanced Concept Technology Demonstration, which provided material distribution and inventory support during Hurricane Ike, processed nearly 4,000 trucks of meals, water, ice, and plastic sheeting.

Last year, eight USTRANSCOM-funded projects transitioned to DOD organizations. Building on this success, we will transition an Enroute Care Module that will enhance patient care from the battlefield to definitive care; work to improve shipboard handling systems to more safely move cargo, vehicles and containers in high sea states; pursue joint integrated solutions for mesh-network, tags and tracking technologies to ensure end-to-end asset visibility; and develop a collaborative Single Load Planning Capability. These representative samples will greatly improve the precision, velocity, reliability, and visibility of the DOD supply chain.

Fiscal Stewardship

USTRANSCOM is ever mindful of costs and constantly seeking cost efficiencies. Since 2003, we and our enterprise partners have avoided over $2 billion in costs through the aforementioned DPO improvements, forward stocking initiatives, incorporating challenge

protocols to validate high-cost transportation requests and negotiating least-cost transportation solutions.

Additionally, as the DOD's largest consumer of hydrocarbons, we continue to pursue alternative fuels. AMC performed operational tests and demonstrated the potential suitability of synthetic fuel blends in the C-17, C-5 and KC-135 aircraft – next we will test synthetic fuels in the C-130. These are early steps in a long term effort to significantly reduce reliance on petroleum products.

FINAL THOUGHTS

USTRANSCOM is entrusted with an awesome responsibility to support, mature, and transform the Joint Deployment and Distribution Enterprise (JDDE). We provide what our warfighters and operators need to execute their mission – when they need it, where they need it, at the best value for the nation. From Tblisi, Georgia, to Galveston, Texas, our end-to-end distribution and logistics capability allows us to deliver the message of our nation's strength. Going forward, USTRANSCOM and its components will continue providing extraordinary capabilities for projecting national will across a wide range of military and humanitarian operations. We are strategically aligned to unify JDDE efforts for delivering value and saving money. I am extremely proud of this championship team. The men and women of the United States Transportation Command together with our enterprise partners will continue to enhance logistics capabilities, focus resources, and deliver superior support to warfighters and our nation.

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