[H.A.S.C. No. 114–18]

HEARING

ON

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2016

AND

OVERSIGHT OF PREVIOUSLY AUTHORIZED PROGRAMS

BEFORE THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES HEARING

ON

AIR FORCE PROJECTION FORCES AVIATION PROGRAMS AND CAPABILITIES FOR FISCAL YEAR 2016

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AIR FORCE PROJECTION FORCES AVIATION PROGRAMS AND CAPABILITIES FOR FISCAL YEAR 2016

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES,
Washington, DC, Wednesday, March 4, 2015.

The subcommittee met, pursuant to call, at 2:05 p.m., in room 2212, Rayburn House Office Building, Hon. J. Randy Forbes (chairman of the subcommittee) presiding.

OPENING STATEMENT OF HON. J. RANDY FORBES, A REPRESENTATIVE FROM VIRGINIA, CHAIRMAN, SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES

Mr. FORBES. We want to welcome everybody today to our hearing on the Air Force Projection Forces Aviation Programs and Capabilities for Fiscal Year 2016. The unfortunate thing, as we all know, they are going to schedule votes or have scheduled votes anywhere from now to maybe 2:30, so we are going to waive our opening remarks. Mr. Courtney and I both have agreed to that. And with that, we want to get right to our witnesses so they can make whatever comments they would like to make to the members. I have told them previously, Mr. Courtney has agreed to this, of course, that all their written remarks will be made part of the record. You can refer to those if you would like or you can just talk off the cuff, but we are just glad to have both of you here.

As you know, we have Dr. William LaPlante here. He is the Assistant Secretary of the Air Force for Acquisition for the Department of the Air Force. Dr. LaPlante, thank you so much for joining us and for all the work you do for our country. We also have Lieutenant General James M. "Mike" Holmes, who is the Deputy Chief of Staff for Strategic Plans and Requirements for the Department of the Air Force. General, thank you again for your service, and to all those people who serve with you and below you. We appreciate their service to our country.

And with that, Dr. LaPlante, I think you are going to start us off, and then we will go the General. So the floor is yours.

[The prepared statements of Mr. Forbes and Mr. Courtney can be found in the Appendix beginning on page 15.]

STATEMENT OF DR. WILLIAM A. LAPLANTE, ASSISTANT SECRETARY OF THE AIR FORCE FOR ACQUISITION, DEPARTMENT OF THE AIR FORCE

Dr. LAPLANTE. Thank you, Chairman Forbes, and thank you, Ranking Member Courtney, and the rest of the distinguished ladies and gentlemen of the committee. I appreciate the work you do and

support you give us in the Pentagon and to the warfighter. And what you do is very important. And we hope we can answer all your questions and have a good discussion today.

General Holmes and I both have a joint prepared statement that we submitted for the record. I am not going to go through that statement here. I will just make a few remarks and then turn it over to General Holmes. I will start by saying that, you know, the challenge we have in our jobs in an acquisition and programming strategy is quite simple. It is that we have got these two competing problems. We have modernization, that is, that is the airplanes, in your case, the mobility airplanes, the bombers, that we are using today, and literally using in the fight today. And the pilots flying these airplanes are flying airplanes that are older than they are and keeping that going. At the same time, we have to modernize for the future.

Those two are linked, of course, because if we mess up the modernization, then we just put more at risk, those pilots flying those airplanes. So that is our challenge is between those two things. And our job every day, General Holmes and I, the Chief, the Secretary, our whole team, is keeping that all together, keeping it together with a strategy. Oh, and by the way, in a budget that is, to say the least, very, very challenging. So all our discussions we have is about the trades between those two categories, and then making sure that we keep the modernization programs, the KC–46, the next tanker, the next bomber, that we keep those programs on track and don't lose our eye on the ball while we keep the modernization going. And it is a difficult trade, but that is what—what we are here to talk to you about. I look forward to your questions.

I will just stop at this point and then let General Holmes give his remarks.

[The joint prepared statement of Dr. LaPlante and General Holmes can be found in the Appendix on page 18.]

Mr. FORBES. General.

STATEMENT OF LT GEN JAMES M. "MIKE" HOLMES, USAF, DEPUTY CHIEF OF STAFF FOR STRATEGIC PLANS AND REQUIREMENTS, DEPARTMENT OF THE AIR FORCE

General HOLMES. Thank you, Dr. LaPlante. Chairman Forbes, Ranking Member Courtney, gentlemen and ladies of the committee, thank you for your continued support to the United States Air Force, our airmen, and their families. Our Air Force remains the most globally engaged air force on the planet, and we continue to do our best to deliver global vigilance, global reach, and global power for America every day. Our Air Force today is the smallest in our history, and we see no end to the incredible demand for the capabilities that we deliver. This demand, coupled with an increasingly challenging global situation and an uncertain budget environment, drives us to make some very difficult choices.

The 2016 President's budget took some steps to improve our situation, and it allowed us to maximize the contributions to the total force, to reinforce investments in nuclear deterrence and space control, to emphasize our long-range and global and non-permissive capabilities, and to preserve our top three procurement programs:

the F–35, the KC–46, and the Long Range Strike Bomber, two of which fit into your committee's portfolio.

The President's budget added money above the BCA [Budget Control Act] caps because the administration believes additional spending is necessary to meet the requirements of the strategy, and it gives us the ability to halt reductions in our total force end strength, to continue our efforts to regain full-spectrum readiness, and to lay the groundwork for future innovation with some seed investments. However, we face shortfalls in our ability to meet all the requirements of the strategy even at those levels.

In shortfalls in capacity first. I will talk about capacity, readiness, and modernization. Shortfalls in capacity mean we must accept some risk in our ability to meet all the requirements of the strategy. Shortfalls in readiness are driven by previous funding levels and a continued high ops [operations] tempo and demand for Air Force forces which exaggerate the effect of the capacity shortfalls. And then shortfalls in modernization mean potential adversaries, who have had 20 years to watch the way the American military does business and take steps to address it, are closing the capability gaps that separated the U.S. military from potential foes. This narrowed gap adds future risk to both mission and forces. When forced to choose on where to take the risk and to spread our dollars, the Department of Defense directed us and all the services to take risk in our current capacity in order to preserve readiness and the investments required to be ready in the future.

As we look at the forces that we bring to you in this committee, primarily our bomber, tanker, and transport forces, I think that our bomber investment portfolio is in pretty good shape. There are about $3 billion invested to make those airplanes both compliant, to let them keep working in the airspace system, and then to modernize them and make sure they continue to do the things we require until the Long Range Strike Bomber is brought on board in the numbers that we need there.

On the tanker side, although we have a very old fleet, the investments are in place there to keep those systems compliant and keep them out there, and the KC–46 program is in place to replace them. Bringing me then to the airlift side, the C–17, we thank Congress and the committee for your tireless efforts to get us that modernized airplane. It is one of our greatest airplanes, and it is in shape for the future. We have some investment in 2016 to make sure that we protect that investment in the airplane. And then the C–5 modernization program is coming to an end, and we are very happy with the results there.

So what I am left with and that I am most concerned about, and I know that many members of the committee share that concern, is our C–130 fleet as we advance into the future. How do we make sure those airplanes remain safe, that they are compliant with the requirements of both the national and the international airspace system, and then that we modernize them to last through the service life that we need, particularly the H models, to exist.

We know that we have had years of discussion with you and with the committee on the best way to go forward. We have reached the position now that I am concerned that we will not be able to keep the aircraft compliant to meet the deadlines that the FAA [Federal

Aviation Administration] has set basically by the end of this 5-year defense plan. And if I was going to put all the money required into the AMP [avionics modernization program] program to get it done in time to get those airplanes compliant, I see the bill as coming to about $2.8 billion over the 5-year defense program.

And Mr. Chairman, that $2.8 billion is kind of equivalent to retiring the KC–10 fleet for the FYDP [Future Years Defense Program], or retiring the C–5 fleet over the FYDP, or retiring about 150 KC–135s. On the combat Air Force's side, it is equivalent to the A–10 retirement that we had to take, or the entire B–1 fleet, or a reduction, and a significant reduction in 40 or so F–35s. So what we hope to do is to be able to work with the members and with the committee to be able to move out and to provide the compliance capability that those airplanes need. We think that we need to move out quickly to provide them with the radios that are required, 8.33 kilohertz radios with cockpit video recorder and a digital flight recorder with ADS–B [automatic dependent surveillance–broadcast] Out with enhanced Mode S [mode select] and with an enhanced Traffic Alert and Collision Avoidance System. We think we can do that for about $2.5 million per airplane, and that we can get that done, if not by 2020 but shortly after 2020 if we can gain concurrence with you to move forward.

Now, we know that leaves us a modernization piece, and we know those airplanes have to be modified. We know that you have restricted us from pursuing modification if it is not the AMP program. And what we hope to do is work with you to lay out the details of a more affordable modernization program that we can afford to buy over multiple FYDPs, but that will make those airplanes able to continue to do their mission in an increasingly challenging environment into the future.

Thank you again for the support that you have given the Air Force, for the support you give our airmen and families. Thank you for taking the time and inviting us to come speak to you today. The world is not becoming less safe or less stable. We think the world will continue to require on the capabilities that your committee manages and that the Air Force provides, and we thank you very much for being here. We are happy to take your questions.

[The joint prepared statement of General Holmes and Dr. LaPlante can be found in the Appendix on page 18.]

Mr. FORBES. Thank you, General and Secretary. The ranking member and I have decided to defer our questions so we can get as many member questions in as possible. I have no right to ask you to do this, but I am going to do it anyway. If you can keep your questions to about 3 minutes, as short as possible, just so we can get as many member questions in as possible. And with that, I recognize the gentlelady from Missouri for 5 minutes.

Mrs. HARTZLER. Thank you, Mr. Chairman. Thank you, gentlemen. I appreciate the tough job that you have. Quickly, I appreciate all you are doing and have done for the B–2 Stealth Bomber. Certainly the modernization program and everything is very, very important. You mention in your testimony that you are going to continue to pursue a number of sustainment initiatives to improve aircraft supportability, increase aircraft availability. I know that is something that I have been visiting with you all about as part sus-

tainability and how—can you expand on some of the things that you are doing there to try to ensure that we have the parts we need for the B–2?

Dr. LAPLANTE. Well, in general, in sustainability, what we are recognizing even more so is that, in fact, a lot of the money we can save in acquisition is actually in the sustainment part. So we are keenly, keenly interested in that. The B–2 case, you know, we continue to have the program to bring—do cost-effective maintenance of the airplane, particularly in the, for lack of a better word, the materials area, and you know what I am talking about. So that is a very important program for the B–2, because in fact, one of the biggest contributions to the availability challenge is for that airplane is maintenance of that—those materials. That is actually something that is going in the right direction. The availability of that airplane is actually getting better because of that work, so that I would call out that specific initiative, and I think it is very important.

The other thing that we are doing, as you indicate, is we are modernizing the B–2. An important program for the B–2, and I would like this committee to recognize this, is a program that is really a defensive military systems program, DMS is the acronym, but the thing what it does is that B–2, we think of it as an advanced weapons system, which it is, but in fact, if we don't do DMS, it is not going to be—have the capabilities to operate in a modern contested environment. We have to do that program. It is funded, as General Holmes said. So those are two things I would call out, but you know, the B–2 is a very, very important program.

Mrs. HARTZLER. Just to follow up on the computer software program that I understand is being developed, be able to project the parts that would be needed to help them in advance be able to get in, do you have an update on that?

Dr. LAPLANTE. I don't have an update on that specific program. Do you?

General HOLMES. No, ma'am, I don't. I know we are pursuing about 20 projects that help us manage the signature and the parts supply and that help us increase the availability rate on the airplane, but we will have to respond to you——

Mrs. HARTZLER. Sure.

LT Gen HOLMES [continuing]. On that one.

Dr. LAPLANTE. Be happy to look into that and get back to you on that.

Mrs. HARTZLER. Thank you for all that you do. I yield back.

Mr. FORBES. I thank the gentlelady. The gentlelady from Guam is recognized for 5 minutes.

Ms. BORDALLO. Thank you very much, Mr. Chairman. And Secretary LaPlante and General Holmes, thank you for your testimony today. As we proceed with the engineering development of the LRS–B [Long Range Strike Bomber], what are some of the strategies that have gone into developing the $550 million average procurement needed cost cap that you have set? Are you expecting to pursue an arrangement similar to the KC–46, utilizing a fixed price procurement vehicle?

And though the program is one of the Air Force's top three acquisition priorities, in fiscal year 2016 you have requested approxi-

mately $1.2 billion for development. What effects would we see to this program if Congress does not repeal sequestration?

Dr. LAPLANTE. Let me answer the last point first. The effects of sequestration on all these programs is there. We in the Air Force have done our best, and so far we have been successful. Even in the sequester years that we have had, we protected, for the most part, F–35, the tanker, KC–46A, and LRS–B. We will continue to do it, but I will say this: I think the sequester happens, a lot of these programs, once again, are going to be put under tremendous stress. The munitions programs will be put under tremendous stress. But we try our best to protect those big three, but we can't promise that they will be protected.

Let me get at some of the other parts of the LRS–B. The one question that you asked essentially was in the development, we are in the development, or about ready to start the development part of that program, are we going to go for a fixed price development program like the tanker, or not? I think the short answer is, and now I am going to talk generically in acquisition theory, if you can bear with me. The theory behind when you do fixed price and say development versus cost plus, which is kind of the classic thing, tends to come down to how confident are you in the technologies you are developing, and it—fundamentally, you are cost estimating on those technologies. To be very simple, if you are developing something that is very cutting edge, it is very hard to estimate how much it is going to cost because you are actually developing something cutting edge. That is why we tend to go cost plus.

If you are developing something that is based heavily on, say, a commercial item, something we have high confidence that we know how much it should cost, then we feel much more comfortable going to fixed price development. Now, here is why it matters. If you are in a fixed price contract, it is really important to have a good estimate of what you think it is going to cost. If you get—if you are wrong on that, let's say you are wrong 50 percent one way or the other, somebody is going to really get hurt, right? If you are wrong, if the contractor ends up 50 percent over in a fixed price, they are very hurt, they may not survive. The program may not survive. The opposite, we would get rightfully criticized to say why are you giving a windfall buying something for twice the price that it cost.

So you really want to have a good idea on the cost estimate in development. So the question then comes down to, for KC–46, the government made a decision that said, look, this is based as much on a 767. We think we have a pretty good idea on what the cost estimate should be. We are going to go a little—we are going to do a fixed price. That is not—it is actually unusual. Most development programs are cost plus. Okay. My belief on the LRS–B is it is going to be more traditional in the sense that we are doing a little bit more cutting edge. It is not based upon a commercial item, and so I think more likely it is going to be in the cost plus regime.

But here is the important point. You brought up the $550 million number, and there has been some in the press on this. I would like just to make a couple of points on this. The first thing is, there's been a lot of studies on why acquisition goes wrong. What they constantly come down to are some very much fundamental principles you have to do at the beginning to do it right. The first is you have

to fix your requirements, understand the requirements and fix them, don't change your requirements, number one. Number two, it has often been said why isn't cost built in as a requirement when you start a program? Why do we always say, well, maybe we will have a target? Number three, what we also see when programs don't do well, is we typically try to put too much into the program, and the program usually gets slid to the right, more then gets put in, and you end up in this circle.

So what we have done with our LRS–B—and it wasn't me or General Holmes, it was our predecessors—back in 2010, they set the program up to exactly address all of those issues. Number one, they said we are going to make the cost a requirement. We are going to make the cost a requirement. We are going to pick a number after analysis, $550 million, the document was signed in 2010, that is why it is 2010 dollars, and people say, well, you didn't take into account inflation. You can go to the Internet, run an inflation calculator and find out that $55 in 2010 is $57 or $58 today, so we know that. But we put it in as a requirement. To build 100 airplanes, it is going to cost $550 million. What that does is, that drives the design. Industry has to design to that number, and we are going to assess against that number. That is why we did it.

And the second thing is we are building an adaptable architecture as well to address some of these other issues. And final point, we have not changed the requirement on it.

Ms. BORDALLO. General, my time is up. I do have a question, if I could place it on the record.

Mr. FORBES. Certainly can, and submit it for the record.

Ms. BORDALLO. Thank you. Yield back.

Mr. FORBES. The gentleman from Oklahoma is recognized for 5 minutes.

Mr. BRIDENSTINE. Just out of curiosity, they called votes; is that correct?

Mr. FORBES. That is correct, and so we only have minutes left.

Mr. BRIDENSTINE. Okay.

Mr. FORBES. And we will have—get your question in because I don't think our members will be coming back——

Mr. BRIDENSTINE. Okay.

Mr. FORBES [continuing]. After this, so yours will be the final question.

Mr. BRIDENSTINE. I will try to be brief. For Dr. LaPlante, did Congress authorize an appropriate funding for the C–130 Avionics Modernization Program in fiscal year 2012?

Dr. LAPLANTE. Yes.

Mr. BRIDENSTINE. And were those funds obligated in fiscal year 2012?

Dr. LAPLANTE. As far as I know.

Mr. BRIDENSTINE. They were not.

Dr. LAPLANTE. 2012 they were not.

Mr. BRIDENSTINE. They were not.

Dr. LAPLANTE. Not in 2013 or 2014 either.

Mr. BRIDENSTINE. Okay. So in fiscal year 2013, as you mentioned, it was authorized and appropriated by Congress, and those funds were not obligated——

Dr. LAPLANTE. That is correct.

Mr. BRIDENSTINE [continuing]. In 2013.
Dr. LAPLANTE. Or 2014.
Mr. BRIDENSTINE. Or 2014.
Dr. LAPLANTE. That is correct.
Mr. BRIDENSTINE. Where it was authorized and appropriated but not obligated in 2014.
Dr. LAPLANTE. That is correct.
Mr. BRIDENSTINE. And in 2015, is it authorized and appropriated for 2015?
Dr. LAPLANTE. Well, with the—I believe——
Mr. BRIDENSTINE. The answer is yes. The question is——
Dr. LAPLANTE. With——
Mr. BRIDENSTINE [continuing]. Do you intend to obligate those funds this year?
Dr. LAPLANTE. Oh, yes. Our plan is—if we get the approval, our plan is to take the money that has been obligated that we have and obligate it by the end of this fiscal year.
Mr. BRIDENSTINE. To the AMP program?
Dr. LAPLANTE. Our plan is to do it towards the compliance items that General Holmes described.
Mr. BRIDENSTINE. So did you read section 134 of the fiscal year 2015 NDAA [National Defense Authorization Act]?
Dr. LAPLANTE. We all have seen that language, yes.
Mr. BRIDENSTINE. Did you read the report language as well?
Dr. LAPLANTE. Yes.
Mr. BRIDENSTINE. The report language says, "We are specifically directing the Secretary of the Air Force not to transfer or repurpose funds authorized and appropriated for the AMP program to execute such additional modernizations unless the modifications are included as a part of the AMP program of record." Are you going to authorize the funds as part of the—are you going to obligate the funds as part of the AMP program of record?
Dr. LAPLANTE. We are not—I think as I said, we are going to obligate those funds towards the compliance items that General Holmes described.
Mr. BRIDENSTINE. No, but the AMP program of record is what—that is specifically the report language in the NDAA from fiscal year 2015.
Dr. LAPLANTE. We have a different—we have different interpretations of what that language means.
Mr. BRIDENSTINE. Okay. Well, Congress is clear. The Air Force can do ADS–B Out, as you indicated.
Dr. LAPLANTE. Right.
Mr. BRIDENSTINE. But it cannot take the money from AMP. That has to be within the AMP program. The Air Force can do CNS/ATM [communications, navigation, surveillance/air traffic management] or other program——
Dr. LAPLANTE. Correct.
Mr. BRIDENSTINE [continuing]. In CNS/ATM, but it has to be part of the AMP program of record. Are you aware of the limitation placed on the Secretary of the Air Force's budget in section 134?
Dr. LAPLANTE. Yes, and Congressman, let me make sure I am understanding. I think—I think we are doing exactly what you are

saying. We are—we are using the money for this—CT—ATM/CNS, we are using it for the ADS–B Out and the radios as General——

Mr. BRIDENSTINE. As part of the AMP program of record?

Dr. LAPLANTE. It is going to be that money, yes.

Mr. BRIDENSTINE. Okay. So it needs to be part of the AMP program of record by law.

Dr. LAPLANTE. I am not sure what that means, but—well, I am not sure what the—maybe we are doing exactly what you are saying. We are taking that money and we are going to buy those items.

Mr. BRIDENSTINE. So you are familiar with this. I just read—it was the fiscal year 2015 President's budget request, C–130, CNS/ATM program. It looks like you guys have changed the name of it to the VAAP [Viability and Airspace Access Program] program, Increment 1; is that correct? Are you familiar with this, the VAAP program, Increment 1?

General HOLMES. Yes, sir.

Mr. BRIDENSTINE. Is that what you intended? Did you change the name or are you changing the program and how is this working? Because the law is pretty clear.

General HOLMES. Sir, our lawyers believe that when certified by the Secretary of Defense, and the Secretary of Defense delegated that to Mr. Kendall, that when Mr. Kendall says it is necessary for us to spend money from those accounts that were previously obligated——

Mr. BRIDENSTINE. A couple of things. I get that. I understand in 134 there is that out, but also in section 134, it fences 15 percent of the Secretary of the Air Force's money until the Air Force obligates fiscal year 2015 and prior years' funds to the AMP program of record. There is no exception made to this limitation provision. There is no limitation. So if you want to say that we are going to go forward with a different program under a different name, that means you are saying that we are going to cut 15 percent of the Secretary of the Air Force's operations and maintenance budget. Are you—do you understand that is what you are doing? That is in the law.

General HOLMES. Yes, sir, it is, and we have—our lawyers——

Mr. BRIDENSTINE. Are you going to follow the law is my question?

General HOLMES. We are going to follow the law as interpreted by the general counsel.

Mr. BRIDENSTINE. And for the chairman of this committee, if we follow the law and you go forward under the program that I understand you are going forward with in the President's budget request, you are, in essence—we on this committee are required to make sure that the Secretary of the Air Force uses 15 percent of her operations and maintenance budget.

Now, this—this is in the law. I just want to make sure everybody here understands this.

Dr. LAPLANTE. Yeah. And Representative, we hear you. I just want to make sure that we have to do what our legal experts read the law tell us we can do and so——

Mr. BRIDENSTINE. So you tell me. You can't make it any more clear. It is written——

Dr. LAPLANTE. Well, I am not a lawyer, but yes.

Mr. BRIDENSTINE. Sure. A couple of other things. In the 2014 NDAA, you know, section 133 prohibits the Air Force from using any funding to initiate——

Mr. FORBES. I am sorry to cut the gentleman off, but we have votes we have to go to, as time has expired. So if you would like to follow up with any written questions, we can do it.

General, we also would like for you to respond, if you could, on the details of that modernization program. I apologize to everybody that we have only got a couple of minutes left for this vote.

[The information referred to can be found in the Appendix on page 35.]

Mr. BRIDENSTINE. Sure.

Mr. FORBES. But with that, Mr. Courtney has agreed we are adjourned, and we will follow up with any written questions. And if you would be so kind as to answer them for the record, we would appreciate it. With that, we are adjourned.

[Whereupon, at 2:25 p.m., the subcommittee was adjourned.]

A P P E N D I X

MARCH 4, 2015

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

MARCH 4, 2015

Opening Remarks of the Honorable J. Randy Forbes,
Chairman of the Seapower and Projection Forces Subcommittee,
for the hearing on
Air Force Projection Forces Aviation Programs and Capabilities for the 2016 Budget Request
March 4, 2015

Today the subcommittee convenes to receive testimony on the fiscal year 2016 Air Force budget request regarding airlift, tanker, and bomber acquisition programs.

Our distinguished panel of Air Force leaders testifying before us are:

- Dr. Bill LaPlante, the Assistant Secretary of the Air Force for Acquisition; and
- Lieutenant General Mike Holmes, Air Force Deputy Chief of Staff for Strategic Plans and Requirements

Gentlemen, thank you for being with us today.

The fiscal year 2016 budget request for Air Force projection forces is a good step forward to support our national defense, but I am concerned that the overall administration's request does little to address the looming impacts of sequestration. Without a specific request to exempt our national defense from the extreme consequences of sequestration, the administration is implicit in increasing the risk to our national security which can only be measured in the lives of our service members.

I continue to believe what we do about defense spending and resolving our military's readiness crisis in the months ahead will be our defining issue for Republican leadership in both chambers. We need leadership in national security. We need an unambiguous declaration that our national security is our preeminent responsibility.

As to the specifics before our subcommittee today, we provide oversight on two of the top three Air Force modernization priorities—the KC-46 tanker and the Long Range Strike Bomber. Should sequestration budget come to pass, we understand the Air Force intends to fully protect both of these much needed new aircraft. We look forward to hearing more about these programs today. Conversely, a sequestration budget could result in the retirement of the Air Force's entire fleet of 59 KC-10 aerial refueling aircraft. This would have a significant

impact on our ability to conduct aerial refueling operations, especially in the Pacific theater. A sequestration budget would also result in a delay to the Presidential Aircraft Replacement program which will replace current version of Air Force One. A delay in this program means we'd have to spend more over the long term to operate and maintain the aging Air Force One aircraft now performing this mission. I look forward to better understanding the impacts on all of these issues and specifically the $35 billion reduction to the Department of Defense will specifically have to the United States Air Force.

As to specific elements in the budget request, I continue to be concerned about C-130H modernization. The C-130 Avionics Modernization Program, or AMP, was initiated in 2001 to modernize, standardize, and reduce total ownership costs for the Air Force's C-130H fleet so they could be viable for another 30 years. Sustaining the C-130H fleet is important to address intra-theater airlift requirements overseas, direct support to the U.S. Army; and for homeland security, disaster response, or other contingencies here in the United States. But the Air Force canceled AMP in favor of a new program known as the Viability and Airspace Access Program, or VAAP, which will be accomplished in two increments. While we understand that VAAP increment one will focus on airspace compliance systems with new radios, transponders, and digital flight recorders; the VAAP increment two is yet to be defined. With over two-thirds of the C-130 inventory contained in the older "H" model, we need to have a specific plan to address the modernization of this important capability.

Once again I want to thank our witness for participating in our hearing this afternoon and I look forward to discussing these important topics.

With that, I turn to my good friend and colleague, the ranking member of the subcommittee, Joe Courtney.

Opening Remarks for Congressman Joe Courtney
Ranking Member
Seapower and Projection Forces Subcommittee
Air Force Projection Forces Aviation Programs and Capabilities for Fiscal Year 2016
March 4, 2015

Thank you Mr. Chairman.

Today's hearing is a look at an important but too often unmentioned element of our subcommittee's jurisdiction. The witnesses from the Air Force will provide important insights into the budget request as it relates to "projection forces," and I look forward to their testimonies.

Our tankers, bombers and transport aircraft serve as the backbone of our nation's force projection and mobility capability. Yet, they also face a common enemy—age. Our tankers and bombers are largely legacy programs dating back decades and, in most cases, these aircraft are significantly older than the airmen and women flying them. Our bombers, for example, are an average of 39 years old and our tankers are an average of 50 years old.

The 2016 budget includes significant resources for both modernization of legacy programs and replacement of others—the KC-46A Tanker Replacement and the Long Range Strike Bomber being among the top priorities in this area. These are important programs that must continue to move forward in order to meet the needs of our nation's security in the decades ahead. I look forward to getting an update on these and other modernization efforts from our witnesses.

Another area of particular concern for our National Guard is the modernization of our C-130H fleet. Thanks to the Total Force Proposal authorized by Congress in 2013, the "Flying Yankees" of the 103rd Airlift Wing in Connecticut are now a proud C-130H unit. This mission, which ends several years of uncertainty after losing their A-10 mission in BRAC 2005 and the subsequent early retirement of the C-271, provides a sustainable and relevant mission for our state and an important mobility capability for our nation.

Over the last several years, Congress and the Air Force have struggled to move forward on a clear plan to modernize our C-130Hs. In the 2015 National Defense Authorization Act, Congress provided authority to the Air Force to move ahead with critical near term upgrades necessary to comply with FAA mandates that will take effect in 2020. I am eager to hear from the witnesses how the Air Force will move forward with these upgrades, as well as your strategy for an achievable and sustainable long term plan for C-130H modernization.

Finally, I will close by underscoring the urgent need for Congress to take action to address sequestration and pass a budget with adequate support for our defense and domestic priorities. There are many programs before us today that require significant support in the years ahead, all of which will be put under severe strain absent action by this Congress to fund the budget at least at the levels proposed in the President's request.

Thank you again, Mr. Chairman, and I look forward to hearing from our witnesses.

DEPARTMENT OF THE AIR FORCE

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

SUBJECT: HEARING ON AIR FORCE BOMBER/TANKER/AIRLIFT ACQUISITION PROGRAMS - HASC SEAPOWER AND PROJECTION FORCES

STATEMENT OF: Dr. William A. LaPlante
Assistant Secretary of the Air Force
(Acquisition)

Lt Gen James M. "Mike" Holmes, USAF
Deputy Chief of Staff
(Strategic Plans and Requirements)

March 4, 2015

Introduction

Chairman Forbes, Ranking Member Smith, distinguished members of the subcommittee, thank you for the opportunity to provide you with an update on U.S. Air Force acquisition programs. As one of our critical core missions, our joint team is committed to fielding rapid global mobility capabilities while exercising a disciplined approach to our financial resources. On any given day, the Air Force's mobility aircraft deliver critical personnel and cargo and provide airdrop of time-sensitive supplies, food, and ammunition on a global scale. As Secretary James stated in a previous appearance to congress, "the backbone of our bomber and tanker fleets, the B-52 and KC-135, are from the Eisenhower era, and our 4th generation fighters average 25 years of age. That is why our top three acquisition priorities remain the KC-46A aerial tanker, the F-35A Joint Strike Fighter, and the Long Range Strike Bomber (LRS-B). In our [Fiscal Year 2016 (FY16)] budget submission, we have fully funded these programs."

Long Range Strike Bomber

As one of our top three acquisition programs, the Long Range Strike Bomber program is the Air Force's number one investment in research, development, test and evaluation (RDT&E) request with $1.2 billion in the FY16 President's Budget. By continuing the development of LRS-B we will be able to provide combatant commanders the range, payload, and access to targets required to support our nation's military objectives worldwide. Fielding 80 to 100 LRS-Bs will provide us with the flexibility and capacity to support operations across the spectrum of conflict, from raids to enduring campaigns, and replace elements of our aging bomber fleet. LRS-B will have initial capabilities in the mid-2020s and will provide conventional and nuclear strike capability and will be capable of employing a wide mix of direct attack and stand-off weapons.

From the onset of the LRS-B program, the requirements have been set to be affordable, and achievable, allowing for re-use of many existing systems and mature technologies in its design. This helps reduce overall program development risk and cost. The program has carefully balanced combat capability with development, production, and sustainment cost considerations to ensure we can affordably acquire this critical capability. The Average Procurement Unit Cost (APUC) target of $550M, in base year 2010 dollars for 100 aircraft, has been very important in balancing design trades with system cost and remains unchanged.

The source selection for LRS-B is on-going and we expect a decision this summer. It is a deliberate process and we are executing our plan with the discipline and rigor that all source selections require. The Air Force is committed to fairness and impartiality in all of its competitive procurements.

B-1

The B-1B is a long-range, air refuelable multirole bomber capable of flying intercontinental missions and penetrating enemy defenses with the largest payload of guided and unguided weapons in the Air Force inventory. The B-1B is the only bomber that has been continuously deployed since 2001, and it remains so today.

The Integrated Battle Station upgrade is the B-1B's largest modernization effort since its production and will provide enhanced situational awareness and precision engagement capabilities. The B-1B will complete this modernization effort in 2019. The first aircraft with this upgrade was delivered in January 2014 and four additional aircraft were delivered in 2014. Ten additional aircraft are planned for delivery by December 2015.

Other efforts to update the navigation and radar systems are well underway and will complete in 2015. These efforts will improve reliability and maintainability of these critical systems. Additionally, OCO funding is included in the FY15 budget to provide a Service Life Extension Program (SLEP) for B-1 engines. This funding will replace parts that have been degraded by nearly 15 years of combat and restore B-1 engines to their original specifications. Finally, ongoing structural testing is validating the B-1B's structural integrity to ensure that it remains viable through its service life of 2040. Additional modernization efforts are envisioned to sustain the B-1B's combat-proven capability.

The B-1B is the Air Force threshold platform for early operational capability of the Long Range Anti-Ship Missile, which is transitioning from a Defense Advanced Research Projects Administration (DARPA) demonstration to the Navy-led Offensive Anti-Surface Warfare Program. Integration of this weapon, coupled with the B-1B's long range, high speed and large payload, will posture the B-1B for an important role in 'Pivot to the Pacific' scenarios.

B-2

The B-2 is the only long-range strike aircraft capable of penetrating advanced Integrated Air Defense Systems to deliver weapons against heavily defended targets. Its unique attributes of intercontinental range, precision strike, large conventional or nuclear payloads, ability to penetrate defenses, and low observable profile allow it to prosecute Nuclear Deterrence Operations, Nuclear Response, Global Strike, and Global Precision Attack missions. The Air Force will continue to modernize the B-2 to ensure it remains effective and retains its unique set of capabilities as enemy defensive systems continue to advance. Current efforts to modernize the Defensive Management System will ensure the B-2 can continue to counter sophisticated air

defense networks and operate in highly contested environments. The Air Force will, at the same time, continue development efforts to re-host the Stores Management Operational Flight Program software in the Flexible Strike program, which will enable the B-2 to take advantage of advanced digital weapon interfaces such as those used by the B61-12. The Air Force will continue development efforts to field the Common Very-Low-Frequency / Low Frequency (VLF/LF) Receiver program. It provides the B-2 with a VLF/LF receiver for secure, survivable strategic communications capability. The Air Force will also continue fielding the Extremely High Frequency Satellite Communications and Computer Increment 1 program, a mid-life avionics upgrade to the flight management computers and digital storage and data buses. Finally, the Air Force will continue to pursue a number of B-2 sustainment initiatives efforts to improve aircraft supportability and increase aircraft availability.

B-52

The B-52 Stratofortress is our nation's oldest and most versatile frontline long-range strategic bomber, with the last airframe entering service in the United States Air Force in 1962. The Air Force continues to invest in modernization programs to keep the platform operationally relevant and updated with state-of-the-art capabilities. B-52 major modernization efforts include the Combat Network Communications Technology (CONECT) and 1760 Internal Weapons Bay Upgrade (IWBU) programs. CONECT provides an integrated communication and mission management system as well as a machine-to-machine interface for weapons retargeting for the entire fleet of 76 B-52Hs. The digital infrastructure and architecture provided by CONECT is the backbone for the 1760 IWBU and future modification efforts. The 1760 IWBU provides internal J-series weapons capability through modification of Common Strategic Rotary Launchers (CSRLs). Both increments of this program are fully funded and, when complete, will

significantly increase the B-52's capability to store and deliver the Joint Direct Attack Munition (JDAM); Laser-JDAM; Joint Air-to-Surface Standoff Missile (JASSM) and its extended range variant; and the Miniature Air Launched Decoy (MALD) and its jamming variant. The Air Force is committed to modernization of the B-52 using modern technology to ensure the aircraft remains relevant through 2040 and beyond as an important element of our nation's defenses.

C-17

The C-17 is the only aircraft that combines tactical capability with strategic range in austere airfield environments. The fleet of 222 was completed in September 2013 to provide our Nation unmatched flexibility to conduct direct delivery, airdrop, aeromedical, and special operations airlift missions. Our partnership with Boeing is adapting processes and procedures to effectively operate in a post-production environment. In order to increase budget and schedule predictability, we are working to bundle modernization and sustainment activities. Agile and efficient software and hardware updates will pace timely readiness, safety, and capability improvements as this premier airlift platform helps to achieve our national security objectives.

The Air Force intends to utilize $77 million in FY16 funding to continue critical modifications and upgrades to the C-17 fleet. This includes Identify Friend of Foe (IFF) Mode 5+ upgrades to provide increased memory and throughput to system computers, as well as continued installation of Large Aircraft Infrared Countermeasures (LAIRCM) systems to detect, track, and jam incoming infrared missiles. Our request of $55 million in FY16 RDT&E funding will address obsolescence and flight safety issues. The development of a Replacement Heads Up Display (RHUD) will address obsolescence of the current C-17 HUD and improve the system's availability, reliability, and maintainability. Integration of an On-Board Inert Gas Generating

System (OBIGGS) Filter Fire Mitigation will alert aircrews to potential fires, increasing in-flight safety.

C-5

The Air Force continues to modernize and enhance 52 legacy C-5 aircraft to a common configuration to ensure fleet viability to 2040. The C-5 Reliability Enhancement and Re-engining Program (RERP) is a comprehensive effort to improve aircraft performance, reliability, maintainability, availability, and payload capability/cargo throughput. FY15 was the last year of funding for installation of the remaining C-5 RERP kits with projected completion in the spring of 2018.

The FY16 President's Budget requests $5.6M in procurement funds for C-5 mission systems equipment. $42.9M in RDT&E funding will support core mission computer/weather radar (CMC/WxRdr) and communication, navigation, surveillance/air traffic management (CNS/ATM) efforts. CMC/WxRdr replaces a radar system with severe diminishing manufacturing source (DMS) issues and upgrades the processor of the CMC to restore a safe operating throughput margin. CNS/ATM is a FY16 new start required to meet US and international 2020 aviation mandates.

Tankers

The backbone of rapid U.S. global operations is our tanker fleet, comprised of 396 KC-135 Stratotankers and 59 KC-10 Extenders. Delivery of 179 KC-46 Pegasus aircraft by 2028 will replace less than half of the current tanker fleet and will leave the Air Force with over 200 aging KC-135s. Tankers are the lifeblood of our joint force's ability to respond to crises and contingencies and are essential to keeping our Air Force viable as a global force.

KC-135 and KC-10

On average, our legacy platforms are 53 years old for the KC-135 and 30 years old for the KC-10. Both fleets are frequently challenged by obsolete parts and Diminishing Manufacturing Sources. However, with the help of both organic Air Force depots and industry, we are able to maintain these platforms as effective weapon systems for our warfighter. We are executing several key modernization initiatives to ensure the aircraft remain viable through 2045.

Ongoing KC-10 modifications include the production and installation of communication, navigation, surveillance/air traffic management (CNS/ATM) kits and a Mode 5 upgrade to the aircraft's Identification Friend or Foe (IFF) system.

The primary modernization effort for KC-135 is the Block 45 program, which addresses supportability, reliability, and maintainability issues. Block 45 is an avionics modification that integrates a digital flight director, autopilot, radio altimeter, and electronic engine instrument displays. Continuation of Block 45 production and installation across the FYDP will reduce operations and maintenance costs while increasing aircraft capability.

KC-46

While we continue to sustain our current capability, recapitalizing our tanker fleet remains one of our top acquisition priorities. Overall, we are on track with the KC-46 engineering and manufacturing development (EMD) contract, now 59% complete with no requirement changes to date. First flight of EMD aircraft #1 successfully occurred on December 28, 2014 and we are looking forward to first flight of EMD aircraft #2 in the second quarter of CY2015. Despite slips in the first flights of our first two EMD aircraft, KC-46 still anticipates a Milestone C decision in fall 2015.

The Air Force requests $602M in FY16 PB for the ongoing KC-46 EMD effort and $2.4B to procure 12 KC-46 aircraft. Key items supported in the requested EMD funding include aircrew and maintenance training systems, completing the build of all four EMD aircraft, and execution of the integrated flight test program.

The KC-46 Formal Training Unit (FTU) will be located at Altus AFB, Oklahoma, with Main Operating Base (MOB) #1 at McConnell AFB, Kansas and MOB#2 at Pease Air National Guard Base, New Hampshire. We anticipate the AF will announce MOB #3 in spring 2016.

We recognize the Nation's fiscal challenges and appreciate the subcommittee's efforts to ensure our vital KC-46 program is authorized the funding needed to meet contractual obligations and program requirements. Stability of requirements and funding are the keys to KC-46 program success and will enable the Air Force to deliver this new tanker, ready for war on day one

C-130

The mobility combat delivery C-130 fleet is comprised of legacy C-130H and C-130J aircraft. The C-130H and C-130Js are medium-size transport aircraft capable of completing a variety of tactical airlift operations across a broad range of mission environments. The fleet delivers air logistic support for all theater forces, including those involved in combat operations.

We will maintain the necessary intra-theater airlift capacity by recapitalizing 155 C-130H aircraft with the C-130J. The remaining legacy C-130H aircraft are being upgraded to ensure fleet viability and global airspace access while reducing aircraft sustainment costs. Current modification efforts include center wing replacement, LAIRCM, and an airspace compliance program titled Viability and Airspace Access Program (VAAP).

The C-130J aircraft provides extra cargo carrying capability, longer range, and better fuel efficiency for our combat delivery mission, compared to legacy C-130Hs. Special mission variants of the C-130J conduct airborne psychological operations and offensive electronic warfare (EC-130J), weather reconnaissance (WC-130J), search and rescue (HC-130J) and special operations (MC-130J and AC-130J). The FY14 National Defense Authorization Act gave C-130J multi-year authority. As part of the multi-year contract, the Air Force plans to procure 16 additional C-130Js in FY14 and 13 in FY15.

Conclusion

The Air Force remains committed to excellence and ensuring our global reach programs continue to reflect the needs of our Nation. I am confident the air mobility fleet and bomber modernization efforts reflected in the FY16 PB will support the mission set force in the Defense Strategic Guidance and continue to provide world class rapid global mobility to our warfighters on the ground. In the midst of the challenges ahead we will aim to keep these programs on track and deliver these systems both as a vital capability to our forces, but also as a best value to our taxpayer. These systems will provide the future capabilities necessary to operate effectively in the national security environment of tomorrow.

BIOGRAPHY

UNITED STATES AIR FORCE

DR. WILLIAM A. LAPLANTE

Dr. William A. LaPlante is the Assistant Secretary of the Air Force (Acquisition), Washington, D.C. He is the Air Force's Service Acquisition Executive, responsible for all Air Force research, development and acquisition activities. Dr. LaPlante oversees a research and development, test, production and modernization program portfolio of over $32 billion annually. He is also responsible for development and execution of policies and procedures in support of the operation and improvement of the Air Force's acquisition system.

Dr. LaPlante has more than 29 years of experience in defense technology including positions at the MITRE Corporation and the Johns Hopkins University Applied Physics Laboratory. He has also served on the Defense Science Board (DSB), U.S. Strategic Command Senior Advisory Group and Naval Research Advisory Committee. He has also taught as an adjunct lecturer in the Department of Mechanical Engineering at the Catholic University of America.

Prior to entering public service in 2013, Dr. LaPlante was the Missile Defense Portfolio Director for the MITRE Corporation. In this role, Dr. LaPlante led a technical team providing analytic and system engineering expertise across the Missile Defense Agency portfolio of ballistic missile defense systems. Previously, he was the Department Head for Global Engagement at the Johns Hopkins University Applied Physics Laboratory (JHU/APL) where he was responsible for all of APL's work supporting offensive military capabilities. Dr. LaPlante was a member of APL's Executive Council and served on many other Laboratory leadership initiatives. His earlier APL work included Associate Department Head of the National Security Technology Department and Program Area Manager for the Strategic Submarine Security Program.

Dr. LaPlante has also served on numerous prestigious scientific boards. He was appointed to the Defense Science Board (DSB) in 2010 where he co-chaired a study on Enhancing the Adaptability of U.S. Military Forces and participated in studies on technology and innovation enablers, missile defense, cyber resiliency and contractor logistics. Dr. LaPlante chaired a Commander, USSTRATCOM Strategic Advisory Group study on nuclear planning factors and participated in various studies sponsored by the National Academy of Sciences, the Naval Research Advisory Committee, USSTRATCOM and the Office of the Secretary of Defense (Acquisition, Technology and Logistics).

EDUCATION

1985 Bachelor of Science degree in engineering physics, University of Illinois
1988 Master of Science degree in applied physics, Johns Hopkins University
1998 Doctorate in mechanical engineering, Catholic University of America

CAREER CHRONOLOGY

1. 1985, Began career at Johns Hopkins University Applied Physics Laboratory, Laurel, Md.
2. 1993 - 1998, Chief Scientist and Technical Director for several large at-sea submarine security experiments, Johns Hopkins University Applied Physics Laboratory, Laurel, Md.
3. 1998 - 2001, Program Area Manager for the Strategic Submarine (SSBN) Security Program, Johns Hopkins University Applied Physics Laboratory, Laurel, Md.

4. 2001 - 2003, Business Area Executive for Undersea Warfare and Associate Department Head, National Security Technology Department (Undersea Warfare, Homeland Security and Biomedicine), Johns Hopkins University Applied Physics Laboratory, Laurel, Md.
5. 2003 - 2011, Department Head, Global Engagement Department, Johns Hopkins University Applied Physics Laboratory, Laurel, Md.
6. 2011 - 2013, Missile Defense Portfolio Director, MITRE Corporation, McLean, Va.
7. 2013 - 2014, Principal Deputy Assistant Secretary of the Air Force (Acquisition), Washington, D.C.
8. 2014 - present, Assistant Secretary of the Air Force (Acquisition), Washington, D.C.

OTHER ACHIEVEMENTS
Defense Science Board Member
USSTRATCOM Strategic Advisory Group Member
Lecturer, Department of Mechanical Engineering, Catholic University of America

(Current as of March 2014)

LIEUTENANT GENERAL JAMES M. "MIKE" HOLMES

Lt. Gen. James M. "Mike" Holmes is Deputy Chief of Staff for Strategic Plans and Requirements, Headquarters U.S. Air Force, Washington, D.C. In support of the Chief of Staff and Secretary of the Air Force, General Holmes leads the development and integration of the Air Force strategy, long-range plans and operational capabilities-based requirements. He directs and coordinates activities ensuring the Air Force builds and employs effective air, space and cyber forces to achieve national defense objectives.

General Holmes entered the Air Force through Officer Training School in 1981 after receiving a degree in electrical engineering from the University of Tennessee. He has commanded the 27th Fighter Squadron, the 14th Operations Group, the 4th Fighter Wing and the 455th Air Expeditionary Wing. He has served in the Office of the Secretary of Defense and on headquarters staffs of the United States Air Force, U.S. European Command and Pacific Air Forces. Prior to his current position, he was the Vice Commander, Air Education and Training Command, Joint Base San Antonio-Randolph, Texas responsible for the recruiting, training and education of Air Force people, including the Air Force Recruiting Service, a numbered air force and Air University. He is a command pilot with more than 4,000 hours, including more than 500 combat hours in the F-15A/B/C/D/E, and has also flown the T-38, T-37 and T-1A.

EDUCATION

1981 Bachelor of Science degree in Electrical Engineering, University of Tennessee, Knoxville
1986 F-15 Fighter Weapons Instructor Course, U.S. Air Force Fighter Weapons School, Nellis AFB, Nev.
1987 Squadron Officer School, Maxwell Air Force Base, Ala.
1993 Air Command and Staff College, Maxwell AFB, Ala.
1993 Master of Arts degree in History, University of Alabama, Tuscaloosa
1994 Master of Airpower Arts and Sciences degree, School of Advanced Airpower Studies, Air University, Maxwell AFB, Ala.
1995 Armed Forces Staff College, Norfolk, Va.
2000 Air War College, by correspondence
2001 Master's degree in national defense studies, Naval War College, Newport, R.I.
2006 National Defense Studies Fellow, Maxwell School of Citizenship and Public Affairs, Syracuse University, N.Y.
2007 Joint Force Air Component Commander Course, Air University, Maxwell AFB, Ala.
2010 AFSO21 Executive Leadership Course, University of Tennessee, Knoxville.
2011 Coalition Force Maritime Component Commander Course, Naval War College, Bahrain
2013 Joint Flag Officer Warfighting Course, Air University, Maxwell AFB, Ala.

ASSIGNMENTS

1. September 1981 - August 1982, Student, undergraduate pilot training, Columbus AFB, Miss.
2. September 1982 - November 1982, Student, fighter lead-in training, Holloman AFB, N.M.
3. November 1982 - April 1983, Student, F-15 conversion training, Luke AFB, Ariz.
4. May 1983 - December 1985, F-15 Instructor Pilot and Assistant Squadron and Wing Weapons Officer, 71st Tactical Fighter Squadron, Langley AFB, Va.
5. January 1986 - May 1986, Student, USAF F-15 Fighter Weapons Instructor Course, Nellis AFB, Nev.
6. May 1986 - May 1989, F-15 Chief of Weapons and Tactics, 44th Tactical Fighter Squadron, Kadena Air Base, Japan
7. May 1989 - June 1992, F-15 Chief of Weapons and Tactics, Assistant Chief of Wing Weapons and Tactics, Flight Commander and Assistant Operations Officer, 7th Tactical Fighter Squadron and 9th Fighter Squadron, Holloman AFB, N.M.
8. July 1992 - June 1993, Student, Air Command and Staff College, Air University, Maxwell AFB, Ala.
9. July 1993 - June 1994, Student, School for Advanced Airpower Studies, Air University, Maxwell AFB, Ala.
10. July 1994 - October 1996, Air Operations Officer and Crisis Action Planner, Operations Directorate, Headquarters U.S. European Command, Stuttgart-Vaihingen, Germany

11. October 1996 - December 1997, Assistant Operations Officer, 27th Fighter Squadron, Langley AFB, Va.
12. January 1998 - May 1999, Operations Officer, 71st Fighter Squadron, Langley AFB, Va.
13. May 1999 - July 2000, Commander, 27th Fighter Squadron, Langley AFB, Va.
14. July 2000 - July 2001, Student, Naval War College, Newport, R.I.
15. July 2001 - August 2002, Chief, Strategy, Concepts and Doctrine Division, Directorate of Operational Plans and Joint Matters, Headquarters U.S. Air Force, Washington, D.C.
16. August 2002 - July 2004, Commander, 14th Operations Group, Columbus AFB, Miss.
17. August 2004 - September 2006, Commander, 4th Fighter Wing, Seymour Johnson AFB, N.C.
18. September 2006 - June 2007, Chief, Checkmate, Directorate of Operational Plans and Joint Matters, Headquarters U.S. Air Force, Washington, D.C.
19. July 2007 - December 2007, Director of Strategic Plans, Programs and International Affairs, Headquarters Pacific Air Forces, Hickam AFB, Hawaii
20. December 2007 - March 2008, Special Assistant to the Director of Operational Planning, Policy and Strategy, Deputy Chief of Staff for Operations, Plans and Requirements, Headquarters U.S. Air Force, Washington, D.C.
21. March 2008 - April 2009, Commander, 455th Air Expeditionary Wing, Bagram Air Base, Afghanistan
22. April 2009 - July 2009, Special Assistant to the Assistant Vice Chief of Staff, and Director, Air Staff, Headquarters U.S. Air Force, Washington, D.C.
23. July 2009 - August 2011, Principal Director for Middle East Policy, Office of the Under Secretary of Defense for Policy, Office of the Secretary of Defense, the Pentagon, Washington, D.C.
24. August 2011 - January 2012, Director, Strategic Planning, Deputy Chief of Staff for Strategic Plans and Programs, Headquarters U.S. Air Force, Washington D.C.
25. January 2012 – July 2013, Assistant Deputy Chief of Staff for Operations, Plans and Requirements, Headquarters U.S. Air Force, Washington, D.C.
26. August 2013 – July 2014 Vice Commander, Air Education and Training Command, Joint Base San Antonio-Randolph, Tex.
27. August 2014 – present, Deputy Chief of Staff for Strategic Plans and Requirements, Headquarters U.S. Air Force, Washington, D.C.

SUMMARY OF JOINT ASSIGNMENTS

1. July 1994 - October 1996, Air Operations Officer and Crisis Action Planner, Operations Directorate, Headquarters U.S. European Command, Stuttgart-Vaihingen, Germany, as a major
2. March 2008 - April 2009, Commander, 455th Air Expeditionary Wing and Senior Airfield Authority, Bagram AB, Afghanistan, as a brigadier general
3. July 2009 - Aug 2011, Principal Director for Middle East Policy, Office of the Under Secretary of Defense for Policy, Office of the Secretary of Defense, the Pentagon, Washington, D.C., as a brigadier and major general

FLIGHT INFORMATION

Rating: command pilot
Flight hours: more than 4,000
Aircraft flown: F-15A/B/C/D/E, T/AT-38, T-37 and T-1A

MAJOR AWARDS AND DECORATIONS

Distinguished Service Medal
Defense Superior Service Medal
Legion of Merit with oak leaf cluster
Bronze Star Medal
Defense Meritorious Service Medal
Meritorious Service Medal with two oak leaf clusters
Air Medal with three oak leaf clusters
Aerial Achievement Medal with three oak leaf clusters
Air Force Commendation Medal with oak leaf cluster
Army Commendation Medal

WITNESS RESPONSES TO QUESTIONS ASKED DURING THE HEARING

MARCH 4, 2015

RESPONSE TO QUESTION SUBMITTED BY MR. FORBES

General HOLMES. The Air Force continues to work towards the safety, compliance and modernization of our legacy C–130 fleet. Because of the cost and time required to conduct the modernization of the legacy C–130 fleet, we believe, and DOD has certified, that we need to fund the airspace compliance modifications first. The Air Force intends to follow the Fiscal Year 2015 National Defense Authorization Act guidance and we want to work with the Congress and our Total Force partners to develop an affordable C–130 modernization program. [See page 10.]

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

MARCH 4, 2015

QUESTIONS SUBMITTED BY MR. FORBES

Mr. FORBES. Knowing that the KC–46 tanker contract is fixed-price, how important is it to maintain funding stability for the program and what are the risks to the program if funding gets interrupted?

Dr. LAPLANTE. Funding stability is extremely important to the success of the KC–46 program. Funding stability ensures the Air Force fulfills its contractual obligations required for Boeing to deliver 18 operationally-ready aircraft by August 2017 (Required Assets Available (RAA)). The fixed-price contract caps government Engineering & Manufacturing Development liability at $4.9B and provides 13 planned, on-contract procurement lots at Firm-Fixed Price or Not-To-Exceed levels. While these planned procurements provide a range for variable order quantities, a variation in production quantity affects the lot-to-lot pricing.

Additionally, while the government and Boeing have successfully met all contractual obligations to date, the program is entering its most challenging part in flight test. For these reasons, RDT&E funding stability remains important to ensure necessary funds are available to address remaining program content, as well as program risks that may materialize. Production funding stability remains important to enable Boeing's achievement of RAA and ensure the government does not pay additional per aircraft costs due to quantity variations. Any government-induced issues or delays could lead to a Boeing request for equitable adjustment and potentially re-open the contract.

Mr. FORBES. In the past year, Boeing has experienced wiring problems in building the first two KC–46 tankers which has delayed the development schedule. What impact will this delay have on initial operational capability in August 2017?

Dr. LAPLANTE. Internal Boeing schedule events have shifted due to the delays in the first flights of the Engineering & Manufacturing Development aircraft. However, the final contractual milestone, Required Assets Available (RAA), has not shifted. RAA will still require Boeing to deliver 18 operationally-ready aircraft by August 2017. These delays eliminate the margin Boeing built into their original schedule, to include all schedule margin to the RAA contractual milestone date.

Mr. FORBES. A recent draft GAO report noted that the original KC–46 schedule planned to have 13 months of testing on two aircraft before the October 2015 low-rate initial production decision. Now, due to delays resulting from wiring problems, the program will have only one aircraft in test for a three-month period before the October 2015 low-rate initial production decision. How will the Air Force ensure that key aerial refueling capabilities are demonstrated before the October 2015 low-rate initial production decision?

Dr. LAPLANTE. Development testing required for the Milestone (MS) C Low Rate Initial Production (LRIP) decision consists of a combination of ground and flight testing, both which have commenced. Ground testing began in November 2014 and flight testing began with EMD #1's First Flight on 28 December 2014. The flight testing required for MS C is modest and can all be executed on one aircraft. The other three EMD aircraft will be used throughout the remainder of the program for full requirements verification and operational testing, both which are required for the Full Rate Production decision in CY2017. Finally, MS C is an event-driven milestone, the program continues to make measurable progress each and every day toward a successful MS C, and the AF will not ask the Defense Acquisition Executive for a decision to enter LRIP until all pre-coordinated entrance criteria are complete.

Mr. FORBES. The Air Force has ignored congressional intent for the past three budget cycles and does not plan to obligate the $47.0 million in funding authorized and appropriated in fiscal year 2014 for the C–130 Avionics Modernization Program (AMP), The Air Force has sunk $1.5 billion in developing and successfully testing this program, but now plans to shelve that investment. If the Air Force does not intend to utilize AMP, can you explain how the Air Force intends to address the growing obsolescence and diminishing manufacturing sources (DMS) of the C–130H fleet?

Dr. LAPLANTE. The Air Force continues to work towards the safety, compliance and modernization of our C–130H fleet. Because of the cost and time required to conduct the modernization of the C–130H fleet, we believe, and DOD has certified,

that the AF must primarily address airspace compliance modifications. The Air Force intends to comply with the FY15 NDAA and work with Congress and Total Force partners to address avionics modernization efforts for the C–130H fleet.

Mr. FORBES. USTRANSCOM has stated a requirement for 567 aerial tankers to meet its steady-state and contingency surge requirements, yet the Air Force only has an inventory of 454 tankers. What risk is the Air Force incurring by not having the sufficient number of tankers in the inventory to meet USTRANSCOM's requirements?

General HOLMES. The Air Force is incurring significant risk with the current fleet of 455 aerial refueling tankers. KC–46A deliveries improve risk to "moderate" once the fleet reaches the USTRANSCOM amended requirement of 479 aircraft (aligning with the Mobility Capability Assessment-2018 (MCA–18) analysis in their 2 February 2015 report to Congress on "KC–10 Aerial Refueling Aircraft Force Structure"). This will match the level required against the updated scenarios, strategies, concept of operations, assumptions, and capabilities determined by the MCA–18.

Mr. FORBES. If the Air Force is required to execute fiscal resources at Budget Control Act sequestration levels, what operational risk do you incur by having to divest the entire KC–10 tanker aircraft fleet? What other programmatic options would you have to execute if Congress prohibited the retirement of KC–10 aircraft?

General HOLMES. The KC–10 represents 13 percent of our tanker fleet and 30 percent of our air refueling capacity. If held to Budget Control Act level funding, we will be compelled to divest the KC–10 across the Future Years Defense Plan. According to the Mobility Capability Assessment–2018, divesting the 59 KC–10s would delay achieving a moderate risk level force structure by three years (from Fiscal Year 2018 (FY18) to FY21).

If forced to retain the KC–10 without the funding associated with its operations, the Air Force would have to find other sources to offset $2.8 billion—the equivalent of roughly 150 KC–135s, which represents 30 percent of our tanker fleet and 33 percent of our air refueling capacity.

Mr. FORBES. Knowing that the KC–46 tanker contract is fixed-price, how important is it to maintain funding stability for the program and what are the risks to the program if funding gets interrupted?

General HOLMES. Funding stability is extremely important to the success of the KC–46 program. Funding stability ensures the Air Force fulfills its contractual obligations required for Boeing to deliver 18 operationally-ready aircraft by August 2017 (Required Assets Available (RAA)). The fixed-price contract caps government Engineering & Manufacturing Development liability at $4.9B and provides 13 planned, on-contract procurement lots at Firm-Fixed Price or Not-To-Exceed levels. While these planned procurements provide a range for variable order quantities, a variation in production quantity affects the lot-to-lot pricing.

Additionally, while the government and Boeing have successfully met all contractual obligations to date, the program is entering its most challenging part in flight test. For these reasons, RDT&E funding stability remains important to ensure necessary funds are available to address remaining program content, as well as program risks that may materialize. Production funding stability remains important to enable Boeing's achievement of RAA and ensure the government does not pay additional per aircraft costs due to quantity variations. Any government-induced issues or delays could lead to a Boeing request for equitable adjustment and potentially re-open the contract.

Mr. FORBES. The Air Force is required by law to maintain a B–1 combat-coded inventory of 36 aircraft, for which the Air Force is complying with. However, the subcommittee understands that for three of those 36 aircraft, they do not have the same crew ratio or flying hours programmed against them as the other 33 B–1 combat coded aircraft. Can you explain to the subcommittee the reason for this difference, and what risk do you incur in meeting combatant commander requirements if all 36 combat-coded B–1 aircraft were required to meet presence and operational requirements?

General HOLMES. Since 33 aircraft meets current combatant commander requirements, the Air Force reduced flying hour and manpower funding on the three aircraft to fund other higher priorities. If combatant commanders' presence and operational requirements necessitates the full fleet of 36 aircraft, the Air Force will satisfy this requirement by using other combat-ready aircrews/maintainers as required to man/maintain the remaining three combat-coded aircraft under reduced manning. Aside from potential increased risk in training operations, the Air Force expects no increased risk in meeting combatant commander requirements.

Mr. FORBES. New START treaty requires a reduced number of deployed nuclear weapons, which in turn, will require the Air Force to decertify a certain number of B–52 aircraft. What is the projected number of B–52 aircraft that you will decertify

in order to meet New START requirements? And, are these aircraft modifications reversible if ever needed to increase nuclear bomber capability in the future?

General HOLMES. The Air Force will modify a total of 42 B–52H aircraft to a conventional-only role by permanently removing the nuclear code enable switch and associated equipment, and installing tamper-resistant blocker panels where the equipment used to reside. Of the 42 aircraft, 30 are Active Duty/AF Reserve B–52H's and the remaining 12 B–52H's are currently parked at the Aerospace Maintenance and Regeneration Group (AMARG) B–52 located at Davis-Monthan AFB. Once a B–52H is converted to a convention-only role, it is not reversible.

Mr. FORBES. FY16 PB proposes to cut the number of C–130s from 358 today to 308 by the end of FY20. Can you tell us what that number is based on and what kind of risk it poses?

General HOLMES. Pursuant to the language in the Fiscal Year 2013 (FY13) National Defense Authorization Act, the Air Force conducted an analysis of mobility assets to determine the appropriate number of aircraft required to fulfill contingency, humanitarian and homeland defense missions. This analysis, presented in the Mobility Capabilities Assessment (MCA) study determined "there is no surge scenario associated with the current defense strategy—even one in which a significant homeland defense event occurs concurrently with two warfights—that requires a fleet of 358 C–130s." Rather, the analysis concluded the C–130 fleet size requirement ranges between 248 and 320 aircraft.

Driven by fiscal constraints, yet recognizing the important role of intra-theater airlift in homeland defense and disaster response, the FY15 President's Budget (FY15 PB) reduced the C–130 fleet to 328 aircraft by FY19. This force structure continued to exceed the MCA's recommended level. Secretary of Defense Chuck Hagel stated in July 2013 that "the Air Force could reduce tactical aircraft squadrons—potentially as many as five—and cut the size of the C–130 fleet with minimal risk." In order to reduce excess capacity in the C–130 fleet and improve allocation of scarce resources, the Air Force made the decision to more closely align the C–130 fleet structure with the findings and recommendations of the MCA.

The FY16 PB reduces the C–130 force structure to 300 total aircraft, balancing operational requirements and the realities of Budget Control Act constraints. These reductions allow the Total Force to invest in the remaining C–130 force and other requirements to counter existing and emerging national security threats.

A fleet size of 300 presents a moderate risk force that can accomplish the operational requirements defined in the MCA.

Mr. FORBES. Last year, the Air Force began a new program to upgrade the C–130 fleet called the Viability and Airspace Access Program, also known as "VAAP." We understand the VAAP is currently planned for two increments with Increment 1 modifying 172 C–130Hs with new radios, updated transponders, and an updated cockpit voice recorder and digital flight recorder. VAAP 2 is undefined at the point. What viability and airspace access programs are planned for VAAP 2? Will the VAAP keep the C–130H fleet viable to 2030 and beyond?

General HOLMES. The Air Force continues to work towards the safety, compliance and modernization of our legacy C–130 fleet. Because of the cost and time required to conduct the modernization of the legacy C–130 fleet, we believe, and DOD has certified, that we need to fund the airspace compliance modifications first to include new radios, updated transponders, and an updated cockpit voice recorder and digital flight recorder. The Air Force intends to follow the Fiscal Year 2015 National Defense Authorization Act guidance and we want to work with the Congress and our Total Force partners to develop an affordable C–130 modernization program.

QUESTIONS SUBMITTED BY MR. LARSEN

Mr. LARSEN. The FY16 proposed budget shows an increase to $1.246B in funding for LRS–B. Does the increase reflect additional costs, an effort to shorten the program schedule, a combination of both or something else?

Dr. LAPLANTE. The FY16 budget request reflects the schedule for the development phase of the program. There have been no cost increases to the program and the overall schedule remains on track.

Mr. LARSEN. It is my understanding that Boeing is actively marketing the KC–46 to allies. Does the Air Force have a view on this activity?

General HOLMES. "The USAF is constantly educating our allies on the importance of establishing and maintaining certain capabilities, such as airborne refueling. We encourage our allies desiring an airborne refueling capability to purchase the KC–46 in order to provide: the best receiver air refueling platform, an increase in airlift capability, an airframe of improved force protection and survivability, multi-point

air refueling, capable of both day and night operations, while providing rapid, global capability and interoperability between U.S., Joint, Allied, and Coalition forces."

QUESTIONS SUBMITTED BY MS. BORDALLO

Ms. BORDALLO. Where do we stand on the development of the concept of operations for employing the LRS–B? Should we expect a similar basing arrangement for the LRS–B as our current bomber fleet?

General HOLMES. The LRS–B Concept of Employment has been developed at the classified level and has been approved by Air Force senior leadership. Basing decisions for LRS–B have not yet been made; however, the Air Force anticipates going through the traditional staffing and approval processes for these decisions and will start this activity at the appropriate time to allow for any needed infrastructure changes.

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