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**CAPACITY OF U.S. NAVY TO
PROJECT POWER WITH LARGE
SURFACE COMBATANTS**

HEARING

BEFORE THE

SUBCOMMITTEE ON SEAPOWER AND
PROJECTION FORCES

OF THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

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[There were no Questions submitted post hearing.]	

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LARGE SURFACE COMBATANTS**

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES,
Washington, DC, Wednesday, June 17, 2015.

The subcommittee met, pursuant to call, at 2:02 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 everyone to this hearing on the Seapower and Projection Forces Subcommittee regarding the capacity of the U.S. Navy to project power with large surface combatants. I am going to, in the interest of time, waive my opening statement and put that in the record because we understand we may have votes at about 3:15 and we think this is an important hearing. We want to make sure we get as much of it in as possible.

We are delighted today to have two witnesses that have a great deal of expertise in this matter. We have with us Rear Admiral Peter Fanta, Director of Surface Warfare, and also Rear Admiral Vic Mercado, the Director of the Assessment Division.

And in just a moment I am going to ask—I think, Admiral Fanta, you are going to give the opening statement for both. But I would like also, Admiral Mercado, if you would take just a moment after that opening statement and give us a brief overview of what the director of the Assessment Division does.

And Admiral, also after your opening statement, if you would tell us a little bit about your capacity as director of Surface Warfare, so our members have a good feeling of the capacity you bring to the committee.

With that, I would like to recognize my ranking member, Mr. Courtney, for any comments that he might have.

[The prepared statement of Mr. Forbes can be found in the Appendix on page 29.]

Mr. COURTNEY. Thank you, Mr. Chairman. And again, in the interest of time I am going to waive all opening remarks and make sure the floor is available to our two witnesses as soon as possible.

Mr. FORBES. Without objection, we will put all of the opening statements and make them a part of the record. And with that, Admiral Fanta, we look forward to any opening remarks you may have for us.

**STATEMENT OF RADM PETER FANTA, USN, DIRECTOR,
SURFACE WARFARE (N96), U.S. NAVY**

Admiral FANTA. Yes, sir, thank you, Mr. Chairman, Ranking Member Courtney. I will keep this brief so we can get to your questions and hopefully satisfy you with our answers.

You asked us today to discuss the capacity of the large surface combatants in the United States Navy [to] project power. The cruisers and destroyers we have of today were created during the height of the Cold War. That said, we didn't rest on our laurels. We have continued to upgrade them and modernize them over the past 30 to 40 years of their service life, and we will continue to do so.

We took that technology that was in there from the 1960s and 1970s and we have continued to modernize it and evolve it, and in fact, the technology going in today's destroyers are the height of what is available around the world in that level of surface combatant.

Bottom line is, we are installing these advanced technologies on our new surface combatants because if we cannot own the seas and control the seas, we cannot project power from the seas.

You asked us about the capacity of large surface combatants to project power. The answer is not a simple one, but really a three-phased question and a three-phased answer.

We have the fight today and what is our capacity and capability to do that. We have the fight in the near- to midterm, maybe 5 or maybe 10 to 15 years from now. And we have a peacetime presence and deterrence mission. All those have to be factored in, as my colleague, Admiral Mercado, will tell you about how he factors all those when he checks my math on whether I have enough ships. So it is really not just about a single answer, but it is a multitude of answers we have to put together.

If you ask me about the fight today and can we win against a near-peer adversary, the answer is, absolutely. Now there is always risk in war and we might take some damage here and there, but against a near-peer adversary in a fight today against the United States Navy, we will prevail.

That is based upon our best intelligence estimates of what is out there throughout the world and what our capabilities are against those assets. But that is today.

Tomorrow's fight is slightly different, and it must be an estimate of where we think we will get in tomorrow's fight. And that fight may be 10, 15, or 20 years down the road. And again, you are asking us to provide our best guess on what we see based on what is evolving in technology and where our current technology is to counter these new threats.

So what we will tell you here is that we see risk in tomorrow's fight. If we do not modernize fast enough, if we do not build fast enough, if we slow down our build rate of large surface combatants, if we slow down our modernization rate of large surface combatants, there will be a risk when the advanced threats arrive in numbers from the development stages they are in now to a production stage from a potential adversary sometime in the next decade-plus. That is the war fight.

I will keep this brief and just quickly describe the noncombat operations or the presence operations. Those are governed by what we call the Optimized Fleet Response Plan. That is basically a long sentence to tell you how long we deploy for and how often. We deploy optimally for 7 months out of every 36. The rest of that time we are not sitting there, but we are training, we are modernizing our ships, we are maintaining our ships, and we are making sure our sailors know how to fight our ships.

We also maintain a surge capability in case something comes up in the world. So that is that blend that we have between today's fight, the fight of tomorrow 10 to 15 years down the road, and what we have for peacetime presence.

When I don't have enough ships, I have to take risk or I incur risk, and that is whether in the war fight or in the peacetime presence requirements somewhere around the world. We will talk to you about, when asked, about ballistic missile requirements, about high-end warfighter requirements, about peacetime presence requirements, and what that capability and capacity mix is between them.

It is not just about large surface combatants. I am the director of Surface Warfare for the United States Navy. You asked what I do. I buy not only ships and weapons systems, I also buy the sailors—I pay for the sailors that man them. I make sure they are trained and pay for their training.

I buy everything from training systems to Tomahawk cruise missiles. I buy civilian manpower, and I buy civilian milling machines in our shipyards. I buy everything from advanced weapons systems to sailors to sonars.

Funding all these puts pressure on just the simple number of capacity of our large surface ships to do their job, but I have to have this blend of high-end capability and the numbers we need. It takes me 15 years to develop and field a new ship. It takes me 7 years to develop and field a new weapon system. I have to make sure I am keeping an eye on both of those to make sure that someplace 15 years down the road we are not short on ships or we don't have an advanced capability that does not allow us to win the future war fight.

So whether we are at wartime steaming or peacetime presence operations, the number of ships determines if we are at sea. The sailors, weapons, readiness determines how capable and lethal we are. Presence without lethality and without a capable force is impotence. Presence with a lethal and capable force is deterrence against any future adversary.

With that, we are standing by to answer your questions. I have already described slightly what I do. I buy surface ships, weapons, sailors, training, modernization, maintenance, and everything in between.

I own the movies that they watch in the evening when they are off watch. I own putting ice cream machines on the mess decks so they can put on that extra 5 pounds in deployment. I also own the ability to shoot down long-range ballistic missiles when they are coming at our carriers. I own that range of everything that you see, and I make sure our sailors are ready to operate and maintain these systems.

Over to my colleague, Admiral Mercado.
 [The joint prepared statement of Admiral Fanta and Admiral Mercado can be found in the Appendix on page 31.]

**STATEMENT OF RADM VICTORINO G. "VIC" MERCADO, USN,
 DIRECTOR, ASSESSMENT DIVISION (N81), U.S. NAVY**

Admiral MERCADO. Mr. Chairman, members of the committee, thank you for allowing me to appear before you today. The best way to describe my job, and Admiral Fanta alluded to it, is I grade homework. I am the director of Assessments Division. As you all well understand that we have many, many competing requirements and we have very limited resources, or a finite number of resources.

So I have a team that goes through and assess all the programs and things that Navy can invest in and give my recommendation to the CNO [Chief of Naval Operations], based on a priority of what I call integrated warfighting. So we have threats that are out there that we project out into the future in the near term, and then we have a number of programs designed to pace or outpace those threats. My job is to review those, assess them based on data, and make the recommendation to the CNO.

I have been in this job now for about 6 weeks, and previously I commanded Carrier Strike Group Eight out of Norfolk.

[The joint prepared statement of Admiral Mercado and Admiral Fanta can be found in the Appendix on page 31.]

Mr. FORBES. Well, thank you both for being here. I am going to use just a little bit of my time for my opening statement for questioning, but help me, and either of you can respond to these. No magic in the order or who would respond.

But as we look right now, one of the concerns we have, of course, is with our surface combatants and how many we are going to need as we look out to the future. But also one of the things that impacts that is the deployment cycles that we are on right now. Both of you have spoken with Mr. Courtney and I about the concern we have with current deployments being as much as 9 months on some of our ships.

Can you tell me why that has a negative impact and what we are doing to try to mitigate that and reduce those down?

Admiral FANTA. Yes, sir. Average deployment length right now that we are seeing across the Navy is 9.2 months, based on the data we have seen over the last about 2 years. That is a function of being everywhere to cover every contingency that we have been asked to for the last several years.

Some ships that we have have been on four deployments in 4 years. We recognize that is a strain on our force. That is a strain on our sailors, that is a strain on the ships themselves, that is a strain on whether I can modernize them fast enough, and that is a strain on, frankly, our resources and our funding. Because every time I keep it out at sea I have to bring it back and fix even more things because I am exceeding that 7 months out of 36 that I would ideally deploy a ship.

So what we are doing to counter that is we are establishing, as I said in my opening statement, this fleet response plan that allows us to get on a steady-state operation that blends this moderniza-

tion, maintenance, training, and surge time to match what we would ideally like to be a 7-month deployment out of a 36-month cycle.

We are not there yet. We have just deployed our first—or we have just put our first strike group into that process. This is a learning time for us to see where the pivots and where the short-falls are on it, but we are on the track to get to that stability, and our intention is to get to that stability in the late teens to early 2020s with the full-up strike groups being on that cycle.

With the number of ships we have right now, that will be a challenge, but as you know, I am building ships at a rate and keeping ships on board at a rate that I expect in the early 2020s allow me to get to those deployment cycles of maybe not 7 months but someplace between 7 and 8 months.

Mr. FORBES. So would it be fair to say, as you just mentioned, that the number of ships has a huge impact on whether you can get down from that 9.2 to your goal of 7?

Admiral FANTA. That is correct, sir.

Mr. FORBES. And would it also be fair to say that if you don't get down to that goal, as you mentioned it puts an additional strain on your sailors, which I take it would mean strain on their families, strain on their lives, and maybe even strain on your difficulty in retaining those sailors.

Admiral FANTA. All those are a blend, sir. When we resource this, all of this, we have to put all of this together, and that includes the recruiting of new sailors and the retention of current sailors.

Mr. FORBES. So it would have an impact on both the recruitment of new sailors and the retention of existing.

Admiral FANTA. Yes, sir, it would.

Mr. FORBES. Also it has an impact on the lifecycle of our ships and how many years we can get out of those ships. Is that fair to say?

Admiral FANTA. I can't tell you an exact number, but if I deploy four times in 4 years, there will be an impact on whether I can get that ship to 35 years of service life, 38 years of service life, or ideally what I would like to do, 40 years of service life.

Mr. FORBES. And if we don't have the number of ships that we need, you mentioned two things in your opening statement, and I know I specifically told you that you didn't have to put your written statement in, but in your written statement you talked about a third. So you mentioned war fight and peacetime presence.

But also both of you in your combined written statement talked about the importance of deterrence, and that is a part, I guess, of the peacetime presence. Is that correct?

Admiral MERCADO. Yes, sir. I say it is a combination. It is a part of our peacetime presence, but also that high-end warfighting capability that we have strategically as a Navy I think serves to underpin any kind of deterrence whole-of-government model. So yes, we have to be there and we have to be forward deployed. We have to support the COCOM [combatant command] demand and the peacetime presence as outlined in their theater campaign plans.

But also we need to preserve our capability and capacity to conduct high-end warfare against a near-peer competitor. As long as

we also show that and demonstrate that, I say that also underpins any deterrence strategy.

Mr. FORBES. So it would be fair to say if we have fewer ships, if we don't have the deployment time so that we can do the high-end training that you would need, it could impact our deterrence capabilities.

Admiral MERCADO. Yes, sir, and I think the fleet response plan model that Admiral Fanta talked about helps us get on that road. I mean, we need to get discipline into starting our availabilities on time, ending them so we can go into a consolidated basic training phase and get the ships trained in the basics of getting underway and fighting the ships individually.

Then we go into what we call the integrated phase so we can get—gather them together to fight as a carrier strike group.

Mr. FORBES. So—I am sorry. I didn't mean to cut you off.

Admiral MERCADO. I am saying what we lose when you talked about continuous deployments, we lose that opportunity to go back and bring the ships back, to get them into that training cycle because high-end warfare capability and training atrophies over time because even when you are deployed and you face an adversary, it is never to the level that you see when you ramp up during your training in the fleet response plan.

Mr. FORBES. So if I look at that fleet response plan, and Admiral Fanta, maybe you can help me with this, but we were also talking about our BMD [ballistic missile defense] requirements. And as I understand it, the current BMD requirements are 40. I think your goal, and you now have 33 ships. Is that correct? Don't let me put words in your mouth. Tell me if I am incorrect.

Admiral FANTA. Yes, sir. My requirement at this point is 40 advanced capability ships that have the capability of both knocking down an incoming ballistic missile while simultaneously looking for and firing upon an incoming cruise missile that is at the surface of the ocean. So that is a minimum of 40 advanced capability ballistic missile ships.

I have approximately 33 ballistic missile capable ships. That is not to say they are advanced to that level. And we will reach that in a current build rate of that 40 ships in approximately the mid-2020s at this point, of those advanced capability ships, sir.

Mr. FORBES. So you need on your requirements 40 with the advanced capabilities. Right now you have 33, but they do not all have advanced capabilities on them.

Admiral FANTA. That is correct, sir. We are modernizing those ships, and we are building more with the advanced capability even as we speak.

Mr. FORBES. Does your fleet modernization plan apply to the BMD ships, as well?

Admiral FANTA. Ideally it will when we implement it, but at this point—

Mr. FORBES. I am sorry, the fleet response plan.

Admiral FANTA. The fleet response plan, yes, sir. Ideally it will. At this point it is primarily—we have started it around the carrier strike group. A lot of the ballistic missile deployers are independent deployers, so what we would do eventually is to bring them into that response plan. They are not necessarily currently under that

cycle. That would be out toward the 2020s before we put all these together.

Mr. FORBES. So it would be fair to say that today we have the need for 40 with the advanced capability. We only have 33, and they do not all have the advanced capabilities. And that right now we do not really have a plan of getting those deployments down from the average 9.2 to 7 or something around there for our BMD-capable ships. Is that fair?

Admiral FANTA. Let me adjust that slightly, sir. There is a difference because the advanced capability ships are primarily used to defend Navy assets in a high-end fight at sea against a near-peer competitor with advanced capabilities. The BMD ships that I spoke of earlier that we have in the low 30s right now and continue to build more, are primarily for COCOM requests to defend other assets such as defended asset lists in various parts of the world.

So they are perfectly capable of handling advanced threats, but just in that one BMD capability. What we don't want to do is mix the peacetime presence requirement of those—I won't call them lesser capable, but baseline capability ballistic missile ships with the advanced ones I need to beat a high-end competitor at sea in the middle of a fight in the middle of the ocean.

Mr. FORBES. And I am going to try not to be too much longer, but I just want to make sure I have got this. On the 40-ship requirement that you have, and I know that is for the advanced capability, you now have 33 BMD-capable ships, not all with the advanced capability.

But it is my understanding from what you have said that I really do not at this time—I hope to later—have a plan that will help me get the deployments down on the ships that I have from that 9.2 to roughly 7 to 8 months at that time. Is that fair?

Admiral FANTA. Yes, sir, that is fair. It is not that we don't have a plan. It is that we need to get to the numbers to allow us to implement.

Mr. FORBES. So you would need more numbers to get there.

Admiral FANTA. I would need more total numbers of capability, not capacity. In other words, I need to modernize to get to those numbers.

Mr. FORBES. So you would need more numbers to get there, and then two last bullet points and then I will shift to Mr. Courtney. The demand signal is actually much higher than the requirements. Your current demand signal from the COCOMs for BMD ships would be around 77 ships. Is that fair to say?

Admiral FANTA. The demand signal is twofold, sir, for a high-end naval war fight and protection of naval assets and our bases that we need to fight in various places of the world is those 40 ships I discussed.

Mr. FORBES. Okay.

Admiral FANTA. On top of that, COCOMs have a requirement, and if you look at it from another X number of spots, today it might be 77, all right, total ships, including the 40, 77 spots around the world that we might put a ballistic missile defense ship to cover some contingency of some nation threatening us or threatening an ally or threatening a vital asset with a ballistic missile at that point.

So if you don't think upon it as I need a ship there all the time, it is a spot in the ocean where I might need a ship sometime in the future against a potential adversary that threatens us or an ally.

Mr. FORBES. But you can't cover all of that today with the current fleet that we have. Would that be fair to say?

Admiral FANTA. That is fair. I need to modernize to get to those numbers.

Mr. FORBES. And you need more numbers.

Admiral FANTA. I need to at least modernize. If I have every ship modernized to the point where every ship can handle that threat, then the numbers work out correctly.

Mr. FORBES. Let us go back to the 33 that you have got. Would it help you if this committee could help you get 3 more ships and you had 36 versus 33?

Admiral FANTA. It depends on when, because—

Mr. FORBES. Suppose we could give them to you tomorrow.

Admiral FANTA. Then it would always help, yes, sir.

Mr. FORBES. Suppose I could get you, instead of three I could get you six. Would that help you better than the three?

Admiral FANTA. I can't build them that fast but—

Mr. FORBES. But let us assume I could.

Admiral FANTA. If you could, absolutely.

Mr. FORBES. The flipside, would it hurt you if you had less than the 33?

Admiral FANTA. Yes, sir. From a warfighting perspective.

Mr. FORBES. Then tell me how in the world the Navy can suggest that we can take out 11 cruisers when 5 of those have BMD capability on them.

Admiral FANTA. Because of the way that I am blending in the capability, that advanced capability.

Mr. FORBES. That is not my question. I don't want to put you on a difficult spot, but here is what I am saying. You have just told me if you have five more, it will help you significantly.

Admiral FANTA. Yes, sir.

Mr. FORBES. We have got five cruisers out there with BMD capability that the Navy is telling me they want us to pull offline today. So I am not promising you those next month or 6 years. I am saying, you have got them today, and the Navy is telling me they want to take them out of that fleet.

It has got to make sense that that would hurt us and stretch us on our BMD capabilities that we currently are looking at today. So explain to me how that would not.

Admiral FANTA. Yes. First answer is yes.

Mr. FORBES. Okay.

Admiral FANTA. Second—

Mr. FORBES. Go ahead. I don't want to cut you off. You answer.

Admiral FANTA. I have more concerns 5 to 7 years from now when the numbers of threats increase—

Mr. FORBES. I have got you there.

Admiral FANTA [continuing]. So I would rather have those cruisers available at that time.

Mr. FORBES. But what you are saying is, and you have been fair in saying this, you are taking risks today so that you will have

them tomorrow. But what we are also saying is, and the Navy is telling us this because the Navy, when they first came out, suggested we took seven of those cruisers out. Never even talked about having them tomorrow. The Navy doesn't have them in their FYDP [Future Years Defense Program] at all.

Basically what I think we can agree on is if you have five less BMD-capable ships, it is going to be much more difficult for you, at least in the short term, than if you had those five cruisers. Is that fair to say?

Admiral FANTA. Yes, sir.

Mr. FORBES. With that, I ask Mr. Courtney.

Mr. COURTNEY. Thank you, Mr. Chairman and to both witnesses for your testimony and your service. Again, I just want to sort of go back over a point that the chairman touched on a moment ago, which is the request from the combatant commanders, which we hear a lot about on this committee, and then obviously the Optimized Fleet Response Plan.

How do they sort of intersect and, you know, does someone have to kind of adjudicate, you know, the signals and the plan?

Admiral MERCADO. Sir, when we talk about the requirement, we have talked about—I think you have been briefed on this force structure analysis and the number has been talked about 40 BMD. So if we talk about 40 BMD, that is the latest update we did to the force structure analysis that defines what the BMD requirement is for Navy-unique missions. Which is, you know, we have ships that defend fixed land sites. So if we needed to come up with a number, say, to defend the sea base and to defend expeditionary sites, the number for that is 40.

Now when you get into COCOM demand, they will put out today's requirement, and based on situations that are evolving, we see Syria, any number of situations, so the COCOMs will come up and say, here is the demand. We need two, three, five sites. I guess the 77 number is their potential sites for all COCOMs that they have identified that they could use a BMD ship for.

So when that demand comes in, based on the inventory that we have available today, not out of maintenance or things, then we will try to source that. If we cannot then it has to be adjudicated. Then we go back and work with the COCOM Navy, COCOM Joint Staff, and OSD [Office of Secretary of Defense] to adjudicate who— which COCOM will get the ship and which will not.

Mr. COURTNEY. Again, talking about the short term which you alluded to a moment ago. I mean, the balloon goes up if there is just some all-out conflict going on which we have a national security interest in and the order goes out. I mean, you have obviously got the structured force plan.

But describe what happens if that is the case. Does the plan get set aside and, you know, all hands on deck?

Admiral FANTA. Sir, the plan is just for peacetime and presence operations to allow us that stability. If the balloon goes up as you describe it, we surge everything that we need as fast as we can. We have faith in both the industrial capability of the country to patch up in days and weeks what it normally takes months and years to do.

We have faith in our training systems and our training that our sailors will be ready. We will strip everybody from every schoolhouse as an instructor that has already got that high-end knowledge and put them to sea, and plus-up where we need to go, and we will go fight and we will take everything, and we will put it into that fight. Now that is against a high-end near-peer competitor. But we will surge everything we have, and we have sufficient capacity to do that at this point.

One of our assumptions is that if we get into a fight, all this nice time about how long you are at home and how long you are at sea and how much time you get from maintenance goes right out the window and we go fight the fight. We don't stick to a plan just because something, you know, something else happens in the world. Yes, sir.

Mr. COURTNEY. And your testimony, Admiral, earlier was that you feel that, you know, in terms of a near-peer competitor, I mean, right today in the near term we are actually in a strong position to, you know, make sure that our country is protected.

Admiral FANTA. I have sufficient capability and capacity in my large surface combatants. I will not speak for the rest of the Navy. I get to be very parochial in my job. I get to deal with surface warfare only. Of my large surface combatants, to fight that large fight today, against the capability and capacity that I see out there in advanced threats from a near-peer aggressor.

Mr. COURTNEY. So looking out 10 years from now or 15 years from now, I mean, what keeps you up awake in terms of—or at night, rather, what keeps you awake at night thinking about that timeframe?

Admiral FANTA. So I am concerned that I will not be able to modernize, or build new, fast enough to be able to get to the capacity you and the chairman have mentioned, in that 10 plus or minus year period. So I right now, based on what we assume and what we think will happen around the world on build rates of advanced weapons, that is where we start to worry about the capacity and capability. That is where we think that our biggest risk lies right now, and that is what we are judging ourselves against.

Mr. COURTNEY. And the existing shipbuilding plan talks about, again, the number of large surface combatants starting to go up probably within the next decade or so. I mean, does that give you some sort of margin for error?

Admiral FANTA. So my shipbuilding plan in the late teens, early 2020s, exceeds my current 88 number that we have set as a minimum of Navy large surface combatants. I get to just over 100, and then my decision point becomes on whether I can keep the oldest destroyers, that, by the way, I am modernizing first right now with some advanced capability.

If I can keep those to more than 35 years of life then I can stretch them for about 5 years to 40 years of life. These are large capital investments. Surface shipbuilding of any sort is the largest single expenditure other than entitlements the United States Government bestows on any program, so we intend to keep those as long as possible.

Allowing us to keep those to 40 years by maintenance and modernization then keeps me above that 88 minimum requirement well into the mid-2020s, sir.

Mr. COURTNEY. Which just about coincides with the *Ohio* replacement sort of surge in the budget, which again, the shipbuilding plan assumes that future Congresses are going to find money for that, or that we are going to implement our Sea-Based Deterrence Fund to, you know, shield the rest of the fleet. But again, I mean, that is actually not a bad hedge to deal with that challenge, which is going to be, you know, definitely a reality for the Navy in the 2020s.

Admiral MERCADO. Sir, I would say that you have hit on my biggest concern. First of all, since I look across the spectrum, I can say that our assessment is that as a Navy we can deal with a near-peer competitor with some risk. The number that we have talked about here, 88, is the minimum requirement that we see we need to address steady-state requirements, and the most stressing scenario that we see, which is a near-peer competitor fight.

But those numbers also assume that the ships are properly maintained so that they—and used so that they reach their expected service life. If that doesn't happen then that is a concern.

Mr. FORBES. Mr. Conaway is recognized for 5 minutes.

Mr. CONAWAY. Well, thank you.

Thank you, gentlemen. If we had more than one high-end near-peer competitor come at us, the assessment looks like what? At the same time.

Admiral FANTA. If we have more than one high-end near-peer competitor today, as far as numbers we would split our forces and the risk would increase. I cannot tell you that. It depends on the scenario, the ocean, where we are, and how determined we both are.

Admiral MERCADO. My assessment, sir, is based on a single near-peer competitor.

Mr. CONAWAY. Right. Seven-month deployment, existing ships. You guys live this stuff every day. It is second nature, and members of the committee have a little bit better understanding, but we have got to convince other folks in this conference that don't have the insights as to what that looks like and why it is important that we get there. We need graphics or metrics.

Can you describe what, if you take—if you were limited to 7-month deployments with these ships, obviously the other stretch is you are not everywhere you need to be or you want to be, and you are not doing all these other kind of things.

How do we describe to other policy deciders what that gap looks like from if you—you know, if you were just sticking with the 7 month in this deal versus what we give up, where we are not, all those other kind of risks that associate.

Is there a way to put that into graphics and easily understood, you know, 1-minute elevator kind of talk?

Admiral MERCADO. Sir, if you are looking where we are operating today, we have essentially a carrier operating forward deployed in Yokosuka, Japan, a carrier strike group. And we also have a carrier now operating in the Middle East.

So if you talk about what the fleet response plan does, it allows us to maintain at least two carriers deployed, but more importantly, it—

Mr. CONAWAY. But that is with 9-plus month deployments.

Admiral MERCADO. No, sir, this is still with the 7-month deployment construct in a 36-month cycle. But what it does allow us to generate is three additional strike groups ready to surge in an amount of time.

Mr. CONAWAY. So the differential between where we are right now and where you would like to get to is three carrier strike groups.

Admiral MERCADO. Yes, sir. We are at two and we want to build up our capacity to surge to five, with three on standby in a certain amount of time and this will allow us to do that. In the past—

Mr. CONAWAY. But that doesn't get you to 7-month deployments now.

Admiral FANTA. Let me put this.

Mr. CONAWAY. Trying to get you to 7—

Admiral FANTA. Yes, sir. So 7-month deployments. So when we were at almost 600 ships, we were deploying approximately 100 ships at a year across the world. Right now we are at around 300 ships and we are still deploying 100 ships around the world.

When we do that, we stretch these out. When I was in the Middle East, sir, one of my ships went to 11½ months and they set the record for the longest deployment out there.

Mr. CONAWAY. We are on the same side of this. I am just trying to figure out a way. How do I communicate those issues to folks who really don't know much about it and say, all right, here is the risk, here is the gap. If we went to 7 months—if Congress put in the NDAA [National Defense Authorization Act] that you couldn't have a ship at sea more than 7 months out of 36, subject to a fight, you know, we are going to have to say, well, we can't be everywhere we are right now.

Because you are taking whatever ships you have got, and you are stretching across all those requirements to make that happen. I am just trying to get a feel for what we don't get to do if we went to the—if we had the capacity that you wanted.

Admiral FANTA. Yes, sir. If I look at it from that perspective that you are trying to put this in a contextual sense; 7 months out of 36 I miss one birthday or one Christmas every 3 years, all right. I miss one anniversary every 3 years. Right now I am at 9 out of 27, which means I am up at missing 2 birthdays, 2 Christmases, and 2 anniversaries every 2½ years.

If I go and keep going on this path and I hit beyond nine, at that point I don't watch softball games, Christmases, etc.

Admiral MERCADO. Sir, *Carl Vincent* just came back from deployment. She did a little over 9 months, to San Diego, and my son was part of that deployment. I just came from the fleet and we have planned now to schedule our future deployments at 7 months.

Mr. CONAWAY. Okay. Let me ask you this, Admiral Mercado. You mentioned all of government. We want to make sure all of Defense is in this fight. Are there folks just like you at the other services doing the same kind of analysis work on refereeing between all the various things, and then do you guys talk to each other, and how?

Admiral MERCADO. Yes, sir. I have already spoken to my Marine counterpart once. I am fairly new in the job so I am reaching out to my Air Force counterpart. I have not spoken to my Army counterpart as yet.

Mr. CONAWAY. Okay. There may be some value in making sure that you guys all talk to each other.

Yield back. Thank you, Mr. Chairman.

Thanks, gentlemen, for your service and the happy news today.

Mr. FORBES. In a follow-up to Mr. Conaway's questioning, have you guys done any war-gaming in conjunction with our new strategy, and if so, what does that suggest in terms of the additional large surface combatants that we will be needing?

Admiral FANTA. A lot of the war-gaming, sir, we have been doing with the numbers we expect to have. What we do now is we now war-game with advanced weapons capabilities that actually increase the capability of those ships that we will have.

As I said, it takes years to build a ship, so what I am really doing now is increasing the capability of those ships, no matter how many I have and how long I have them, and getting them to be more lethal and getting them to see more, to allow me to have that deterrence so the fight doesn't start.

Mr. FORBES. At some point in time what we would just like for maybe you to do is come over and give us a briefing to follow up with what Mr. Conaway was saying, not of what we are trying to get to but of what the war-gaming would show we would have today if we had to be in one of those fights.

Admiral FANTA. We can do that, yes, sir.

Mr. FORBES. With that we recognize the distinguished lady from Guam, for 5 minutes.

Ms. BORDALLO. Thank you, Mr. Chairman. Admiral Fanta, and of course Admiral Mercado, it is good to see you again. Thank you both for your testimonies today.

My first question is regarding large surface combatants' role in the rebalance strategy. As we continue to rebalance to the Asia-Pacific region, can we assume that this will lead to an increased emphasis on Pacific deployments for amphibious readiness groups and their L-class ships? Either one of you. Just a yes or a no.

Admiral FANTA. So on the large surface combatants, the first capability I have of the advanced capability ships are being deployed to the Pacific, ma'am.

Ms. BORDALLO. Okay. Admiral.

Admiral MERCADO. I think by our presence and how we are increasing our presence and putting our most capable ships there, I think the answer is yes, ma'am.

Ms. BORDALLO. Thank you. Concurrently, recent events in Europe, North Africa, and the Middle East highlight ever-increasing requirements and commitments, despite a decreasing number of large surface combatants.

Now for instance, it is reported that combatant commanders receive less than half of their Amphibious Readiness Groups, Marine Expeditionary Unit requirements. How do we resolve this dilemma?

Admiral MERCADO. Having just come from CENTCOM [U.S. Central Command], that Marine amphibious units and the amphibious

ships that support them are hugely valuable and in high demand, as you know. So I think to support the Marines have established a special purpose MAGTF [Marine Air-Ground Task Force] to increase their presence and enhance their response.

We have to be able to support them, so I know from a force provider standpoint, again, we have to contain two biases: CNO wants us to be forward, and I know whatever we can't provide, you know, that has to be adjudicated.

Ms. BORDALLO. All right, thank you. Now I have one final question. With the proliferation of long-range precision strike missiles and sophisticated anti-access/area denial [A2/AD] systems throughout the Persian Gulf and in the Western Pacific, what is being done to ensure access into these contested regions? And what role do amphibious forces play in peeling back these A2/AD rings to ensure access to contested maritime and littoral domains?

Admiral MERCADO. I would say from a capability standpoint the capabilities that would peel that back would fall primarily on the large surface combatants and the aircraft carriers, along with our partners in the Air Force, and also the submarines, because, you know, that is where we—that is the capability and the capacity that we have to do that to help support and gain access for our amphibious ships.

Ms. BORDALLO. Any comments, Admiral Fanta?

Admiral FANTA. Ma'am, from the perspective of if I have lethal capability on my ships and I shoot first and I shoot further, they have to stay further away. And I get more of a shot and I get more defensive and offensive capability.

From the Marines' amphibious strike groups that are deploying now, we have to understand that they are about to start deploying the Joint Strike Fighter, which is the first fifth-generation fighter we will have at sea, whether that is Navy or Marine Corps, and that will give us a significant advantage in that high-end fight.

Ms. BORDALLO. Thank you very much, Mr. Chairman. I yield back.

Mr. FORBES. I thank the gentlelady, and we recognize now the gentleman from California, Mr. Cook, for 5 minutes.

Mr. COOK. Thank you, Mr. Chair. You answered one of my questions about the F-35B, but this—all the talk about missiles. I am a little bit unclear. I will show my ignorance right now by talking about the Aegis missile system, and particularly the role of the system that is going to be in Romania.

You know, obviously we are going to not be discussing about moving it from point A to point B. Romania is a big anchor to pull up and move, but how do you think this experiment is going to play out in terms of fleet projection if you have got one stationary site there with covering all these different areas there. Is that going to relieve part of the deployment pressure?

Admiral FANTA. So the two things that blend together. One, the Romania site is a defense of Europe site, and from that perspective it is put in a spot that allows us to take care of, without going classified, the most likely threat against that area.

What it adds to is it allows us to move our destroyers, and we have forward deployed four destroyers out of Rota, Spain, to currently cover that mission. It allows us to, one, cover more areas,

and two, cover more missions than just the ballistic missile mission. So those four forward-deployed ships are right now assigned to it and they will see less pressure to be continuously in one or two spots in the ocean to do what Romania will pick up.

Romania plus the future site in Poland will relieve even further the pressure on those forward destroyers that we have there. That is not to say we will pull them back, because that capability is cumulative, but what we will do is now they don't have to stay in that one spot in the ocean for that length of time.

Admiral MERCADO. Yes, sir, you are right. We don't consider that a Navy-unique mission. When I talked about peeling back, before, we made an assumption that all 85 large surface combatants would be BMD-capable, but when we peeled back that onion, it was instructive to assess to see what the force structure we need for Navy-unique missions, and that mission is not Navy-unique.

Mr. COOK. No, and you are right. I know about NATO [North Atlantic Treaty Organization] and everything like that, and Poland. I hope that if that works out well in terms of being a success, and we do have pressures with all these different deployments and we don't come through with all these ships and everything else, I am wondering if at least in terms of gaming this or CPX-ing [command post exercise] it or whatever term you are going to use in the future at the war college or what have you, that that being part of the plan, because obviously it is part of the NATO plan.

I have got my fingers crossed because I am not really sure how that is going to work out.

Admiral FANTA. We have two aspects there, sir. It is part of the plan, it is part of the war games we exercise. I recognize that these ships are forward. They are away from the continental United States and they have their own stresses on them, but if I put two dozen ships over there, I would still have a waiting list of people wanting to go over there and do that mission.

I have to turn people away in droves to go live in Spain and live forward deployed on a destroyer, no matter how tough that mission is and how long they are at sea. So it is a combination of sailors doing what they want to be, forward and operational, and defending our allies throughout the world.

Mr. COOK. Thank you very much. I yield back.

Mr. FORBES. The gentlelady from Florida, Ms. Graham, is recognized for 5 minutes.

Ms. GRAHAM. Thank you, Mr. Chairman. I have quite a large Air Force and Navy presence in my district, the Second Congressional District in Florida, panhandle essentially, and I have heard from both the Air Force, and maybe not so much the Navy, about challenges they face with maintenance.

I was curious. Are you all facing any difficulties with just the maintenance component of keeping your ships ready to go if necessary?

Admiral FANTA. So we for years have been fighting to drive down what we call a backlog in maintenance. We have built up over years of multiple rapid deployments that continuously surged to wherever the hotspot in the world was, we built up a lot of maintenance backlog that we now have to drive down.

Just like the Army or the Marines that were in the desert for years at a time, stress on their equipment now requires that to come back and be reset and recapitalized back in the CONUS [continental United States] to allow them to go through. I have to do the same sort of thing.

The Army puts tanks into depots, the Marines put helicopters into depots to get that long-term deep maintenance done. I have to put ships into depots to get back to what I need, and that is 35 to 40 years of life out of each ship.

Admiral MERCADO. I can also say it is better. Before, it was a concern, we were challenged, we had issues. Having just come from the fleet, and a lot of my ships and carriers were in maintenance, and the maintenance is now getting done. We have just got to now be smart about how we do it, make sure again we start and stop on time, but now we see the surge where we are getting better with our maintenance.

Ms. GRAHAM. That is really good to hear. You mentioned the backlog, Admiral. How long is the backlog, even if it is getting better?

Admiral FANTA. So we have brought it down from approximately 3 years' worth of backlog. We are down to less than a year now. We have put a consolidated amount of effort, time, and resources against this. Both fleet commanders have taken this on personally, both type commanders, the surface forces on both the east and the west coast have taken this on personally.

We have put billions of dollars against getting this backlog down and getting to the point where we can have a knowledge of what is wrong, a plan to fix it. We have a 6-year plan that we can lay out to exactly how much maintenance and modernization has to be done every year to stay on that.

Where we fall short, and frankly, as your colleagues behind you were saying earlier, if we have to all of a sudden surge to a crisis, that takes up time from this. We are not saying we won't go. We will absolutely go, but it takes up time from getting to this backlog.

Ms. GRAHAM. Is maintenance and modernization, are those combined? Are they considered the same or are they different?

Admiral FANTA. Modernization is when I take new systems, as the chairman was alluding to, and put new systems on cruisers, put new systems on destroyers, put new weapons systems throughout the fleet. That is modernization.

Maintenance is a pump breaks, I need to put a new seal in it. I put it back together, I put it back in the ship and the pump keeps working. So we blend those two together a lot of times because it goes in the same time. While I am putting a new radar on the ship, I am also fixing the pumps that have broken during that period of time, ma'am.

Ms. GRAHAM. That is good common sense. Thank you very much. I appreciate your answers very much.

I yield back the balance of my time.

Mr. FORBES. The gentleman from California, Mr. Hunter, is recognized for 5 minutes.

Mr. HUNTER. Thank you, Mr. Chairman. I have just got a simple question. We have been told this whole year, just about by everybody who comes in and briefs the full committee, that all of the

near-peer competitors are very close to matching us technologically. We are all fairly close right now, and it is going to be closer and closer as we go forward and other countries have the same software engineers that we have here for the most part.

So my question is, when does quantity trump quality? Chuck Yeager told a story, when we were flying prop planes in World War II and the Germans had jets, I said, well, gee, that has got to be a hard dogfight. How do you shoot down jets? He said, well, they were all on the ground, we blew them up. Because they were just swarming them. We would just swarm them with prop planes.

That is my first question is, when does quantity trump quality?

Admiral FANTA. So quantity is not just in ships, but it is about weapons systems I can employ. When we talk about capability and capacity, it is not just how many ships I have at sea but how many weapons and how capable those weapons are, and from how many directions I can hit the adversary.

What I want to do is hit him from multiple directions and not even let him leave port, same thing that Chuck Yeager did during World War II. Let me hit him now, let me hit him soon, and if I can't, that is risk to us. If I let him come all the way out, that is risk to us. If I let him continue to get all the way around me so I have got a 360-degree fight, that is risk to us.

Now, I understand that may not always be possible, so we have to both defend and provide offense. We have to give the best capability we have to defend against those jets versus props, as well as now providing an offense to hit them on the ground with bombers before we start.

Admiral MERCADO. Yes, I have to, sir, characterize that in the air realm where I look at is, you know, the best example for me is that modernization, going from, say, fourth-generation to fifth-generation fighters. As our air wings evolve from, say, the F-18E/F and the Joint Strike Fighter, and we start to populate our air wing with more higher end fighters, the faster we can do that, then the exchange ratios between a fifth-generation fighter and a fourth-generation fighter, you know, are what we like.

If we don't do that and we stay onto the fourth-generation model then those exchange ratios aren't really what we want.

Mr. HUNTER. But the numbers you were giving the chairman over there are the numbers of ships. Those numbers were our place technologically versus other people right now, other near-peer competitors technologically. The numbers that you gave them represent that.

So if everybody is even, your numbers change dramatically for us. We would obviously have to have way more because you wouldn't have that technological edge over a near-peer competitor, right?

Admiral FANTA. So if I characterize it from a physics perspective, I think that is maybe the easiest at this point, the faster the missile coming at me and the lower the radar cross-section, if you are talking about advanced capability, the more power I have to put out of my radar and the more processing I take out of my software.

That means that I will have to have more of those radars on more ships around a wider area to handle a 360-degree fight. Sometime in the future when I am fighting in the middle of a 360-

degree battle against high-end weapon systems, I may have to have more ships.

Vic's job right now is to model those numbers and tell you what they are, and that is what he is doing.

Admiral MERCADO. When we look at the numbers, because when we talk about where the 88 number came from, that is after analysis based on a planning scenario against what we call our most stressing environment, which is that near-peer competitor.

That is where we come up with the minimum number to be able to defeat that threat. The minimum number. So your point is well taken. That number does matter. The 11 carriers, 88 large surface combatants, those numbers do matter, but they are minimum.

Mr. HUNTER. Thank you.

Thank you, Mr. Chairman. I yield back.

Mr. FORBES. The gentleman from Virginia, Mr. Wittman, is recognized for 5 minutes.

Mr. WITTMAN. Thank you, Mr. Chairman.

Admiral Fanta, Admiral Mercado, thank you so much for joining us. I want to ask a question related to how aircraft impact our large surface combatants. As you know, the F-35B is in the process of achieving IOC [initial operational capability] as its capability and as, you know, we are bringing on the F-35C, hoping that it gets ramped up, is able to be deployed with our carrier strike groups.

How will the increased capability that comes with those aircraft, both in large-deck amphibs, but also there in the aircraft carrier fleet, how is that going to affect the employment of large surface combatants then as part of carrier strike groups within the overall projection of power within the Navy?

Admiral FANTA. So broadly, the further back I can keep the adversary from shooting with a fifth-generation fighter pushing out deeper into his area, the less missiles come at me. Tactically that is more sensors in the air to look for incoming threats.

Every time we put a fifth-generation aircraft with its sensors in the air, that is more things I have looking for incoming threats, which means the more data I have to my ships, even the large surface combatants, to understand where those threats are coming from and to be ready for it, and to counter that threat well before it gets to me.

So it is both the fight in the long-range, it is the fight in the high end, and it is the number of sensors, advanced sensors I have in the air at any one time.

Admiral MERCADO. I would say, sir, any carrier strike group environment, you know, we always talk about defense in depth. So while we have the number of five surface combatants, three BMD-capable, AAW-capable [anti-aircraft warfare], now we have that layer whereby that Joint Strike Fighter can be that outer ring defense.

It still matters, a fifth-generation fighter against a fifth-generation adversary. And it is complementary, so our ships can help control that Joint Strike Fighter. And then we also have the E-2s and things like that so we can fight alongside as well as our Air Force and Marine brothers.

Mr. WITTMAN. Got you. Let me ask about the 35-B as part of our amphibious—our large-deck amphibs. What does that do to the Navy's ability to project power? Obviously we have our large-deck amphibs that are part of our MAGTFs, but give me perspective on how the Navy looks over all of that F-35B capability on the decks of our large-deck amphibs?

Admiral FANTA. So it is a significant increase over the current Harrier fleet, even with the latest upgrade of the Harriers that carry air-to-air weapons. It is integrated, where a Harrier is essentially a put it up there, tell it where to go, tell it what to shoot, and bring it back. It is integrated into that battle force.

It is integrated with the carriers, the large-deck amphibs, any cruiser, any destroyer, any small surface combatant that is out there. That integration now is what brings us to that next-generation fight. It is not just point, shoot, forget, bring back.

Admiral MERCADO. I think it also gives us huge flexibility, sir, because our carriers cannot be everywhere. Then our large-deck amphibs, they have a battle rhythm and they support specific missions for the COCOMs.

So now if you have the flexibility for a large-deck amphib, with the striking power that a Joint Strike Fighter brings, it gives us much more capability where you may not need a carrier.

Mr. WITTMAN. Got you. I want to go back to an answer of the question that you gave Mr. Hunter when you talked about the number of large surface combatants that are now functioning in the newer environment of A2/AD.

As you said, the structure now for carrier strike group is five large surface combatants with that strike group, but you talked about needing potentially more within that A2/AD environment. Give me your perspective on how many more, and under what type of situations. Would that be in all situations or only in certain situations? Give us a little more refinement because I am interested in the comment that you had about needing more than five in that as part of the carrier strike group.

Admiral FANTA. That five is a baseline number that we use. The higher the fight, the more intense the fight, obviously every commander out there, Admiral Mercado just came back, would like more, and more coverage and more weapons to employ. It is not just about large surface combatants.

And I recognize this hearing is about large surface combatants, but small surface combatants with a heavy antisubmarine capability, integrated into that strike group, now take away some of the pressure of that large surface combatant to have to do that anti-submarine mission while it is also looking for ballistic missile or air threats.

So it is not just I need X number of ships that have to be full-up, large surface combatants. I will need the emphasis of those large surface combatants targeted against the highest threat that is coming at me, and then I will need to relieve some of the pressure on things like antisubmarine warfare with P-8s off the land bases, with littoral combat ships, with helicopters, with submarines in a direct support role, out there providing that screen.

We don't just fight with a carrier strike group and a bunch of destroyers and cruisers. We fight as a Navy, and that will allow me

to essentially do my mission with the number of ships I have, whether that is 5, 6, 7, 10.

As Admiral Mercado and I were talking before we walked in here, if we had the choice, we would walk across the Pacific on the deck of a destroyer, occasionally stubbing our toes stepping down onto a submarine and up onto an aircraft carrier. We would love more but we also recognize I can only build so many, and I need all these ships and all these aircraft and all these submarines and aircraft carriers working together to get me where I need to go.

Admiral MERCADO. Sir, I would add that that is one of the benefits of the Optimized Fleet Response Plan. While we ramp up our training and we have a carrier strike group with five surface combatants, and we run it through its training, what we have done in this construct is with the independent deployers that we have that are primarily trained to fill a BMD demand, what we endeavor to do now is to bring them in with this strike group training.

So now you have a strike group who was deploying and you have independent deployers, maybe two or three DDGs [destroyers], who are going to be out there at the same time. It makes perfect sense to bring them into the training because you never know when you are out there where you need to re-aggregate.

These ships are not just single-mission ships. They are not single-mission BMD ships, so that allows us actually the flexibility to grow if required based on the mission.

Mr. FORBES. The gentleman's time has expired. The gentleman from Rhode Island is recognized for 5 minutes.

Mr. LANGEVIN. Thank you, Mr. Chairman.

Gentlemen, thank you for your service and for your testimony today. Admiral Fanta, I think the last time I saw you I believe we were discussing small surface combatants. So it is good to see you here to talk to the other side of the coin, if you will.

So I have noted with interest Vice Admiral Rowden's article in "Proceedings" earlier this year that talked about distributed lethality and hunter-killer surface action groups. It is an intriguing concept, I believe, and attractive in many ways, but given the mix of capabilities on ship classes involved, in particular with the dearth of defensive anti-air on the *Independence* and *Freedom* classes, I am curious as to how it could affect the demand signal for certain capabilities.

How do you foresee this concept, if applied, affecting the demand for large surface combatants? Would it cause the Navy to reprioritize certain programs such as LCS [littoral combat ship] modernization efforts?

Admiral FANTA. So there is a perception that LCS does not have an anti-air capability. Right now the SeaRAM [anti-ship missile defense system] and RAM [rolling airframe missile] capability I am installing on LCS is one of the most capable weapons in the world against a high-end threat. That is today. That is being installed on LCS today.

There is a misconception that I have to guard LCS against air threats. Right now I am installing that same SeaRAM capability not only on LCS but my high-end destroyers that deploy to various parts of the world that may face those same threats, so I am leveling the force.

As you mentioned, Admiral Rowden's article that we co-authored with both the Surface Forces Atlantic, us, and Admiral Rowden, the idea is, if it floats, it fights. I give every ship the capability of an offensive punch and a defensive punch.

Now that may not be just the capability of an oiler to shoot a ballistic missile down. That is not what we are talking about. But every ship out there should be able to contribute to the fight, to the capability that it has.

As you know, we are looking at the expansion of the LCS program to include what has now been called the frigate, and that will have over-the-horizon missiles. Over-the-horizon missiles knocks the enemy back. It makes him think about every LCS out there as a potential threat.

When we put these defensive systems on LCS, it not only makes it survivable but it makes it lethal to the adversary. We have to be able to make him think about not just large surface combatants, not just aircraft carriers and submarines but about every surface ship that is afloat out there, everywhere that it can deploy from.

Admiral MERCADO. Sir, I would say distributed lethality has huge potential. As we transition our mindset from purely defensive and we give more offensive capability to our surface combatants, that is just another resource for the COCOMs to use in adjusting their plans, you know, against any potential competitor. And once, as this progresses, then that comes back to my shop to do the assessments.

Mr. LANGEVIN. Thank you. Thank you for that answer. Let me turn to something else I spend a lot of time on, and that is directed energy. Can you provide us with an update on your efforts to prepare the surface fleet for the integration of directed energy weapons? What role do you envision those capabilities taking on, both on LCS and other ship classes, that would be covered under the concept of distributed lethality?

Admiral FANTA. So just today Admiral Mercado and I were discussing one of the latest successes in that energy type weapon system. Our forward fleet operating base of *Ponce*, the USS *Ponce* out in the Middle East, shot down multiple drones with a directed energy weapon. Results of that just came back. We are at that level that we can shoot down both—not only dazzle the adversary but we can shoot down his surveillance assets, and we have proven that.

We are expanding that to not only look at drones but high-end weapon systems, and the advances that we have. We are not there yet, but we are close and we are continuing to advance in that.

Admiral MERCADO. In our assessment, sir, munitions matter. Numbers of munitions matter in any type of exchange. So when you can use directed energy or low-cost munitions then that increases your advantage.

Mr. LANGEVIN. Well, I want to again commend the Navy on being forward-leaning on directed energy, more so than any of the services right now. I think this is a capability that is maturing faster than what most people realize, and it is good to see that the Navy has already got something fielded and you are both—it is a test platform but also an active system.

I know my time has expired. I have got a bunch of other questions but I will submit those for the record. Mr. Chairman, I yield back.

Mr. FORBES. We thank the gentleman for his hard work in this area at so many different times.

Mr. Conaway has one follow-up question, then Mr. Courtney.

Mr. CONAWAY. I am a CPA [certified public accountant], so trying to get back to an answer on my ham-handed question. So let's hold 100 ships constant, 9.2 months. That equates to about 27,600 days at sea. You divide that by 210 days, you get 131 ships. So is the differential for this conversation 31 ships additional to get you to 7 months?

Admiral FANTA. The math works, as you said. I won't, because this—

Mr. CONAWAY. Well, I know there are a lot of variables but on the back of a napkin—

Admiral FANTA. At 88 to 90 ships you are at 9 months, 9 months plus. The math works out to around 100 to 105 ships, you are at 8 months. At around 110 or 112 ships, you are at 7 months. The math, you are absolutely right. It is a 0.19 ship availability and that is how you get to that number, sir.

Mr. CONAWAY. I got you. So somewhere in the 25- to 30-ship range, you would be whole at the 7-month deployment.

Admiral FANTA. Holding all else constant, yes, sir.

Mr. CONAWAY. I got you.

I yield back.

Mr. FORBES. It is always good to have a CPA on the committee. [Laughter]

Mr. FORBES. Mr. Courtney.

Mr. COURTNEY. Thank you, Mr. Chairman. We have the force inventory chart which shows the next 30 years for all different categories, which I guess that is kind of what your portfolio, as you are looking over all the time. But as far as the requirement for advanced ballistic missile defense ships, the 40 that we have been talking about and the 33 that we are at today, I mean, we don't have that chart.

Maybe you said this already, but can you just sort of give us some projections starting in 2015? When do we hit the 40 requirement, and will we stay there or will we keep going up or, you know, is there going to be—

Admiral FANTA. I am building them now and I am modernizing to that capability now, so I have the first ships out there already of that advanced capability, of the 40. We start that as a subset. Roughly at the build rate of 2 new ships a year and modernization of approximately 2 destroyers or destroyer/cruisers a year, I will have hit my 40 ships at 2026.

If you increase those numbers by any amount, the soonest I could have them is in 2024½. So if I give you three a year, four a year, five a year basically, you know, I can only build two new ships a year right now. That is kind of constant based on my *Ohio*-replacement numbers, but it is the modernization that moves me up and down on that, whether I move left or right on the 2026 number. That is for the high-end capable ships.

The ships that don't get modernized to that high end will still have ballistic missile capability, and now will make up not only—beyond that 40 will make up the additional ships up to, as has been mentioned, 77 or give or take that number around the world.

Just because I have not upgraded that ship to the highest end capability, it does not mean it is put it off to the side. It is good for that defense of Europe, defense of somewhere else. That defended asset list that I have now got at sea, the advantage of mine is, I am portable. If you change that, if somebody points a ballistic missile at a different part of the world, and I have got ocean space in there, I can put that ship in there.

I hit my 40 number in about 2026 based on the current build and modernization rate.

Mr. FORBES. And Admiral, just to follow up on that, these are very important. You have emphasized how important they are. Why did the Navy take out five of their destroyer modernizations for BMD in the FYDP this year if they were so crucial?

Admiral FANTA. Fiscal challenges.

Mr. FORBES. So it was purely money.

Admiral FANTA. Purely money.

Mr. FORBES. Mr. Langevin I recognize for one additional question.

Mr. LANGEVIN. Thank you, Mr. Chairman.

Admiral, so I have heard a variety of explanations as to why the DDGs are less capable in the air warfare commander [AWC] role in a carrier strike group: lack of staffing, lack of facilities, the more senior and experienced leadership generally found on CGs [cruisers], deeper magazines, et cetera.

Is it a physical or staffing limitation that drives the desire for CGs in the AWC role? Which concerns are able to be mitigated and which are not?

Admiral FANTA. Primarily the physical capabilities of the ship, having two radar deck houses vice one on a destroyer is something—I can't add another deck house to a destroyer. I cannot have that redundancy nor can I add another 30 missiles to a destroyer. That is a physical limitation.

I could make the crew more senior, I could give them more experience, I could put more of them on to the limits of the amount of bunks I have on that ship. I am bunk-limited for the number of people I have on that.

So from the flexibility of the experience, the training and the, to some extent a few more people, I could increase that to—towards the level of that cruiser, but I cannot physically change the dimensions of the destroyer primarily in the amount of redundancy and the amount of weapons it has on board, sir.

Mr. LANGEVIN. Thank you.

Mr. FORBES. Gentlemen, as we mentioned to you earlier, we can't thank you enough for the service you have both given to our country, but we thank you. One of the things we would like to do now is offer you any additional time you need for things that you think are important that we get on the record that maybe no one has asked, or any clarifications you need to make.

Admiral Fanta, why don't we start with you.

Admiral FANTA. Yes, sir. I recognize that there is always a tension between what we have to fight today and what we have to fight tomorrow. There is always risk we will miss something and not catch the latest development by a potential adversary. That is our job to blend those risks back and forth.

There is the risk that I won't fund that key element somewhere that would make the entire—change the entire face of something 10 years down the road. We offer our best estimate on the most risk-mitigated way forward, given what we see as resources today and tomorrow.

What we are recommending is that we blend the large surface combatants to a number of minimum of 88, and exceed that where we can over the next 15 years or so while we are building the *Ohio* replacement, to allow our Nation to recapitalize that one key element that we cannot forsake, and that is our ability to be safe using a nuclear deterrent.

We recognize, as much as I am a parochial surface warfare officer, I recognize also that there is a higher need for some elements of the national defense. I would ask that we can blend those large surface combatants at 88 or above over that period of time where we are recapitalizing this force.

If, sir, you can help us take that off the table and make it all about large surface combatants, we are all in, and from that perspective we are ready to have that conversation on how many and how fast. Thank you, sir.

Mr. FORBES. Thank you.

Admiral.

Admiral MERCADO. Sir, we talked about this a little bit here but my primary concern is warfighting and capability and capacity against that near-peer competitor, like we said. So my biggest concern is downstream is essentially *Ohio* replacement and the potential impact it could have on our capability and capacity if we are tasked to fund that entirely.

So right now we can do, just like Admiral Fanta said in the opening, we can deal with a near-peer competitor with the numbers we have. My concern is the effect on that capability and capacity depending on how we address the build of *Ohio* replacement.

Mr. FORBES. Well, let me just tell you guys to hopefully allay some of your fears. This is probably one of the most bipartisan subcommittees and maybe committees in Congress, and we are the best team we know how to field to do exactly what you want to do. We are going to continue to fight.

We have 321 Members of Congress that agreed with you the other day, and I think that will continue forward, but we are going to fight to make sure that we accomplish those goals that you just laid out for us.

With that, if we don't have any additional questions, thank you both for being here, and we are adjourned.

[Whereupon, at 3:17 p.m., the subcommittee was adjourned.]

A P P E N D I X

JUNE 17, 2015

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

JUNE 17, 2015

**Opening Remarks of the Honorable J. Randy Forbes
for the
Seapower and Projection Forces Hearing on
Capacity of the U.S. Navy to Project Power with Large Surface Combatants
June 17, 2015**

Earlier this year, our committee met with an outside panel of witnesses to discuss the role of surface forces in presence, deterrence and warfighting. Today, the subcommittee plans to continue this discussion and to get a better understanding of the requirements for surface forces and the capabilities and capacities that our cruisers and destroyers can bring to bear. I am particularly pleased to have two distinguished Navy witnesses to testify before our subcommittee:

RADM Vic Mercado, Director, Assessment Division (N81) and RADM Peter Fanta, Director, Surface Warfare (N96).

Thank you all for being here and testifying today.

The Nation faces a number of critical decisions concerning its large surface combatant fleet, and to make these decisions, Congress must be aware of both the growing demands upon our large surface combatants and the Navy's plans to meet them. Our multi-mission cruisers and destroyers are the workhorses of our fleet, and rarely do they receive the same degree of attention that aircraft carriers and submarines do.

I continue to be impressed with the capabilities and technologies that the surface Navy provides to the combatant commanders. The Aegis air and missile defense system is the envy of the world. They are so good that these systems are being sold abroad and replicated in land based, Aegis ashore missile systems. However, the surface Navy may also be a victim of its own success. The Navy large surface combatants are now being tasked with meeting a seemingly insatiable demand for theater ballistic missile defense capabilities, in addition to the carrier strike group escort missions. This BMD support can only be provided at the expense of other surface navy missions.

Looking ahead, this demand for large surface combatant capabilities is likely to grow. The proliferation high end capabilities and the adoption of "anti-access/area-denial" strategies by our competitors suggest that our naval forces will need to operate in a contested environment in which our forces will need 360 degree air and missile defense coverage. In this environment, the defense of our carriers may require more than the 5 air and missile defense-capable escorts assigned to that mission today. In this environment, moreover, our large surface

combatants may face air and ballistic missile threats simultaneously, something that only the ships with the most modern Aegis combat systems can do. Finally, the Navy's new concept of "distributed lethality" calls for "hunter-killer groups" that would create additional demand for surface combatants.

Although the Navy is investing heavily in small surface combatants, these vessels lack the area air warfare capabilities needed to augment cruisers or destroyers in their air and missile defense missions. Indeed, in certain circumstances, these smaller vessels might themselves require a cruiser or destroyer escort.

From a supply perspective, the Navy has implemented an "optimized fleet response plan" to better manage the fleet deployment cycle. The intention is to reduce a typical deployment and increase the predictability and regularity of the overall maintenance/training cycle. Unfortunately, this decision reduces the operational availability of large surface combatants.

Finally, the Navy has also embarked on a modernization of the cruiser force structure that would eliminate 5 Ballistic Missile Defense suites from the cruisers. Furthermore, the Navy would prefer to mothball 11 cruisers for up to 11 years. Once again, both of these actions increase the requirements on existing fleet.

In conclusion, it seems clear to me that demands being placed upon our surface Navy exceed the limited supply of large surface combatants. The increasing BMD requirements, the complexity of war in an A2/AD environment, the new concept of distributed lethality, and the air warfare limitations on the Littoral Combat Ship are all contributing to an increase in requirements. At the same time, the supply of large surface combatants is decreasing because of the slow pace of large surface combatant modernization, a new deployment model, and the Navy's plans to inactivate cruisers.

To reverse this decline, we need to take steps to increase our large surface combatant force structure and accelerate our modernization efforts. I look forward to better understanding from our witnesses which door the Navy chooses. It is important that we maintain a fleet of large surface combatants that provides our commanders with the capabilities and capacities they need to fight and win in future conflicts.

With that, I turn to the ranking member of the subcommittee, Mr. Courtney.

NOT FOR PUBLICATION UNTIL RELEASED BY THE
HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON SEAPOWER AND PROJECTION
FORCES

STATEMENT

OF

REAR ADMIRAL VICTORINO MERCADO
DEPUTY CHIEF OF NAVAL OPERATIONS
DIRECTOR, ASSESSMENT DIVISION

AND

REAR ADMIRAL PETER FANTA
DEPUTY CHIEF OF NAVAL OPERATIONS
DIRECTOR, SURFACE WARFARE DIVISION

BEFORE THE

SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES OF THE
HOUSE ARMED SERVICES COMMITTEE

ON

CAPACITY OF THE U.S. NAVY TO PROJECT POWER WITH LARGE SURFACE
COMBATANTS

JUNE 17, 2015

NOT FOR PUBLICATION UNTIL RELEASED BY THE
HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES

Mr. Chairman, Representative Courtney, and distinguished members of the subcommittee, thank you for the opportunity to appear before you today to address the Navy's capacity to project power with large surface combatants (LSCs).

To protect U.S. national interests and achieve the objectives of the 2015 National Security Strategy, and in order to credibly deter potential adversaries and prevent them from achieving their objectives, the United States must maintain its ability to project power in areas in which our access and freedom to operate are challenged. Accordingly, the U.S. military will invest as required to ensure its ability to operate effectively in anti-access and area denial (A2/AD) environments. Navy's LSC fleet, comprised of guided missile cruisers (CGs) and guided missile destroyers (DDGs), are vital to achieving our power projection objectives. These are multi-role warships – capable of launching Tomahawk cruise missiles to strike strategic or tactical targets, firing long-range Standard Missiles for defense against aircraft or anti-ship missiles, launching anti-surface weapons at threats over the horizon, employing their sonar systems and their embarked helicopters to perform anti-submarine missions, and providing naval surface fire support to Marines conducting littoral maneuver and subsequent operations ashore – fulfill broad power projection mission requirements both independently and in conjunction with strike groups.

The Fiscal Year (FY) 2016 President's Budget submission is informed by the 2014 Quadrennial Defense Review (QDR), which implements the 2012 Defense Strategic Guidance (DSG) and continues our efforts to ensure our ability to protect the homeland, build security globally, and project power and win decisively. It represents the bare minimum to execute the DSG in the world we face. The cumulative effect of significant budget shortfalls over the last three years has forced the Navy to accept high risk in two of the most challenging DSG missions that depend on adequate numbers of modern, responsive forces: *Deter and Defeat Aggression* and *Project Power Despite Anti-Access/Area Denial Challenges*. For the latter, there is greater risk if the Navy is confronted with a technologically advanced adversary compared to our FY 2014 President's Budget, the last budget to fully meet all of the missions of the DSG. This is principally due to the slower delivery of new critical capabilities, particularly in air and missile defense, and overall ordnance capacity.

Force Structure Assessment

Navy's Force Structure Assessment (FSA) determines the long-term requirements for the numbers and types of ships to provide the capabilities needed to meet the Secretary of Defense

(SECDEF)-assigned Combatant Commander (COCOM) objectives, from peacetime theater security cooperation efforts through warfighting. The FSA produces an objective number of each type of ship, based on capabilities provided by those ships, to meet the future steady state and warfighting requirements determined by the Navy's analytic process, with an acceptable degree of risk (e.g., does not jeopardize joint force campaign success).

Navy conducts an FSA when there is significant change in SECDEF's guidance concerning either the national defense strategy or the specific military objectives assigned to the COCOMs. The FSA directly informs Navy's 30-year shipbuilding plan, which provides a plan to achieve the FSA mix of ships, by quantity and type, and describes the resources necessary for implementation of the plan.

In 2014, Navy conducted an update to the 2012 FSA in compliance with the FY 2015 HASC Committee Report 113-446 that accompanied H.R. 4435. The Navy reviewed changes, below the strategic guidance level, that had the potential to impact the long-term Naval Battle Force requirement. Those changes included: the instruction governing general guidance for the classification of naval vessels and ship counting procedures was updated and subsequently modified by FY15 NDAA language; a new presence requirement was identified; the 2014 Defense Planning Guidance (DPG) was released; strategic laydown was revised and employment cycles were modified.

The 2014 update to the 2012 FSA resulted in a total requirement of 308 ships: 11 CVN, 88 LSCs, 48 attack submarines, 12 SSBN, 34 amphibious ships, 52 small surface combatants, 10 JHSV, 29 combat logistics force ships, and 24 command and support ships. Of particular note, the combination of employment cycle changes, home porting of additional LSCs forward, shifting of the Ballistic Missile Defense (BMD) of land mission to ashore assets, and independent deployment of DDG 1000s results in no change to the LSC objective of 88 ships. However, the 2014 FSA update did provide the additional detail that 40 LSCs require advanced BMD capabilities to meet Navy-unique requirements to provide defense of the sea base and expeditionary land base sites, and 11 LSCs require the ability to support an embarked Air Defense Commander.

LSC Procurement

The *Arleigh Burke* class (DDG 51) program remains one of the Navy's most successful shipbuilding programs – 62 ships are currently operating in the Fleet. The first four DDG 51

Flight IIA restart ships are currently under construction and DDG 113, the first restart ship, will deliver in FY 2016 as the first ship built from the keel up with advanced BMD capability. The FY 2016 President's Budget includes funding for two destroyers to execute the fourth year of the current ten ship multi-year procurement contract. The first of these ships will be a Flight IIA and will incorporate the latest Integrated Air and Missile Defense (IAMD) capability. The second ship will introduce the next flight upgrade, known as Flight III, which incorporates the Air and Missile Defense Radar (AMDR), designated as AN/SPY-6. AN/SPY-6 is the future multi-mission radar of the Navy's surface combatant fleet, which will meet the growing cruise and ballistic missile threat by improving radar sensitivity and enabling longer range detection for engagement of increasingly complex threats. The AN/SPY-6 radar suite will be capable of providing simultaneous surveillance and engagement support for long range BMD and area air defense.

Navy BMD continues to be in high demand, as COCOM demand has increased from 44 in FY 2012-2014 to 77 in FY 2016. As mentioned previously, the 2014 update to the 2012 Force Structure Assessment sets the requirement at 40 advanced capable BMD ships, as part of the 88 LSC requirement, to meet Navy unique requirements to support defense of the sea base and limited expeditionary land base sites. To better meet COCOM demand and the Navy unique requirement, Navy is building advanced BMD capability in new construction destroyers and modernizing existing destroyers with advanced BMD capability. The basic and intermediate capable BMD ships remaining in inventory will continue to contribute to the sourcing of COCOM requests independent of the Navy unique requirement. Navy continues to meet 100% of Secretary of Defense adjudicated requirements.

The DDG 1000 *Zumwalt* class guided missile destroyer will be an optimally crewed, multi-mission, surface combatant designed to provide long-range, precision, naval surface fire support to Marines conducting littoral maneuver and subsequent operations ashore. In addition to the ship's two 155mm Advanced Gun Systems capable of engaging targets with the Long Range Land Attack Projectiles (LRLAP), the ship will be capable of conducting Anti-Submarine Warfare (ASW), land attack, and will provide valuable advancements in technology such as signature reduction (both acoustic and radar cross-section), enhanced survivability features, shipboard automation, and an Integrated Power System (IPS) capable of generating 78 megawatts of power - providing tremendous growth opportunity for future systems.

Cruiser Modernization

The FY 2016 President's Budget implements the CG modernization plan as modified by the FY 2015 NDAA and Consolidated and Further Continuing Appropriations Act. This plan will provide the means to retain the best ADC capabilities through the 2030s. This plan paces the threat through the installation of the latest technological advances in combat systems and engineering in CGs 63-73. As a result, these ships remain relevant and viable, extending the CGs service life out to 40 years and enabling the Navy to sustain dominant force structure. To date, the Navy has modernized CGs 52-58 with the Advanced Capability Build (ACB) 08 Combat System as well as substantial Hull, Mechanical, and Electrical (HM&E) upgrades, and has completed modernization on CGs 59, 60, and 62 with the improved ACB 12. These investments have allowed these 11 ships of the *Ticonderoga* class to remain the world's premier ADC platforms.

In the FY 2015 President's Budget, the Navy proposed an affordable framework to retain the remaining eleven cruisers (CG 63-73) in the active Fleet, through induction into a phased modernization period. Under this plan, the final CG retirement would have occurred in 2045, at a significantly reduced cost to the Navy, and would have relieved pressure on the shipbuilding account largely consumed in the 2030s with building OHIO-replacement SSBNs and aircraft carriers.

Following Congressional direction in the FY15 National Defense Authorization Act and Consolidated and Further Continuing Appropriations Act, the Navy revised its CG modernization program to the "2-4-6" plan. Under this approach, the Navy will begin inducting no more than two CGs per year in FY 2015, will retain them in a phased modernization status for no more than four years, and will limit the number of CGs in modernization to no more than six.

The Navy will begin the modernization of these ships with material assessments, detailed availability planning, and material procurements. Subsequently, the Navy will perform HM&E upgrades, critical structural repairs, and extensive corrective and condition-based maintenance. These HM&E modernization and repair efforts will commence as soon as possible after entering this modernization period, and will include modernization industrial periods. The HM&E-centric maintenance and modernization industrial periods will include modifications that are part of the Cruiser Modernization program of record, such as structural modifications and maintenance, including tanks and voids, and mission life extension alterations. Other preparatory work for the combat system modernization, such as equipment removal and space

preparations may also be accomplished during these periods. These modernization industrial periods can be scheduled at times when there is a shortage of work in the various homeports, thereby leveling the work load and effectively utilizing industrial facilities. Without the pressure of meeting near term Fleet deployment schedules, the work can be planned in the most economical and efficient manner, including reducing the need for costly overtime rates and hiring subcontractors to supplement shipyard workforce. The final phase of the modernization period will include combat system installation, integration, and testing. This will occur concurrently with re-crewing the ship, immediately preceding re-introduction to the Fleet. With combat systems modernization occurring immediately prior to restoration, these ships will have the latest combat systems upgrades, thus mitigating the risk and cost of technical obsolescence. The Navy intends to draw down the manpower for these CGs during their modernization, to reduce the cruiser costs during the period.

The Navy is finalizing plans to induct USS COWPENS (CG 63) and USS GETTYSBURG (CG 64) in FY 2015. The Navy has procured the equipment required to modernize these two ships through the use of the Ships Modernization, Operations and Sustainment Fund (SMOSF) and has also programmed nearly \$1 billion in the Future Years Defense Program (FYDP) towards CG modernization.

Destroyer Modernization

The FY 2016 President's Budget also includes funding for the modernization of four destroyers. To counter emerging threats from peer competitor nations, the Navy must look to upgrade existing capability in order to reduce risk to our forces to acceptable levels until we are able to procure sufficient SPY-6 equipped DDGs. This investment is critical to sustain combat effectiveness, reach the required number of advanced BMD capable ships to meet the Navy requirement, and to achieve the full expected service lives of the Aegis Fleet. The destroyer modernization program includes HM&E upgrades, advances in warfighting capability including advanced BMD capability and Navy Integrated Fire Control Counter Air (NIFC-CA), and open architecture combat systems. This renovation reduces total ownership costs and expands mission capability for current and future combat capabilities. However, due to fiscal constraints, we were compelled to reduce the combat system modernization of one DDG Flight IIA per year starting in FY 2018.

Increasing Surface Force Lethality

In addition to building the future Fleet and modernizing the current Fleet, the FY 2016 President's Budget increases the lethality of the Surface Force in the areas of Integrated Air and Missile Defense (IAMD), Anti-Submarine Warfare (ASW), and Anti-Surface Warfare (ASuW). Examples include the Tomahawk recertification effort beginning in FY 2019 to improve weapon capability in the second half of its service life, procurements of advanced active weapons such as SM-6, and investment in a Next Generation Land Attack Weapon (NGLAW) that will achieve Initial Operating Capability (IOC) in the mid- 2020s. Additionally, the Navy is conducting an Analysis of Alternatives (AoA) for a surface launched offensive anti-surface warfare (OASuW) weapon.

Future Surface Combatants

With the planned retirement of cruisers and destroyers beginning in 2020 and 2026 respectively, the Navy is in the early phase of planning for the future surface combatant force. Capabilities Based Assessments will begin this year and are expected to complete in 2016. These assessments will identify capability gaps, capacity shortfalls, and risks in the surface combatant force in the context of the Navy's projected roles and missions in the mid-21st century. Future ships will continue to ensure our Navy's ability to project power and operate effectively in A2/AD environments.

Sequestration

If sequestration returns in FY 2016, a revisit and revision of the defense strategy would be necessary. The Navy would be unable to execute two missions of the DSG: *Deter and Defeat Aggression* and *Project Power Despite Anti-Access/Area Denial Challenges*. For the latter, the major challenges include inadequate power projection capacity; too few strike fighter, command/control, and electronic warfare assets; limited advanced radar and missile capacity; and insufficient munitions. With limited ability to mitigate the impacts as we did in FY 2013, sequestration in FY 2016 would force the Navy to further delay critical warfighting capabilities, reduce readiness of forces needed for contingency response, further downsize weapons capacity, and forego or stretch force structure procurements as a last resort. The Navy's capability and

capacity to meet operational requirements over the long-term will be reduced, including our ability to deploy forces on the timeline required by COCOMs in the event of a contingency.

Summary

Navy continues to instill affordability and stability into its large surface combatant force, and remains focused on providing global presence, sea-control, mission flexibility, and when necessary, power projection. The FY 2016 President's Budget provides the best compromise between fiscal constraints and a path to attain force structure requirements, accepting risk while modernizing our current fleet and building a future Fleet with the capabilities required to support the defense strategy. Fiscal uncertainty – and sequestration in particular – remain the most significant threats to our ability to reach this goal. We thank you for your continued efforts for national security and request your support of the Navy's FY 2016 President's Budget.



REAR ADMIRAL VICTORINO G. "VIC" MERCADO

Rear Adm. Mercado graduated from the U.S. Naval Academy in May 1983 with a Bachelor of Science in Mathematics/Computer Science.

His career as a surface warfare officer includes assignments aboard USS Leftwich (DD 984), USS Valley Forge (CG 50), USS Antietam (CG 54), USS Curtis Wilbur (DDG 54), culminating with command of USS Decatur (DDG 73) during an accelerated deployment with the John C. Stennis Battle Group in support of Operation Enduring Freedom – Afghanistan and United Nations sanctions on Iraq. He subsequently commanded Destroyer Squadron 21 with additional duties as sea combat commander for the John C. Stennis Carrier Strike Group.

Ashore, he completed a tour with the Navy's engineering and acquisition community as the command, control, communications and intelligence warfare systems engineering manager for the AEGIS Program Manager (PMS 400), served as an action officer and vice director, Navy Staff for Staff Operations and Special Events (OPNAV N09BX), as the national defense legislative fellow for Sen. Edward M. Kennedy, and later led the Commander's Action Group for the Commander, U.S. Pacific Fleet. On the Joint Staff, he served as the joint staff lead in the JCS Strategy Group, as assistant deputy director, Global Strategic Partnerships (J-5), as executive assistant to the Director, Strategic Plans and Policy (J-5), and as executive assistant to the Chairman of the Joint Chiefs of Staff. After the Joint Staff, he served as the military assistant to the Deputy Secretary of Defense.

His flag officer tours include Deputy Director, Surface Warfare Division (N96) on the staff of the Chief of Naval Operations, and Vice Director, Strategy, Plans, and Policy (J5) at U.S. Central Command. Most recently Mercado commanded Carrier Strike Group 8 and Harry S. Truman Carrier Strike Group.

Mercado holds a master's degree in Systems Technology in Joint Command, Control, and Communications from the Naval Postgraduate School in Monterey, completed Air Command and Staff College, and is a graduate and a Commandant's Writing Award winner from the Joint/Combined Warfighting Senior School at Joint Forces Staff College. He is also a former Commander in Chief, U.S. Pacific Fleet Shiphandler of the Year award winner.

His decorations include the Defense Superior Service Medal (3), the Legion of Merit Medal (2), and various individual and unit campaign awards.

Updated: 20 April 2015



**REAR ADMIRAL PETER FANTA
DIRECTOR, SURFACE WARFARE (N96)**

A native of Manitowoc, Wisconsin, Rear Admiral Peter Fanta graduated from the U.S. Naval Academy in 1983.

Fanta's operational tours include: commander, Expeditionary Strike Group 5, commander, Amphibious Squadron 2 and Bataan Expeditionary Strike Group; command of USS Rushmore (LSD 47) and USS Falcon (MHC 59), combat systems and weapons officer for USS John Paul Jones (DDG 53); chief engineer on USS Pegasus (PHM 1); and 1st lieutenant and damage control assistant on USS Coontz (DDG 40).

Fanta's shore tours include: deputy director for Resources and Acquisition (J8); director, Ballistic Missile Defense and Combat Systems Integration, Surface Warfare Division (N86F); executive assistant to the Assistant Secretary of the Navy (Financial Management and Comptroller); senior fellow, Chief of Naval Operations Strategic Studies Group; chief, Programming and Budget Joint Staff (J8); chief, Programming Branch, Navy (OPNAV N8); chief, Programming Branch, Naval Personnel (OPNAV N12); Surface Warfare assignments officer, Bureau of Personnel and gas turbine engineering instructor, Navy Surface Warfare School.

Fanta holds a Master of Public Administration from Harvard University, and a Master of Science in National Security and Strategic Studies from the U.S. Naval War College.

His personal awards include the Defense Superior Service Medal (two awards), Legion of Merit (four awards), Meritorious Service Medal (two awards), Navy and Marine Corps Commendation Medal (three awards), and various campaign and unit decoration.

