

**Statement**

**Of**

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## **INTRODUCTION**

Thank you Mr. Chairman, Ranking Member Dent and distinguished members of the Committee. My name is Dennis Schrader and I serve as the Deputy Administrator for the National Preparedness Directorate (NPD) of the Federal Emergency Management Agency (FEMA). As you know, FEMA is a component of the Department of Homeland Security (DHS). On behalf of Secretary Chertoff and Administrator Paulison, it is a pleasure to appear before you today to discuss the National Exercise Program (NEP) and Top Officials 4 (TOPOFF) Full Scale Exercise.

## **NATIONAL EXERCISE PROGRAM: BACKGROUND**

Exercises play an instrumental role in preparing the Nation to respond to natural disasters, acts of terrorism and other public emergencies. In addition to providing homeland security officials an opportunity to practice critical prevention, protection, response and recovery functions, exercises are a forum for evaluating the adequacy of existing capabilities, plans, policies and procedures. Exercises, and the lessons learned from them, allow the Nation to more effectively target investments to continue to improve the broader cycle of preparedness including planning, training, and equipping our emergency response community.

DHS, in coordination with the Homeland Security Council and in response to requirements of Homeland Security Presidential Directive 8 (HSPD-8), the Homeland Security Act of 2002, and The Federal Response to Hurricane Katrina: Lessons Learned, developed and established the NEP. The purpose of the NEP is to support, through various exercises, the mechanisms to examine and improve the Nation's ability to prevent, prepare for, respond to and recover from terrorist attacks, major disasters and other emergencies. The focus of the NEP spans Federal, State, local, Tribal, and private sector efforts to organize and conduct synchronized exercise activities. An effective NEP will strengthen delivery of Federal preparedness assistance to State and local governments as well as improved preparedness capabilities of Federal, State, and local entities.

NEP activities provide emergency responders and policymakers with the tools to plan, organize, conduct, and evaluate exercises as well as a disciplined approach to analyzing findings from exercises. The NEP not only provides opportunities to practice and test capabilities, policies, plans and procedures, but it also highlights potential shortfalls through the processes of after-action reporting and subsequent improvement activities.

Prior to the NEP, there was no formal approach to prioritizing, scheduling and improvement planning for exercises. This lack of coordination resulted in activities that competed for resources, contributed to exercise fatigue, and were based on conflicting standards for exercise design, conduct and evaluation. The NEP is designed to provide a framework for prioritizing and focusing Federal and State exercise activities to best utilize departments', agencies' and jurisdictions' limited time and resources, as well as to

ensure Federal, State, and local exercises lead to significant improvements in policies, plans and performance.

The NEP is both a National and an interagency program. It serves as the principal mechanism for examining the preparation and efficiency of national leaders, their staffs, the organizations and systems they lead, as well as to examine and adopt policy changes. The NEP does not preclude or replace individual departments' and agencies' exercise programs. Rather, it is the overarching exercise program that unifies homeland security preparedness exercise strategies and links appropriate department and agency exercises to provide a single, comprehensive exercise program.

The NEP and the supporting NEP Implementation Plan (I-Plan) reflect interagency coordination and broad State and local participation. Key components of the NEP I-Plan:

- Require senior officers of the U.S. Government to participate in named exercise activities;
- Require Federal departments and agencies to properly budget exercises and resources to ensure appropriate levels of participation in exercises; and
- Require that Departments, agencies, or offices responsible for coordinating exercises adhere to the principles of the NEP.

At the State and local level, key elements of the NEP are designed to facilitate development of cooperative exercise coordination among and between Federal, State, local, and Tribal preparedness efforts. Language in preparedness grant programs specifically references and authorizes State and local activities that support development of integrated exercise activities.

## **NEP COMPONENTS**

The NEP consists of a series of national exercises projected on a five-year calendar. These exercises occur as either National-level exercises (NLEs) or Principles-level exercises (PLEs). The NEP uses a tiered exercise system to differentiate the various types and sizes of exercises. The four tiers are:

- Tier I exercises have a U.S. Government-wide Strategy and Policy Focus requiring participation of all appropriate department and agency heads (or deputies) and all necessary operations centers;
- Tier II exercises are exercises that focus on Federal strategy and policy, and involve appropriate participation through the National Simulation Exercise Center, or as determined by the involved departments' and agencies' leadership. Tier II exercises take precedence over Tier III exercise support (in the event of resource conflicts);
- Tier III exercises are other Federal Exercises with operational, tactical or regional organizational focus. Participation is at the discretion of department or agency; and

- Tier IV exercises are exercises that have a State, Territorial, local, Tribal and/or private sector focus.

The tiered system was designed to compel better participation in exercises. Previously, exercise activities were being significantly impeded due to limited agency participation. Exercises that involve the necessary departments and agencies for a given scenario create the most realistic response environment. When one or many departments or agencies are not able to participate, due to planning or resource constraints, the goal of an exercise is only partially realized, and therefore the results are not optimal.

The NEP implements a strategic planning cycle to guide the Tier I exercises, or NLEs. Central to this cycle is the Five-Year Schedule, which will incorporate policy priorities into the strategic scheduling of NLEs, around which departments and agencies can establish supporting training and exercise activities to identify and refine issues beforehand. The Tier I NLEs will be executed on a four-year subject-specific cycle with rotating focus on:

- Administration Transition Training;
- Domestic Natural Disasters;
- National Security; and
- Domestic Terrorism.

To complement the more comprehensive NLEs defined above, the NEP calls for four annual discussion-based PLEs. The PLEs require the participation of all appropriate department and agency heads (or their deputies). One of the PLEs will serve as a preparatory event for an annual Tier 1 NLE.

In addition to guiding exercise activities, the NEP provides several components to enhance exercise planning at all implementation phases. These programs include: the Corrective Action Program (CAP), the Homeland Security Exercise and Evaluation Program (HSEEP), and the HSEEP Toolkit.

#### *Corrective Action Program*

Once exercises are successfully planned and conducted, the Corrective Action Program (CAP) provides for systematically developing, prioritizing, tracking, and analyzing corrective actions for improving exercises, and the planning, training, and equipment which drives the cycle of preparation. The CAP also provides transferability to real-world incidents and policy discussions by employing a stakeholder-driven approach to improvement planning at the Federal interagency, intra-DHS, and State/local levels. Essentially, the CAP provides a systematic means to prevent recurring problems and identify potential “corrective actions” and “lessons learned,” which respectively incorporate the *CAP System* and the web-based Lessons Learned Information Sharing support systems (found at *LLIS.gov*). All lessons learned and best practices are broadly shared through the LLIS.gov on-line tool. The CAP completes the cycle of preparedness

by ensuring that exercise evaluation and real-world incidents consistently yield concrete advancement toward specified preparedness goals.

### *Homeland Security Exercise and Evaluation Program*

The HSEEP is the policy and guidance component of the NEP, and serves to standardize exercise design, development, conduct, and evaluation for all (National-level, Federal, State, and local) exercises by establishing common language and concepts to be adopted and used by various agencies and organizations. HSEEP aims to synchronize all exercises in the Nation in addition to providing tools and resources for States and local jurisdictions to establish self-sustaining exercise programs. Through its development, HSEEP operates in accordance with the goals of the National Response Plan (NRP), and the National Incident Management System (NIMS). Exercise planners are provided numerous tools to support their efforts to design and conduct an HSEEP-compliant exercise including: the HSEEP Policy and Guidance Volumes, HSEEP website (*hseep.dhs.gov*), and the HSEEP Mobile Training Course.

The HSEEP policy and guidance provides a building-block approach to assist planners in preparations for various types of exercises. The building-block approach focuses on exposing participants to a cycle of training and exercises that escalates in complexity, with each exercise designed to build upon the last, in terms of scale and subject matter. For example, a building-block series of exercises may include a seminar, which leads to a tabletop exercise, which leads to a full-scale exercise (FSE). In many cases, this approach offers participants the opportunity to reexamine and review their plans, policies, and procedures prior to executing an exercise as well as to build working relationships essential for responding to a real world emergency. Many exercise planners have stated that the opportunity to build such relationships prior to a real world incident is invaluable and one of the major benefits to this approach. Thus, a strong planning foundation is achieved, prior to the actual exercise, which provides tremendous value to the preparedness cycle.

### **TOP OFFICIALS (“TOPOFF”) 4 Full-Scale Exercise**

#### *Overview*

This year’s Tier I NLE exercise is Top Officials (or TOPOFF) 4, the National Domestic Counterterrorism Exercise Series that is the Nation’s premier terrorism preparedness exercise program involving top officials at every level of government, as well as representatives from the international community and private sector. The TOPOFF 4 exercise, to be held October 15-20 of this year, is the cornerstone of the National Exercise Program (NEP) and is a Tier I National Level Exercise for FY 2008.

The TOPOFF program in general and TOPOFF 4 in particular are centered on U.S. Government-wide strategy and policy-related issues. In this sense, they are designed to address the priorities of the U.S. government in its entirety, and do not focus on individual issues at the department or agency level. To achieve this U.S. government-wide goal, TOPOFF 4 will be organized around *one* of the 15 national planning

scenarios—Scenario 11, use of a radiological dispersal device (RDD). TOPOFF 4 will require Federal, State, local, and private sector players to respond to multiple, simultaneous RDD attacks on American soil.

The exercise will be executed with the participation of all appropriate Cabinet-level secretaries or their deputies, and will include the activation of all necessary operations centers to accurately simulate a truly national response to these major terrorist incidents. This will include the utilization of all five elements of the National Operations Center and the FEMA Region IX and X Regional Response Coordination Centers. In addition, the FEMA Emergency Response Teams and Federal Incident Response Support Teams as well as DHS Situational Awareness Teams will activate in each of the venues and will simulate the establishment of a Joint Field Office in accordance with the latest National Response Framework guidance.

For TOPOFF 4, approximately 15,000 Federal, State, territorial, and local officials will participate in a robust, full-scale response to a multi-faceted terrorist threat in three primary venues: Guam, Oregon, and Arizona. In each of these venues, exercise participants will be expected to mobilize their prevention and response capabilities, make difficult decisions, and carry out essential emergency response and recovery functions.

In addition, the TOPOFF 4 exercise will use a single, common scenario in each of the venues to test prevention, response, and recovery capabilities; it will allow for the synchronization of National, Federal, State, local, and private sector plans; it will test a common evaluation standard; and it will incorporate lessons learned, best practices, and corrective actions identified in previous TOPOFF exercises.

#### *Partners*

Our partners in this exercise include over 40 agencies, departments, and offices throughout the federal interagency community, the White House (i.e., Homeland Security Council (HSC) and National Security Council (NSC)), representatives from Oregon, Guam, and Arizona, several nongovernmental and private sector organizations, and several international partners. (Australia, Canada, and the United Kingdom have all agreed to participate in the exercise, and more than 30 other countries and international organizations will serve as exercise observers.)

#### *Goals*

The goals of TOPOFF 4 are threefold. First and foremost, to assess the Nation's capability to prevent, respond to, and recover from realistic and threat-based acts of terrorism. Second, to examine relationships between Federal, State, local, and Tribal jurisdictions and the private sector in response to a realistic and challenging series of integrated, geographically dispersed terrorist threats and attacks. And third, to use performance-based objectives to evaluate the interaction between Federal, State, local, and private sector emergency preparedness, prevention, response, and recovery plans, policies, and procedures.

Achieving each of these goals under the umbrella of one national-level exercise, allows the U.S. government—and its State, local, private sector, and international exercise partners—to test its ability to respond to a major incident, identify gaps in performance and take concrete steps towards improvement of the Nation’s ability to prevent, respond to, and recover from terrorist attacks.

### **NEP: THE WAY AHEAD**

The NEP requires Departments and Agencies to fully fund their respective responsibilities within the NEP. Because that requirement falls after the proposed budget cycle, fiscal years 2007 and 2008 will be considered transitory and be devoted to attaining full operational capability to support the NEP Concept of Operations.

Elements of the National Exercise Program already exist and are positively contributing to achieving a more unified preparedness exercise strategy, through tools such as the Nation Exercise Schedule (NEXS), CAP, and LLIS. Still, the NEP is a work in progress. As with any program involving myriad partners, the NEP is reliant on the full participation of its participants and adherents. NEP systems can be flawlessly designed, efficient, and user friendly, but will only succeed through an ongoing, diligent, and ever-improving contribution of all involved. Departments and Agencies will need to continue to input exercise events in NEXS, continue to adhere to the CAP, and be proactive in providing material for LLIS, for the NEP to be truly successful. The NEP will be strengthened and improved upon as partners continue to develop stronger adherence to its principles.

Continued adherence to NEP principles and programs will yield constructive results for those involved, both financially and for planning purposes. For example, in the near future, exercise partners—be they interagency partners or State and local governments—will have a clearer picture of what is expected of them for future exercises through the Five-Year Schedule. Once events have been determined and placed on the Schedule, exercise partners will understand their commitments years in advance, and such commitment will be successfully clarified incrementally as the time nears for the exercise’s execution. The NEP will enable participants to adequately plan and finance their responsibilities.

Over time, principles of the NEP will be universally adopted by the Federal interagency community and with State and local partners. A fully operational NEP will bring our Nation one step closer to achieving a truly organized and unified preparedness exercise strategy.

The Post Katrina Emergency Management Reform Act requirement to integrate more systematically the FEMA Regional Administrators into preparedness efforts is being accounted for in the development and implementation of the National Exercise Program. Future TOPOFF exercise activities will focus on multiple FEMA regions. A comprehensive review of NEP activities is underway to identify assets that can be directly applied to ensure the FEMA Regions have a means to participate in exercise

planning and coordination, across all NEP defined Tiers, including a prominent role in coordinating with States, local and Tribal jurisdictions within their designated areas.

Going forward, we anticipate not only relying upon the regions to assist in developing future NLE activities, but to gain maximum benefit from the operational linkages the Regional Administrators and their Preparedness teams develop across the forward deployed 'Federal family' located within their respective regions. We envision the NEP structure and FEMA Regional involvement will greatly enhance 'vertical coordination' of exercise priorities across the entire Federal government.

We also envision that FEMA regional preparedness teams will play a primary role in assessing preparedness within their regions. A key component of that responsibility will derive from observations taken from exercise activities that are reported and acted upon in concert with the Corrective Action Program.

Mr. Chairman, this concludes my statement. I thank you for your attention and will be happy to answer any questions you may have.