

Statement of
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Committee

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Chairman Carper, Senator Coburn and distinguished committee members, thank you for the opportunity to appear before you to discuss strategic airlift, a critical capability for the Nation and our warfighters. Whether by air, land or sea, the United States Transportation Command (USTRANSCOM), serves as the "quarterback" of the Joint Deployment and Distribution Enterprise (JDDE), whose purpose is to project national security capabilities, provide end-to-end visibility of forces and sustainment in transit, and rapidly respond to support joint logistics requirements. Through our component commands, the Air Force's Air Mobility Command (AMC), the Navy's Military Sealift Command (MSC), the Army's Military Surface Deployment and Distribution Command (SDDC) and our national and commercial partners, we execute military and commercial transportation, terminal management, aerial refueling and global patient movement through the Defense Transportation System (DTS). In addition to our transportation mission and specifically the airlift piece pertaining to today's hearing, USTRANSCOM, as the Department of Defense (DOD) Distribution Process Owner (DPO), is leading a collaborative effort with JDDE partners across the defense logistics community to increase the precision, reliability and efficiency of the DOD supply chain. By increasing collaboration, employing expeditionary tools, streamlined systems, adapting our business models and ensuring an appropriate mix of lift assets we fulfill our obligations and "keep our promise" to our warfighters and the Nation, today and tomorrow.

AIRLIFT IN 2007

Ensuring the appropriate mix of lift assets is vitally important given the scope of what the airlift fleet provides across the globe. Our airlift requirements in support of the Global War on Terrorism (GWOT), Operation NOBLE EAGLE (ONE), Operation IRAQI FREEDOM (OIF) and Operation ENDURING FREEDOM (OEF) are noteworthy. Since the start of 2007, AMC has moved over 947,000 passengers on deployment, redeployment and rest and recuperation missions, an achievement accomplished in collaboration with our commercial industry partners, as they provide us with a cost efficient and effective means of moving our service personnel. This important balanced relationship with our commercial industry partners allowed organic aircraft to airlift 118,000 short

tons (stons) of vital cargo into the United States Central Command (USCENTCOM) theater.

The rapid and efficient transportation of Mine Resistant Ambush Protected (MRAP) vehicles from the United States into USCENTCOM is a top priority. In addition to the hundreds of MRAP vehicles acquired under the purview of the MRAP Joint Program Office, USTRANSCOM is also simultaneously moving other MRAP-like vehicles (such as RG-31 from South Africa) to Iraq and Afghanistan. Due to the critical nature of these life-saving vehicles we are currently delivering them predominately by strategic airlift.

Our ability to expand airlift capacity to support the increase in airlift requirements, especially in light of major force rotations, is a direct result of our commercial partner relationships. The use of contracted commercial aircraft expands USTRANSCOM's global capacity to transport outsized cargo such as the MRAP vehicle, while freeing up organic aircraft to satisfy other military unique/high priority requirements. Since April 17, 2007, 126 aircraft (60 percent commercially contracted and 40 percent organic USTRANSCOM assets) have airlifted 282 MRAP vehicles from Charleston Air Force Base, SC to theater. As of September 5, 2007, a total of more than 875 MRAP and MRAP-like vehicles (including 289 RG-31 vehicles from South Africa) have been delivered to USCENTCOM.

Despite the additional MRAP requirements, we continue to satisfy ongoing force rotations with up to 1,000 mobility sorties flown per day. This very high operations tempo equates to over 350,000 mobility aircraft departures per year or one every 90 seconds.

In addition to current USCENTCOM priorities, USTRANSCOM also supports other theaters including operations to the Antarctic continent as part of Operation DEEP FREEZE. Spanning from August to January and supported by the Air Force, Navy and Coast Guard for over fifty years, DEEP FREEZE is possibly the US military's most difficult peacetime mission. Strategic airlift support last year included 57 C-17 airlift missions, a record breaking number, from New Zealand to Antarctica, moving nearly 5,000 passengers and 4 million pounds of cargo. Additionally we flew over 400 LC-130 airlift missions on the Antarctic continent, moving over 1,000 passengers and 5 million pounds of

cargo. We also supported other airlift such as emergency aeromedical evacuations.

Perhaps the most important of all our missions, but the least heralded, is the movement of injured soldiers, sailors, marines, airmen and civilians from the battlefield or the far reaches of Antarctica to world-class medical treatment facilities. This is a complex, time-sensitive, process requiring close collaboration with doctors, military hospitals and our aero-medical evacuation crews to ensure that combat wounded or injured personnel move at exactly the correct time to the correct place - and this process works superbly. In 2007 over 7,700 patients were moved out of the USCENTCOM theater and over 11,000 patients were moved globally.

Our aging airborne tanker fleet, a key force multiplier, also performed at unprecedented levels. AMC tankers delivered over 110 million gallons of fuel to US and coalition aircraft in support of Operations OEF/OIF. They play a critical role in securing the skies over our cities in support of Operation Noble Eagle. Our tankers flew over 223 sorties and offloaded 1.6 million gallons of fuel to replenish over 530 combat air patrol fighters and support aircraft guarding against terrorist attack within our borders.

MAINTAINING AIRLIFT READINESS

As we look to the future, rapid global mobility will be a key enabler to the effectiveness of the joint force. As response times for forces shrink from weeks to hours, our ability to rapidly aggregate and then move operational capabilities forward will depend on versatile, ready and effective mobility forces.

The Mobility Capabilities Study (MCS), completed in 2005, concluded that the capability provided by the then programmed airlift fleet of 180 C-17s and 112 modernized and reliability improved C-5s support the National Military Strategy with acceptable risk. As such, the programmed fleet, fully modernized and augmented with the capability of the Civil Reserve Airlift Fleet (CRAF), provides sufficient airlift capacity to meet strategic and operational objectives during large-scale deployments, while supporting other high priority operations and supporting forward deployed forces.

USTRANSCOM needs the outsized and oversized capability provided by the fleet of C-17 and C-5 strategic airlift aircraft and relies on their viability to meet the airlift demands of our national defense strategy. The C-17 is, and will continue to be a key strategic airlift asset as we approach the end of the multi-year procurement program of 180 C-17s, with the Fiscal Year 2007 Bridge Supplemental extending the fleet to 190 aircraft. It is a highly productive platform with a departure reliability rate at approximately 92 percent and a mission capable (MC) rate at approximately 86 percent.

An essential companion to the C-17, necessary to meet known mobility requirements is the fleet of fully modernized C-5s. In contrast to the C-17, in FY 07 (through July 31, 2007) the C-5 had the lowest departure reliability and mission capable rates within the AMC fleet at about 80 percent and 54 percent respectfully. In addition to deficient departure reliability and MC rates, the C-5 cost per flying hour is the highest in the command with the high sustainment costs stemming from the propulsion and flight control systems. The C-5 modernization program was implemented to address these deficiencies.

Investment in C-5 modernization, consisting of the Avionics Modernization Program (AMP) and the Reliability Enhancement and Re-engining Program (RERP) will deliver needed capability for the warfighter through the year 2040. Such investment improves force closure and increases the number of available C-5s with unmatched outsized and oversized, roll-on / roll-off capability, and is offset by reduced cost of operation. The modernization includes avionics upgrades, new engines and other reliability enhancements to increase aircraft availability, enable access to international airspace and foreign airfields, while reducing fuel consumption and lowering operations costs.

The RERP test program is currently flying three modified aircraft, two C-5Bs and one C-5A, with excellent results, but we are concerned with rising costs of the modification program. The operational outcome of C-5 modernization will have a direct impact on the amount of capacity the C-17 will shoulder compared to other aircraft in the airlift mix.

In terms of organic capacity, too much "aluminum" is just as counterproductive as not enough. In other words, whether the C-5 RERP is totally or partially successful, the fleet mix between C-17s and C-5s should be calibrated as necessary to ensure we don't over-build the overall organic capacity to the detriment of other strategic necessities such as the modernization of the aging tanker fleet or sustaining the viability of our commercial partners, vital in both peacetime and at war. In short, we need to exercise the tradespace within the organic airlift fleet to maximize our organic airlift capabilities without sacrificing essential investment in KC-X or threatening the viability of our CRAF partners.

My top airlift priority remains to work with the Air Force to recapitalize our aging tanker fleet. The current fleet consists of 500 Eisenhower-era KC-135s and 59 Reagan-era KC-10s. The Air Force needs to recapitalize its KC-135 fleet with the next generation tanker, the KC-X, as well as retire those remaining KC-135s that are no longer able to fly or are mission ineffective. The KC-X must be a dual-mission aircraft capable of multi-point refueling, have significant cargo and passenger carrying capability, and be equipped with appropriate defensive systems. The KC-X will not only fulfill its primary refueling role, but also provide an array of enhanced mobility solutions. A tailored cargo and passenger carrying capability will multiply our transportation options and mitigate wear on the C-17 and C-5.

MAINTAINING PARTNERSHIPS

Critical to the success of any enterprise is mutually supporting relationships with partner organizations, and our enterprise is no different. A critical partner in our nation's ability to project and sustain forces is a viable CRAF fleet.

Together with our military airlifters, the ability to activate ready civilian crews and aircraft allows us to respond rapidly at the beginning of any contingency or natural disaster. Likewise, non-activated CRAF volunteers currently provide the long term capability to sustain our forces, conduct unit rotations, and provide safe and secure rest and recuperation flights, working hand in hand with our organic airlift fleet.

The continued success of CRAF relies upon the strength of our US-flagged airlines. Although the U.S. airline industry has recovered from the worst of its post-9/11 challenges, we must ensure sufficient incentives exist to continue our successful, voluntary partnership into the future.

We are already looking toward the post-OEF/OIF timeframe when wartime requirements will begin to subside. Given the eventual smaller overseas force posture and the need to maintain peacetime readiness of our organic fleet, the amount of peacetime business we can offer to CRAF carriers will likewise diminish. In order to maximize the leverage provided by the remaining business, we have proposed and encourage support for the Assured Business initiative, reflected in the current Senate version of the FY08 Authorization Bill. By changing the way in which we allocate peacetime business to our CRAF partners without adding to the cost of commercial airlift, this initiative will allow us to provide greater certainty in our annual contracts, providing improved incentives to all carriers for continued participation in the CRAF, especially to the smaller carriers who need such certainty to secure aircraft leases and aircrews for the next business year.

Finally, with regard to the CRAF program, it is essential that action be taken to reauthorize the Aviation War Risk Insurance program under Chapter 443 of title 49, which is set to expire at the end of March 2008. The ability of our CRAF partners to fly missions in support of operations in a combat theater like our current operations in Iraq and Afghanistan is completely dependent upon the replacement insurance coverage this program provides. Without such coverage, the CRAF program is at serious risk.

FINAL THOUGHTS

As the Geographic Combatant Commanders (GCC) reorient their capabilities and forces to be more agile in the Global War on Terrorism, to prepare for increasingly asymmetrical challenges around the world and to hedge against uncertainty in the longer term, so must USTRANSCOM rethink our capabilities, forces and processes. We are implementing enterprise-wide changes to ensure that our organization, its processes and procedures support GCC needs.

Our readiness and modernization initiatives will ensure the combatant commander's ability to swiftly engage and defeat America's enemies or provide

relief to populations in need. Air mobility is one of the DOD's crown jewels. It provides the airlift and air refueling capability our Nation needs, for military actions, response to natural disaster, or domestic emergencies. With an eye to the future, USTRANSCOM must field forces, systems and processes that move America's military might greater distances more quickly but with a business sense for cost, value and efficiency.

I could not be prouder of the USTRANSCOM team and our national partners. Today, we are supporting the GWOT while providing consistent precision and velocity to ensure delivery of combat forces and humanitarian relief in support of national objectives. Together we are transforming the military deployment and distribution system, ensuring our nation's ability to project national military power to engage America's enemies or support our friends whenever and wherever the need may arise. In all of this, a promise given by us will be a promise kept.