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**Before the Senate Armed Services**  
**Seapower Subcommittee**  
**On the State of the Command**

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## INTRODUCING THE UNITED STATES TRANSPORTATION COMMAND

### (USTRANSCOM)

As we enter a new year, our nation remains globally engaged with terrorist entities whose stated aims continue to threaten the freedoms we, as Americans, all know and cherish. United States military forces remain deployed worldwide to combat this menace. Simultaneously, we are engaged in monumental nation-building efforts in Southwest Asia, multiple peacekeeping operations in locations worldwide, and on guard against a continued threat on the Korean Peninsula. The heavy demands on American forces highlight the dangerous and unstable world environment existing today.

As a combatant command uniquely structured to execute a global mission, USTRANSCOM provides air, land, and sea transportation for the Department of Defense (DOD), in peace and war. USTRANSCOM provides the synchronized transportation and sustainment which makes possible projecting and maintaining national power where needed, with the greatest speed and agility, the highest efficiency, and the most reliable level of trust and accuracy. To accomplish USTRANSCOM's day-to-day joint mission, we rely upon our component commands: the Air Force's Air Mobility Command (AMC), the Navy's Military Sealift Command (MSC), and the Army's (Military) Surface Deployment and Distribution Command (SDDC) (formerly known as the Military Traffic Management Command). The component commands provide mobility forces and assets in a force structure supporting a seamless transition from peace to war. USTRANSCOM functions as an integrated team, focusing the total synergy of the entire Defense Transportation System (DTS), including both military and commercial transportation assets.

USTRANSCOM's imperative is to provide consummate support to the warfighter. Simply put, we have three wartime mission objectives:

1. Get the warfighter to the fight.
2. Sustain the warfighter during the fight.

3. Bring the warfighter home after the fight.

Today's regional combatant commanders rely more heavily than ever on the strenuously tasked mobility forces as the number of missions and challenges facing them continues to increase. It is important to note that USTRANSCOM is only postured--from a force structure perspective--as a one major war force. Regardless, USTRANSCOM supports not one, but all other combatant commanders simultaneously, placing a premium on our lift assets. Additionally, USTRANSCOM's ability to support multiple competing demands is constrained by access and force flow dynamics. Our limited transportation assets rely on an optimized force flow to meet demands. In a dynamic political-military environment, requirements can quickly exceed capabilities.

USTRANSCOM's approach to posturing and improving itself to meet DOD's demanding distribution mission today and the increasing demands of tomorrow requires flexibility. Three themes guide our course:

- *Theme One:* Investing in the care and quality of USTRANSCOM's most valuable resource--its people.
- *Theme Two:* Continued transformation of key processes leveraged by Information Technology to provide seamless, end-to-end distribution management for defense.
- *Theme Three:* Maintaining readiness and modernization to perform our global mobility mission.

#### **USTRANSCOM in 2003 and 2004**

The operational tempo (OPTEMPO) inherent in the build-up and execution of Operation IRAQI FREEDOM (OIF), the continued prosecution of Operation ENDURING FREEDOM (OEF), and the ongoing support to Operation NOBLE EAGLE (ONE) made 2003 a challenging and truly rewarding period in USTRANSCOM's history. The statistics are mind-boggling: between September 2001 and February 2004, USTRANSCOM moved 3,072,471 short tons of cargo, 1.79 billion

gallons of fuel, and 1,189,968 troops in support of OEF/OIF. Here is the big picture - in the largest and most demanding test of our total lift capability since Operation DESERT SHIELD/DESERT STORM, USTRANSCOM delivered the necessary combat power to Iraq faster and more efficiently than ever before. The men and women of USTRANSCOM, in concert with our Service partners and commercial teammates, have performed brilliantly.

Our military's freedom to operate overseas is possible only through the continued defense of our homeland, and USTRANSCOM remains an integral part of that defense, as it has been since the terrorist attacks of 11 September 2001 (9/11). AMC KC-135 and KC-10 air tanker aircraft, representing Active Duty, Air Force Reserve, and Air National Guard assets, have continuously supported Air Force combat aircraft patrolling the skies of the Continental United States (CONUS) in support of ONE and other routine duties.

AMC tankers flew 1,704 missions refueling 3,684 receivers while supporting combat air patrols over our major cities and sporting events, continuing one of the highest air refueling operational tempos ever experienced within CONUS. Over 75 percent of these were Air Force Reserve and Air National Guard missions flown by volunteer "citizen-airmen." Additionally, while today's actual number is classified, I can tell you that the majority of the airlift on alert to respond to any United States Northern Command (USNORTHCOM) deployment order belongs to the Air National Guard and Air Force Reserve. Since the beginning of FY03, USTRANSCOM aircraft have carried 1,618 passengers and 461 short tons of cargo in the course of 29 airlift missions in support of ONE.

While concurrently providing global support to all combatant commands, we focused considerable effort and assets toward ensuring the successful execution of OEF/OIF. OEF/OIF now ranks as the largest passenger airlift in history. Only the Berlin Airlift (1948-49) exceeds it in terms of number of

missions and tonnage flown, with OEF/OIF airlift moving 882,609 short tons of cargo to date.

Airlift played an integral part in expediting critical shipments and facilitating force maneuver. A spectacular example of this capability began on the night of 26 March 2003, when AMC C-17 aircraft successfully airdropped 1,000 paratroopers of the Army's 173rd Airborne Brigade into Northern Iraq to bolster anti-Saddam Kurdish forces after Turkey's refusal to permit the U.S. use of ports and forward bases. This was the largest air insertion since 1989's Operation JUST CAUSE in Panama. Subsequent to the airdrop, C-17s executed a larger movement over five evenings, flying 62 missions from Italy into airfields in Northern Iraq. They deployed 2,000 additional troops, more than 400 vehicles, and 3,000 short tons of supplies and equipment, solidifying coalition combat power on the northern front.

AMC air tanker crews were instrumental in the initial success of OIF operations, completing 2,000 refueling missions through 1 May 2003 in support of strategic airlift and inter-theater deployments. To date, AMC KC-135 and KC-10 crews had completed 4,768 refueling missions in support of United States Central Command (USCENTCOM) operations. Tanker assets under the operational control of USCENTCOM amassed over 9,000 sorties with more than 40,000 receiver contacts, offloading over 475 million pounds of fuel through the end of the fiscal year to sustain critical CENTCOM warfighting operations. Additionally, OEF support in the United States Pacific Command's (USPACOM) area of responsibility (AOR) accounted for an additional 163 air refueling missions.

During the build-up for OIF, USTRANSCOM planners focused on maximizing the utilization of sealift whenever possible and avoided the reliance on airlift that characterized the initial phase of OEF in 2001. The total sealift tonnage greatly surpassed the tonnage airlifted to Southwest Asia in support of OIF. With the cooperation of USCENTCOM leadership, USTRANSCOM

achieved a more effective balance between airlift and sealift in guiding mobility operations. This collaboration, combined with the skills of SDDC port managers and MSC vessel operators, resulted in the deployment of 910,000 short tons on 155 voyages between December 2002 and 1 May 2003. From 1 May 2003 to date, an additional 68 voyages brought over 433,000 short tons to Iraq and the surrounding area for a grand total of over 1.3 million short tons delivered via sealift. Some 76 voyages redeployed more than 556,000 short tons during that same period. By striving to leverage sealift first in deployment operations, USCENTCOM and USTRANSCOM took advantage of a sealift fleet greatly expanded and modernized since 1991.

In striking contrast to past practice, we successfully implemented a "force packaging" strategy during OIF that synchronized the movement of combat-ready modules of unit equipment ("force packages"). This strategy allowed units like the Army's 101<sup>st</sup> Airborne Division to quickly and coherently assemble upon debarkation overseas. SDDC loaded the entire division, nearly 4,000 vehicles and 250 helicopters, on only five vessels that offloaded overseas in just a 12-day period, adding striking power to the combatant commander's arsenal in a fraction of the time required during Operation DESERT SHIELD/DESERT STORM. It ensured the integrity and rapid availability of a combat-effective fighting force far faster than the prior piecemeal movement of unit equipment.

USTRANSCOM relies on its commercial transportation industry partners and associated labor organizations to provide significant transportation capability during contingencies. OEF and OIF are no exception. Participation by commercial passenger airline and maritime companies gave AMC, MSC, and SDDC a vital extra edge in moving forces and equipment to support operations in Iraq. Chartered aircraft moved 78 percent of deploying troops during the build-up and 85 percent of deploying troops during the major combat operations. On 8 February 2003, 51 passenger aircraft from 11

commercial companies activated under Stage I of the Civil Reserve Air Fleet (CRAF). CRAF aircraft deployed 254,000 troops on 1,625 missions through 18 June 2003 when the aircraft were deactivated. Similarly, the number of ships under MSC's operational control supporting sealift operations jumped from a "normal" of approximately 22 ships to a peak of 127, including 40 government-owned ships from the Maritime Administration's (MARAD's) Ready Reserve Force (RRF). This transition from a peacetime environment to a contingency footing enabled USTRANSCOM to deploy the military equipment and supplies needed to support OEF/OIF operations. In fact of the total 1,189,968 passengers moved during OEF/OIF, 75 percent were moved by commercial means, and 25 percent by organic airlift.

The Large Medium Speed Roll-On/Roll-Off (LMSR) vessel emerged as USTRANSCOM's strategic sealift success story. Procured based upon the lessons of Operation DESERT SHIELD/DESERT STORM, 18 LMSRs completed 38 total voyages during initial OIF deployment operations, lifting more than 5.3 million square feet of cargo. This was approximately 26 percent of the total requirement. By comparison, one LMSR in OIF carried the equivalent of six commercial charter ships during Operation DESERT SHIELD/DESERT STORM. From another perspective, it requires 300 C-17s to deliver the amount of cargo carried by one LMSR. Of the 3.1M short tons moved during OIF/OEF, 74 percent was moved by surface, 26 percent by air (past 6 months, 85 percent moved by surface, 15 percent by air). Of that 74 percent moved by surface, 37 percent was moved by commercial charter and liner service.

The intensive combat operations experienced during OIF significantly increased the patient movement OPTEMPO in the USCENTCOM AOR. USTRANSCOM's Joint Patient Movement Requirements Center (JPMRC) originally deployed to the theater supporting OEF. There they performed as a patient movement management cell coordinating the movement, aeromedical and otherwise, of sick and wounded personnel from the AOR to higher levels of care in Europe and the

United States. The JPMRC maintained 100 percent in-transit visibility (ITV) of patients entering the patient movement system via the TRANSCOM Regulating & Command and Control Evacuation System (TRAC2ES). Coupled with the ability to utilize aircraft within the theater of operations or in-system to quickly respond to casualty movement requirements, aeromedical evacuation (AE) forces have successfully moved over 17,000 patients from the USCENTCOM area of operations to date. The JPMRC ensured the most seriously ill or injured individuals quickly reached higher-level medical care. More than 9,800 of those movements occurred between 19 March and 30 September 2003, with a total of 1,993 patient movements during the 42 days of major OIF combat operations, 19 March through 1 May 2003. Not a single patient died while in the capable hands of USTRANSCOM's AE professionals during that period.

Additionally, TRAC2ES has become the centerpiece of homeland defense patient movement planning. With "lift-bed planning" capability, TRAC2ES is key to managing large numbers of casualties that might occur during natural disasters or terrorist attacks. Further development is planned to integrate TRAC2ES fully within the National Disaster Medical System.

USTRANSCOM continued its contributions to the OEF-related detention of large numbers of al-Qaeda, Taliban, and other detainees at Guantanamo Bay, Cuba detention facility in support of the United States Southern Command (USSOUTHCOM). USTRANSCOM airlift missions sustained detention operations through the movement of over 7,000 passengers (U.S. military personnel as well as over 100 detainees) and 133 short tons of supplies throughout the fiscal year. Detainee missions required intense security methods and the support of 45 air refueling missions to move to and from Guantanamo Bay. In a twist from the previous year, these missions included the repatriation of detainees released from the facility once it was determined they no longer posed a threat to U.S. interests. With the significant numbers of detainees remaining at Guantanamo Bay, we continue to transport necessary supplies and

equipment via barge from Jacksonville, Florida, averaging 440 short tons per week.

Despite the extraordinary focus required to conduct support operations for ONE/OEF/OIF and other contingencies, USTRANSCOM continued to support the rotation of U.S. forces participating in other contingency and peacekeeping operations around the globe. Prior to the completion of Operations NORTHERN and SOUTHERN WATCH at the initiation of OIF combat operations, USTRANSCOM delivered over 13,400 passengers and 3,300 short tons of cargo via airlift to locations in Turkey and Kuwait. In Kosovo (KFOR) and Bosnia (SFOR), a combination of commercial and organic airlift transported more than 18,000 passengers and 1,080 short tons of cargo to and from the area. Meanwhile, surface and sealift components loaded and transported another 5,040 short tons in support of these long-standing operations. Additionally, from July to September 2003, USTRANSCOM airlift elements delivered 764 passengers and 798 short tons of cargo to Senegal in support of Liberian peacekeeping operations.

USTRANSCOM continued support to over 130 Combatant Command and Joint Staff-sponsored exercises during FY03. These are some of the more notable ones. From February through April of 2003, USTRANSCOM supported the Reception, Staging, Onward Movement, and Integration (RSOI) Exercise in the Republic of Korea via the airlift of 5,805 passengers and 597 short tons of cargo, and the sealift of an additional 715 short tons. From February through July of 2003, USTRANSCOM supported Exercise COBRA GOLD in Thailand through the airlift of 11,166 passengers and 784 short tons of cargo, and the sealift of 21,142 short tons of supplies and equipment. From June through September 2003, USTRANSCOM assets once again supported deterrence on the Korean Peninsula, this time delivering 6,922 passengers and 615 short tons of cargo via airlift, and an additional 3,614 short tons of equipment via sealift for Exercise ULCHI-FOCUS LENS (UFL).

The Command also actively participated in the planning and execution of several other key exercises instrumental to improving DOD's ability to deploy and sustain forces. Exercise TURBO INTERMODAL SURGE (TIS) exercised deployment of unit equipment from home station to deployed locations using commercial intermodal container systems and container ships. Exercise TURBO CONTAINERIZED AMMUNITION DISTRIBUTION SYSTEM (CADS) exercised the movement of containerized munitions from CONUS depots to installations overseas using commercial and DOD intermodal systems. Finally, Exercise JOINT LOGISTICS OVER-THE-SHORE (JLOTS) demonstrated the capability to offload/onload vessels off-shore for deployment/sustainment operations in a port-restricted environment. JLOTS techniques and equipment utilized in Kuwait in support of OIF were key to the successful deployment of munitions and sustainment cargo, providing a ready solution to the restricted port environment encountered there.

Not all operations were contingency or exercise-focused. AMC aircraft flying in support of Operation DEEP FREEZE, the ongoing National Science Foundation (NSF) research program in Antarctica, delivered a total of 7,802 passengers and 2,310 short tons of cargo. Four MSC-chartered vessels delivered an additional 12,745 short tons of dry cargo and 14 million gallons of fuel for the NSF community. As a side note, USTRANSCOM fully supports the United States Coast Guard's (USCG's) efforts to enhance its ability to maintain the sea ice channel to McMurdo Station through reliability improvement and service life extension projects for its aging Polar Class icebreaker fleet. These two vessels, the United States Coast Guard Cutter (USCGC) Polar Star and USCGC Polar Sea, are critical to keeping the vital sea lines of communication for sustainment open to Antarctica.

Humanitarian relief operations on Guam after Super Typhoon Pongsona in December 2002 required a mixture of 24 military and commercial airlift missions to deliver 108 passengers and 1,165 short tons of humanitarian

relief supplies. In February 2003, USTRANSCOM supported recovery efforts after the tragic Space Shuttle Columbia mishap via six total airlift missions. Finally, in October 2003, AMC C-130s configured with the Modular Airborne Fire Fighting System performed 60 drops (over 16,000 gallons of retardant) to help extinguish the California forest fires, preventing further loss of lives and property in the region.

USTRANSCOM also continued high priority and time sensitive airlift support for the President of the United States. AMC aircraft completed a total of 234 airlift missions in support of the President, flying the Commander in Chief to Mexico, the Azores, Northern Ireland, Europe, Southwest Asia, Africa, the Western Pacific, the United Kingdom, and Iraq.

#### **People: USTRANSCOM's Greatest Asset**

To meet America's transportation challenges, USTRANSCOM must first continue to develop and retain a talented and motivated mobility team. USTRANSCOM's strength, readiness, and warfighting capability depends upon these exceptional people and their extraordinary efforts to execute USTRANSCOM's global mission every day. Throughout DOD, we must remain sensitive to pay and quality of life issues and their associated effects on our service members. Meeting the needs of our people leads to increased readiness and higher retention and is absolutely the right thing to do.

In addition to compensation considerations, OPTEMPO, personnel tempo, and increased home station workload are other factors that negatively impact our retention efforts. Our personnel spend a great deal of time away from home. Those not deployed must work harder to compensate for deployed personnel and training time lost to previous deployments. Our peacetime workload is often as heavy for active duty personnel as wartime, and is even more arduous for our guardsmen and reservists. They must balance high OPTEMPO demands with the stresses of civilian careers. USTRANSCOM and our components have taken steps, such as using Army National Guard security forces to augment base

security, to mitigate the effects of the unprecedented peacetime OPTEMPO. We are taking additional measures, such as increasing support manning and aircrew-to-aircraft ratios to the new levels required. Nevertheless, many members are leaving for more stable and predictable civilian careers. Now is the time to correct the people-to-mission mismatch.

Another USTRANSCOM area of concern is the availability of a sufficient number of qualified civilian mariners willing and available to fulfill the additional requirements created by the activation and long-term operation of MSC and MARAD surge sealift vessels. Volunteer commercial mariners crew the surge vessels. The decline in U.S. flagged fleet size, increased training requirements, and more attractive shore-side employment have led to a decrease in the number of fully qualified mariners. Fortunately, mariner availability was sufficient to consistently ensure on-time vessel activation of the 50-plus ships supporting OEF/OIF, to include Fast Sealift Ships (FSS), LMSRs, a hospital ship, and numerous MARAD RRF ships. Since the entire surge fleet was not activated and because no wholesale crew rotations were required for OEF/OIF, there remains uncertainty regarding the ability of the maritime industry and maritime labor unions to produce an adequate number of fully trained and qualified mariners to fulfill the additional requirements created by the full activation of all MSC and MARAD surge vessels for a prolonged period. However, in the future, there are no guarantees that sufficient mariners will be available when needed.

USTRANSCOM, MSC, SDDC, and MARAD support the maintenance of a viable U.S. mariner pool through enforcement of cargo preference requirements, support for the Maritime Security Program (MSP), and vigorous maritime training and education. MSC has initiated a collaborative effort with USTRANSCOM and MARAD, in concert with the maritime industry, to revalidate and compare the peacetime/wartime requirements of mariner qualifications and availability in order to specifically identify potential shortfalls. Initial comparison of

requirements against qualified mariners indicated potential shortfalls of certain unlicensed mariners during a worst-case scenario if all surge assets are activated for the long term (i.e., greater than six months), requiring a full rotation of all crew billets. Further, MARAD's 2002 Mariner Survey regarding mariner "willingness and availability" to sail when requested also predicts potential shortfalls in both licensed and unlicensed mariners during a worst-case scenario. As a result, we continue to urge the Administration and Congress to support programs to promote the expansion of the U.S. merchant mariner pool.

Support for our people is required in other areas as well. The increase in the Basic Allowance for Housing (BAH) in the past few years, brought about through DOD's Housing Requirements and Market Analysis Program and BAH Initiative, has had an extremely positive impact on the quality of life of our military members and their families. With these recent BAH increases, more service members are finding it easier to locate affordable housing within their local areas. Continued Congressional support to ensure out-of-pocket expenses are eliminated will help more service members locate affordable and suitable housing within their communities.

The movement of service members' personal property in conjunction with their reassignment is a major quality of life issue. SDDC is currently developing the Families First Program, a comprehensive plan to significantly revamp DOD household goods movements beginning in October 2005. A significant change for service members under Families First is their empowerment to determine which quality carrier will accomplish their particular move. SDDC's method of distributing household goods traffic to carriers will be based 70 percent on customer satisfaction and 30 percent on cost, rightly placing the needs of the service member first. Another advantage under the program is the inclusion of Full Replacement Value (FRV) for loss or damage to personal property transported at Government expense, a

significant quality of life enhancement. Section 634 of the FY04 Defense Authorization Act provides DOD with the authority to contract with industry for FRV. Currently, agencies do not pay their employees or military members for loss and damage beyond a depreciated amount established by claims service regulations. As a result, personnel who are frequently required to relocate their families suffer from aggregate effects of uncompensated losses to their families' possessions during the period of their government or military service. SDDC will continue partnering with industry and the Services to ensure further progress on this significant issue.

Recent command headquarters restructuring efforts, both at USTRANSCOM and within our component commands, have led to numerous personnel placement actions and other transition requirements. Mindful of the turmoil such events can have on individuals' lives, both military and civilian, USTRANSCOM is working to ensure all affected employees receive the level of transition assistance, training, and placement options they require to continue their government careers successfully or transition to the private sector. We must be particularly mindful of the value of our civilian employees.

Increasingly, we rely on civilian employees to make informed decisions and take decisive actions in regard to evolving missions in the War on Terror (WOT). Motivated and talented people are key to our success, and thus we must attract and retain the best civilian personnel, whether they ultimately remain within the USTRANSCOM family, or contribute elsewhere within the government at large.

Together, Congress and DOD have made great strides in our people programs. This year's legislation must continue to reaffirm a commitment to take care of our civilian employees, service members, and their families as they, in like manner, commit to a career of service to our country. As leaders, we must remain mindful of how important it is that we win the battle for the hearts and minds of these talented men and women and their families.

## **Transformation and Process Improvement**

### **Information Technology: Our Key Enabler**

USTRANSCOM is an information-intensive command. Despite technology advances, planes, trucks, trains, and ships only move so fast. Similarly, geographic hurdles remain relatively fixed for our physical assets. Hence, Information Technology (IT) is the enabler for collaborative, dynamic decision-making and global command and control to deliver the speed, effectiveness, and efficiency of USTRANSCOM's operations; and, it is not IT alone, but the combination of IT with supportive processes and organizational facilitators, that gives us a real advantage.

USTRANSCOM is committed to information dominance. Actionable, decision-quality information superhighways are the way ahead. Already, the Command uses its IT to direct execution, track delivery, pay providers, and make the most effective use of transportation assets, while routinely operating in austere environments half a world away. Simply put, USTRANSCOM cannot execute its mission without robust IT.

One of USTRANSCOM's key responsibilities to the warfighter is to ensure ITV of personnel, supplies, and equipment. USTRANSCOM uses the Global Transportation Network (GTN) as the IT tool to provide ITV. GTN provides the near-real time worldwide visibility of passengers and material moving from origin to destination through the DTS, regardless of the mode of transportation used. GTN uses information provided by 23 DOD source systems and more than 125 commercial carrier IT systems. During OEF and OIF, the Command extended that capability in support of two major combat operations to include movement of passengers and cargo within both theaters of operations. At the peak of OIF, GTN processed over 5 million transactions per day, with over 14,000 daily customer requests for information on strategic and tactical lift. Development of the next generation of GTN, called GTN 21, is well underway towards an early FY05 initial operating capability. GTN 21 will

integrate transportation information that supports our command and control mission requirement to direct, control, and execute operations of assigned forces pursuant to global transportation management.

We will advance the current USTRANSCOM collaborative capability through Agile Transportation for the 21st Century (AT21) initiatives designed to introduce collaborative analysis and decision-making capabilities in distributed, information-intensive environments. Those environments will enable interactive visualizations to exchange information; evaluate courses of action; and make more informed, effective, and timely modal decisions.

In addition to implementing major improvements to our transportation and command and control (C2) data systems, USTRANSCOM recognizes and maintains a significant reliance on global communications networks. Indeed, our success in developing world-class information technology systems creates a need for more robust bandwidth resources and end-to-end connectivity with transportation elements and supported forces deployed throughout the world. Accordingly, USTRANSCOM and its component commands continue to invest in major upgrades to servicing communications and network infrastructures. These modernization and transformation efforts address a range of fixed terrestrial and space-based networks to include the "last tactical mile." We continue to implement Radio-Frequency Automatic Identification Technologies to support our goal of providing combatant commanders detailed tracking information on the movement of cargo throughout the transportation system. Further, we are making major strides in expanding the bandwidth capabilities of our terrestrial campus networks and achieving a level of redundancy to ensure full continuity of operations.

On the contingency operations side, the command is also making significant progress in addressing "last tactical mile" requirements using innovative deployable satellite communications techniques and systems. Our progress is clearly demonstrated as we enjoy unprecedented success rates in

capturing and disseminating cargo and passenger movement information from our unimproved tactical air and seaports supporting OEF and OIF. However, these successes do not come without challenges and costs. Towards that end, USTRANSCOM fully supports ongoing DOD programmatic efforts to expand terrestrial Global Information Grid enterprise bandwidth and launch robust communications and blue-force asset tracking satellite constellations.

In accordance with current mandates, USTRANSCOM developed and implemented an enforceable enterprise-level architecture (EA) for the DTS. The DTS EA is the principal tool for managing the Command's current operational processes, capabilities, and technology investments as well as the required operational and technological initiatives for the future. The latter is especially important as USTRANSCOM works hard to move the DTS forward as the premier global distribution organization in the world. We have had tremendous success, garnering several prestigious IT awards in 2003 to include the Computerworld Honors Program Laureates Medal for Outstanding Achievement in IT by a Government Organization, *E-Gov Digest/Federal Computer Week* magazine's Enterprise Architecture Excellence Award, and a nomination for the DOD Chief Information Officer (CIO) Award. It is no longer solely a matter of who has the best or most people and equipment, but rather who can best gather, understand, and manage information. Because National interests rely so heavily on force projection, timely and free-flowing transportation information is vital. Thus, it is important that USTRANSCOM continuously evolve and manage an integrated, forward-looking, interoperable information systems capability for the entire DTS and those who depend upon or interact within it.

#### **Distribution Process Owner (DPO)**

On September 16, 2003, the Secretary of Defense designated Commander, USTRANSCOM, as DOD's Distribution Process Owner, charged with improving the overall efficiency and interoperability of distribution-related activities:

deployment, sustainment, and redeployment support during peace and war. In addition, the DPO serves as the single entity to direct and supervise execution of the strategic distribution system.

Prior to this designation, end-to-end distribution support to the warfighter was marked by a multitude of process and information technology challenges. Essentially, DOD distribution was a series of stove-piped processes and information systems managed by many discrete owners. Such segmentation caused inefficiencies and drove DPO designation to promote enterprise solutions.

As a Department, we will bring our collective talents and ongoing initiatives together to forecast requirements, synchronize the movement of cargo and personnel from a source of supply to a designated customer, and expeditiously respond to warfighter requirements. The intention is to provide a "factory to foxhole" distribution system, linking the entire global DOD supply chain.

The DPO's focus area extends from a point of sale to the first retail activity in theater, as designated by the theater commander. In addition, we plan to designate one IT backbone, establishing business rules to link sustainment and distribution systems into a data warehouse, where supply requisitions and movement requirements are visible to distribution system customers.

In conjunction with our partners, we have already started the process of transforming the distribution system. We have solicited the ideas and active support of OSD, the Joint Staff, Combatant Commanders, Services, and DLA in determining the road ahead. With those partners, we have collaboratively determined the key issues, identified appropriate lead, and have begun work through a series of joint service teams to drive distribution process improvements.

For instance, we are effectively shattering the barrier between strategic and theater distribution as one of our first "quick wins." We deployed a first-ever CENTCOM Deployment and Distribution Operations Center (C-DDOC) to the USCENTCOM AOR within 90 days of determining there was a need. We will use the lessons learned from this pilot to form the basis for an enterprise approach to manage strategic and theater distribution requirements and assets.

To drive consistent change, we have established a supporting organizational structure to transform DOD distribution. The Distribution Transformation Task Force, as the name implies, crosses Service, combatant command, and agency borders, and extends from flag officer to action officer level. Ultimately, this organization will develop process and technology solutions that will transform DOD's end-to-end distribution system.

We have a unique opportunity to use the capabilities and peer influence that a combatant commander brings to the table to transform our strategic distribution system into a single-faced, reliable, visible, and simplified strategic distribution system. The warfighters deserve no less.

#### **Organizational Change**

In 2003, USTRANSCOM optimized its headquarters organization to better serve its customers while conserving precious time and resources. Originally initiated as part of a DOD-mandated 15 percent headquarters reduction effort, the Command made the most of the opportunity through prudent elimination of redundancy, divesting of functions better accomplished elsewhere, and realigning functionally within the headquarters along core business processes. USTRANSCOM created a light, lean, execution-focused Operations Directorate (J3) by redistributing non-execution related functions, processes, and personnel to other command directorates and centers of gravity. This reshaped organization allows us to better support the ongoing WOT while posturing ourselves to accept transformational responsibilities.

The restructured J3 includes a Surface Cell leveraging subject matter experts from SDDC, MSC, and USTRANSCOM in order to improve the timeliness and effectiveness of surface modal decisions made by the Command. Our exceptional responsiveness in the recent build-up to and prosecution of OIF is solid testimony to the success of our reorganization efforts.

Over the past several years, USTRANSCOM's components have actively transformed their own structures as well. SDDC's recent name change reflects its new emphasis on joint distribution. The SDDC Operations Center, with its enhanced ability to focus on directing terminal operations at its 24 military ports around the globe, has made end-to-end distributions a priority, thus supporting USTRANSCOM's overarching task of improving the DOD distribution system.

Reorganization within AMC in 2003 returned the command to its historical roots of executing global mobility operations and eliminated functions redundant to the AMC staff. Highlighting the importance of forward operations, AMC's two numbered air forces were redesignated as Expeditionary Mobility Task Forces, providing direct, forward leadership of critical mobility assets. Simultaneously, AMC reactivated the 18<sup>th</sup> Air Force at Scott AFB to create a single commander charged with the tasking and execution of all air mobility missions. The 18<sup>th</sup> Air Force Commander maintains operational control of AMC's Tanker Airlift Control Center and all AMC airlift wings and groups within CONUS, Europe, and the Pacific, freeing the AMC Headquarters staff to focus on training, organizing, and equipping the air mobility force. Similar to the USTRANSCOM and SDDC changes, AMC's restructuring optimizes the organization to support worldwide deployment and distribution operations.

#### **Financial Transformation**

USTRANSCOM, in partnership with the Air Force and Defense Finance and Accounting Service, is committed to transforming its business and financial processes and systems enabling improved support to the warfighter. As a part

of DOD's Business Management Modernization Program, USTRANSCOM submitted and the Under Secretary of Defense (Comptroller) approved an initiative to improve outdated and unreliable processes and systems for working capital and general fund financial transactions. The objective is to provide a single financial system for USTRANSCOM that is integrated, reliable, accurate, and timely. In addition, Air Force general funds processes will be reengineered allowing USTRANSCOM and AMC to effectively manage general and working capital funds within the same system, further reducing redundancy and promoting efficiency within the financial management system.

**Readiness and Modernization: Building for the Present and Future**

**Readiness: One Team - One Fight**

USTRANSCOM readiness relies heavily on our mobility team partners in the National Guard and Reserve. More than any other combatant command, USTRANSCOM relies on its Reserve Components (RCs) for peacetime responsiveness and wartime capability. In every operational arena - air, land, and sea - USTRANSCOM RCs provide most of the Command's military wartime capability. Since USTRANSCOM cannot meet requirements without RC support, it is imperative that the Command and its components maintain RC mobilization ability and flexibility.

The Guard and Reserve provide approximately 56 percent of USTRANSCOM's personnel. They also comprise 61 percent of CONUS land and 57 percent of airlift transportation capacity. In fact, the Air Reserve Component (ARC) owns 53 percent of outsize/oversize airlift capability (C-5s, C-141s, and C-17s), more than 62 percent of the KC-135 force, and over 77 percent of the C-130 fleet.

RC support has been key to USTRANSCOM's peacetime responsiveness and the Command's ability to meet its mission in the WOT. The President's Executive Order authorizing partial mobilization (up to one million reservists for up to two years) has proven crucial during OEF, ONE, and OIF. Although

thousands of our Guard and Reserve forces volunteered to support these contingencies, USTRANSCOM and its components were required to mobilize thousands more, most of whom deployed in support of air refueling, airlift, and force protection missions.

To put this in perspective, in a typical year, AMC utilizes the services of approximately 1,400 ARC volunteers over the course of approximately 450,000 man-days to conduct normal operations. In FY03, AMC mobilized 27,532 ARC personnel to support contingency operations, providing a total of 1,158,034 man-days over and above its contingency volunteers. The importance of RC personnel is just as pronounced in MSC and SDDC. MSC mobilized 111 RC personnel, a total of 16,498 man-days, in support of sealift operations in FY03. SDDC relies on its Reserve forces for approximately 26,500 man-days in a normal year, but used 326,310 man-days for 894 mobilized personnel throughout FY03 in response to contingencies. Even USTRANSCOM Headquarters, in the midst of unprecedented OPTEMPO, benefited from expertise provided by 144 reservists and guardsmen, contributing 40,725 man-days of experience in the effort.

#### **Antiterrorism and Force Protection (AT/FP) Readiness**

USTRANSCOM aggressively advanced DOD's efforts in combating terrorism and supporting homeland security. The Command and its components implemented key programs and collaborated on interagency initiatives contributing to success in the WOT.

USTRANSCOM led the first-ever development of embarked security teams on MSC common-user sealift vessels deploying in support of OIF titled Operation GUARDIAN MARINER (OGM). Supported heavily by Army and Marine Corps forces and expertise, OGM ultimately mobilized 110 twelve-man teams plus a command and control element to secure vessels transiting chokepoints and ports within the CENTCOM AOR deemed at risk for terrorist activities. USTRANSCOM subsequently expanded the scope of OGM to provide security to common-user MSC

ships globally. Recognizing the success of OGM, the Secretary of Defense acted to further institutionalize and perpetuate the program by designating the Navy as Executive Agent for military sealift force protection beginning in June 2004, and USTRANSCOM is currently coordinating program transition details with that service.

Man Portable Air Defense Systems (MANPADS), or shoulder-fired surface-to-air missiles, remain the most serious threat to our air mobility aircraft. In cooperation with the National Geo-Spatial Intelligence Agency, we have developed computer-generated MANPADS footprint graphics that display risks to airlift as they cycle through airfields in high-risk locations. USTRANSCOM and AMC also have partnered with outside agencies to mature and expand cargo-screening technologies and develop powerful new tools that will ultimately detect small amounts of explosives in packed cargo pallets without the use of labor-intensive individual inspections.

Homeland seaport security continues to be one of the nation's most challenging force protection issues. In order to strengthen security within our seaports and ensure our ability to deploy and sustain forces, we have engaged on several fronts with MARAD and other National Port Readiness Network (NPRN) partners. The result is an NPRN Memorandum of Understanding which lays out specific procedures for USTRANSCOM, MSC, SDDC, and USCG in coordinating and executing port and waterside protection of strategic sealift out-load operations. The addition this past year of USNORTHCOM and the Transportation Security Agency to the NPRN lends significant expertise in this critical area. Additionally, our bilateral work with the USCG was, in part, the impetus for their creation of new and extremely valuable Mobile Safety and Security Teams (MSST) that provide increased capability to protect the nation's strategic ports from seaward threats. Furthermore, these teams provide waterside security for MSC vessels.

USTRANSCOM has launched information and intelligence-sharing initiatives with all four commercial transportation sectors, air, road, rail, and sealift, as well as with the Transportation Security Administration, to leverage the unique capabilities within both the commercial and defense sectors of the DTS and to collectively close seams within the transportation system's security posture nationwide. Antiterrorism legislation is a step in the right direction, but coordination of the many users of our commercial ports is an enormous undertaking.

Concerning our military ports, USTRANSCOM and SDDC worked to secure emergency funding to further improve security at Military Ocean Terminal Sunny Point (MOTSU), North Carolina and Military Ocean Terminal Concord (MOTCO), California. These funds will build innovative waterside protective barriers to help prevent a seaborne terrorist attack against these valuable facilities. Contracts were awarded in August 2003, and construction began in November 2003 for these important security enhancements.

The Command's Critical Infrastructure Protection (CIP) program made excellent progress during the past year. USTRANSCOM conducted vulnerability assessments of 19 identified critical nodes in FY03, partially paid for through WOT funding. With continued funding, now managed by the CIP Director in the Office of the Assistant Secretary of Defense for Homeland Security, we can continue this vital work throughout FY04.

The potential threat of Chemical, Biological, Radiological, Nuclear, and High Yield Explosive (CBRNE) attack at home and abroad further exacerbates USTRANSCOM's mission planning and execution. USTRANSCOM is diligently working to enhance its capability to protect personnel and facilities from CBRNE attack and, should such an attack occur, to detect contamination and decontaminate facilities, equipment, and personnel in order to facilitate mission success. AMC recently participated in a Large Frame Aircraft Decontamination Demonstration at Eglin AFB, Florida, the results of which are

due for release later this year. SDDC and MSC coordinated the procurement, distribution, and training of the necessary CBRNE equipment to protect merchant mariners on both government-owned and commercial cargo vessels transiting ports within the USCENTCOM AOR during OIF major combat operations. Both organizations continue to train and exercise CBRNE protection and response at port facilities via their units stationed worldwide. With the global proliferation of such weapons, CBRNE defense planning will continue to require our attention and requisite funding for the foreseeable future.

### **Mobility Capability Study (MCS)**

Our current transportation force structure was programmed to meet the requirements established by the Mobility Requirements Study 2005 (MRS-05), based on the 1997 National Military Strategy (NMS). This study was completed in 2000. As a result of the events of 9/11, the national military objectives have changed. Objectives delineated in the draft NMS increase our overall air refueling, airlift, and sealift requirements considerably. A proposed plan is for the MCS and OA-05 to begin in June 2004, after the completion of OA-04, and conclude not later than March 2005. The goal to complete this full end-to-end mobility analysis within ten months presents an ambitious challenge. The scenarios proposed to support the MCS are centered in different regions of the world that will highlight our global mission. Both the "Win Decisively" and "Swiftly Defeat" scenarios will be developed in the Multi-Service Force Deployment process and vetted in the OA process.

### **Readiness and Modernization**

#### **Air Mobility**

USTRANSCOM's number one shortfall is its aging and numerically inadequate strategic airlift fleet. We have a significant gap in our ability to meet the needs of DOD agencies, specifically the needs of the regional combatant commanders. Our current strategic airlift shortfall of 9.8 Million Ton-Miles per Day (MTM/D) from the MRS-05 goal of 54.5 MTM/D is due to a shortage in

the number of aircraft available and significant maintenance challenges specifically associated with our fleet of C-5 aircraft. Consequently, a key USTRANSCOM modernization goal is to retire the oldest and poorest performing C-5s, modernize the remainder, and evaluate the continued procurement of C-17s.

The C-5 continues to be a critical component of AMC's airlift fleet and is integral to meeting airlift mandates. However, the aircraft's enormous capacity is hampered by unacceptably low reliability and maintainability. Current Mission Capable (MC) rates for C5-A and C5-B aircraft are 63.5 percent and 73.8 percent, respectively. In fact, during the last four years, because of low C-5 MC rates, AMC has had to assign two C-5s against many higher-priority missions to better ensure reliability and/or on-time mission accomplishment. The net result is fewer aircraft available for tasking and less operational flexibility.

AMC is addressing this critical capability shortfall with two major C-5 modernization efforts: the Avionics Modernization Program (AMP), and the Reliability Enhancement and Re-engining Program (RERP). AMP replaces all high-failure and unsupportable avionics and flight instrument systems on the C-5 fleet. This replacement makes the C-5 compatible with international standards required for flight today, as well as in tomorrow's increasingly restrictive Global Air Traffic Management (GATM) airspace. AMP installs an all-weather flight control system and Secretary of Defense-mandated navigational safety equipment, including a Terrain Avoidance Warning System (TAWS). RERP will replace engines and pylons and upgrade the aircraft's landing gear, environmental control system, and auxiliary power units--the C-5's most unreliable systems. A number of independent studies have projected that C-5 modernization efforts could increase the C-5 MC rate as much as 13.5 percent, while simultaneously reducing our cost of ownership.

Several studies have recommended an operationally effective mix of RERPed C-5s and purchase of additional C-17 aircraft. America cannot afford to lose the niche filled by the C-5 fleet's organic capability or allow it to continue to atrophy.

USTRANSCOM's documented inability to meet the warfighter's military-unique airlift cargo requirements led to the acquisition of C-17s. To date, the C-17 program has delivered 113 of 180 authorized aircraft. While the approved 180 C-17 multi-year procurement plan is a big step in the right direction toward achieving needed capability, a more capable, versatile, and reliable strategic airlift mix should include C-17s and a correct number of fully modernized C-5s. This combination of aircraft provides a much-reduced average fleet age at the earliest date, while affording the needed flexibility to move outsize and oversize cargo over long distances and into short, unimproved runways. The C-17 has already proven exceptionally capable and reliable in airlifting our forces to the fight, no matter where that fight may be. It is the only aircraft capable of performing all missions: strategic airlift, tactical airlift, airdrop (key to strategic brigade airdrop), aeromedical evacuation, austere airfield operations, denied access, and special operations. In a "come as you are" world, we must continue C-17 investment. This versatile and reliable platform is the "sure bet" for our future force.

AMC's venerable air refueling force is performing superbly in ONE, OEF, and OIF. Operations today are increasingly air-refueling dependent, and the force is delivering, but the strain is evident. Our concerns grow daily. The Tanker Requirements Study 2005 (TRS-05) supported our long-held position that AMC has a significant KC-135 crew-to-aircraft ratio shortfall. The current active duty and reserve component crew ratios of 1.36:1 and 1.27:1, respectively--inherited from the KC-135's Cold War days--are simply inadequate to meet our current contingency requirements. TRS-05 indicated a

need for a 1.66:1 crew ratio averaged across all scenarios, with 1.92:1 needed to meet the most demanding scenario. USTRANSCOM and the Air Force are working in concert to resolve this issue through funding and force structure initiatives. One proposal is to retire 68 of the oldest and most unreliable KC-135E-model aircraft from the ARC and replace them with 48 of the more reliable KC-135R models from the active force, while retaining the current crews. The resulting offset would be reinvested in the remaining KC-135 fleet for improved crew ratios and maintenance.

A review of TRS-05, as well as the KC-135 Economic Service Life Study (ESLS), further quantifies the future requirements on our 44 year-old KC-135 force. TRS-05 reinforced the importance of our tanker fleet and the ESLS identified the steady (1 percent per year) cost growth and changing availability expected as we continue to operate our 1950s vintage KC-135s into the future.

To keep the KC-135 viable until a replacement tanker is brought into service, AMC is modernizing the aircraft with the GATM program. GATM, programmed for fielding between 2003 and 2016, adds increased communications, navigation, and surveillance capability, ensuring that our air refueling tanker aircraft have global access to ever-increasing restricted airspace. Without GATM, tanker aircraft may be faced with longer routes in non-optimum airspace resulting in longer flying times and less fuel available for offload.

Additionally, 40 KC-135 aircraft will be modified to carry the Roll-On Beyond-Line-of-Sight Enhancement (ROBE) package. This small, removable payload, when installed, enables the KC-135 aircraft to act as an airborne data link between battle directors and the warfighters in theater or en route. This link gives all participants the ability to deliver the required information to the right location, at the precise time, and in an actionable format. The KC-135 ROBE-equipped tanker is the first in a family of

Scalable, Multifunction, Automated Relay Terminals (SMART) aircraft, a capability to be further developed and integrated into the proposed KC-767 tanker.

There are several challenges facing the C-130 fleet. It consists of approximately 700 aircraft composed of 20 different models. USTRANSCOM operates 410 of 514 basic combat delivery C-130s through AMC. The average active duty aircraft is 28 years old, the number of C-130s is declining as individual aircraft reach the end of their service life, and older onboard equipment across the remainder of the fleet is rapidly becoming obsolete and cost prohibitive to maintain. To remedy these problems, AMC proposes acquiring 150 new combat delivery C-130Js, retiring an equivalent number of the least maintainable C-130s, and modifying those with the longest remaining service lives to a common C-130 AMP configuration. The core of the new common configuration is a total cockpit avionics modernization incorporating GATM-required upgrades to communications, navigation, and surveillance systems.

OEF originally highlighted the reengineered AE system, and lessons learned have driven further refinements and improvements that paid exceptional dividends during OIF's significantly higher patient movement tempo. Small but highly capable AE teams deployed forward and provided rapid casualty evacuation shortly after initial treatment. More than 17,000 patients have been evacuated during OEF/OIF to date. Within the USCENTCOM AOR, over 95 percent of AE missions were flown using C-130s and C-17s, while C-141s performed the majority of the inter-theater AE missions.

Ongoing AE initiatives are integrating AE into operations, including stage management, airlift control elements, Air Mobility Control Centers, and theater Air Mobility Operations Control Centers. AMC has initiated an AE concept of operations (CONOPS), fully incorporating the AE mission into the mobility system to meet peacetime and wartime AE mission requirements. This

CONOPS creates efficiencies through the use of multimission mobility aircraft with interchangeable patient care modules, integral litters, and patient support pallets. Use of multimission aircraft for the AE mission eliminates the added time and expense of procuring, operating, and maintaining purpose-built AE aircraft, and are needed as the last C-9 Nightingale AE aircraft will retire from service in FY05.

To help counter the worldwide proliferation of MANPADS, AMC has already begun fielding the Large Aircraft Infrared Countermeasures (LAIRCM) system on its C-17s and C-130s. The plan is to equip enough airlift and tanker aircraft with this laser-based system to support at least two small scale contingencies, while examining possibilities for protection of CRAF commercial aircraft. We also continue to partner with industry and other government agencies to develop systems that will enhance situational awareness for aircrews as well as provide improved protection from infrared and radar-guided threats in the future.

#### **Sealift Readiness and Modernization**

Thanks to \$6 billion in Congressional funding for LMSRs, as well as increased funding for RRF readiness and significant enhancements to prepositioned ships during the past decade, our sealift force is vastly more capable than ever before. Strategic sealift is critical to our nation's power projection strategy.

The 20<sup>th</sup> LMSR was delivered last year, completing one of the largest strategic sealift acquisition programs in history, a program clearly validated by superb LMSR performance in the OIF deployment/redeployment process. Additionally, the increased readiness standards and maintenance of our RRF have made it more efficient and better able to meet lift requirements than ever before. The RRF today is a well-maintained, ready force of 31 surge roll-on roll-off ships and 37 special-purpose sealift ships. MSC's surge sealift fleet, comprised of eight FSS and eleven LMSRs, regularly

supports joint exercises, while its prepositioning ships provide forward-deployed combat equipment and sustainment supplies to the regional combatant commanders. Although our sealift force is more capable and ready today, we must address the challenge of rapid force closure.

The latest assessment of mobility requirements as defined in MRS-05 indicates that the total sealift cargo requirement is 9.62 million square feet, which has been the target capability for our organic sealift program. Recent operations, however, have shown that our current surge capability is only 6.81 million square feet. Lessons learned from OIF have confirmed two major changes that contribute to this reduced capability: (1) the actual mean stow factor on surge ships is closer to 65 percent when deploying force packages rather than the standard planning factor of 75 percent (reducing the lift capacity by 1.31 million square feet), and (2) the entire lift capacity of the RRF was not used to transport surge unit equipment because of the cumbersome and lengthy loading/unloading process for some of the ships (further reducing capacity by 1.16 million square feet). Furthermore, OIF confirmed that the capability to load, sail and unload our military's "surge" unit equipment in time for it to be effective for the combatant commander is critical. Fast roll-on roll-off ships (ROROs) are the most effective means of meeting this surge requirement.

The importance that the evolving NMS places on the requirement for rapid force closure presents a new challenge to strategic sealift mobility. With this in mind, the speed of half the fleet (by capacity) is not capable of providing the global response from CONUS in the timeframes that are being projected for 2010 requirements. To meet future obligations, we must fund the fleet at appropriate levels commensurate with the requirement, maintain program vigilance, and establish a futuristic vision to sustain and recapitalize the required levels of sealift readiness and capability for the long term. The capability of today's surge fleet is well understood, and we

look to the MCS to establish the correct vision for required future sealift mobility capabilities. Additionally, fiscal commitments toward the research and development of high-speed strategic sealift are required to help meet future sealift needs.

### **Infrastructure Readiness and Modernization**

Another vital component of USTRANSCOM readiness is the ability to project and sustain forward presence. Each transportation component command has forward-based units and deployed forces around the globe. SDDC operates at seaports worldwide, interacting with allied governments, militaries, and local authorities. These forward-based activities enable instant access to seaports, as well as to the lines of communication radiating from them. The MSC forward deployed staffs serve as focal points for MSC customers in their respective operating areas and provide direct links to MSC ships for maintenance, logistics, and other services. AMC maintains en route infrastructure worldwide to facilitate establishment of vital air bridges for the airlift of critical personnel and cargo in times of crisis. Modern infrastructure, in CONUS and overseas, is critical to effective and efficient strategic deployment.

As a predominantly CONUS-based force, infrastructure means more to us today than ever before. Yet, we have fewer overseas bases through which we can operate, and access to those bases is never guaranteed, as experienced in Turkey's refusal last year to permit U.S. use of bases to facilitate the OIF deployment. Similarly, the increasing OPTEMPO is stressing this diminished base structure more than ever. Along with the Services and regional combatant commanders, USTRANSCOM must continue to monitor our global mobility infrastructure, keep up with needed repairs and improvements, and remain prepared to operate in new or bare base environments when required.

In CONUS, the Army has made substantial investments in its combat equipment loading facilities at power projection platforms and its

containerization facilities at ammunition depots. These improvements have significantly streamlined the loading of 41,404 railcars and export of 7,447 ammunition containers throughout FY 03.

Overseas, the United States European Command (USEUCOM), USCENTCOM, USTRANSCOM, and the Joint Staff, through the European En Route Infrastructure Steering Committee (EERISC), oversee infrastructure requirements for the primary en route air mobility bases in USEUCOM to support USCENTCOM operations in Southwest Asia and staging operations for Africa. Partnering with the Defense Logistics Agency (DLA), the EERISC has developed a comprehensive plan to improve the infrastructure at those bases. The EERISC has identified, validated, and collaboratively championed the need for more than \$700 million in fuel hydrant, ramp, and runway projects throughout the European theater to support mobility requirements. Likewise, we are working with USPACOM and DLA to identify and fix en route base shortfalls in the Pacific region in support of Northeast Asia contingencies and staging for operations in Southeast Asia. The USPACOM En Route Infrastructure Steering Committee (PERISC) has identified and validated the need for over \$500 million in improvements throughout the region. DLA and Air Force budgets now support all identified en route fuels projects. Significant construction began several years ago and continues in FY04, but the infrastructure will not get well (i.e., fully meet the requirements laid out in our war plans) until the end of FY07, and then only if all funding and construction remains on track.

These European and Pacific en route projects are being implemented primarily to support the MRS-05 established passenger and cargo throughput requirements. However, additional infrastructure to support the WOT is required and being studied by both the EERISC and PERISC. Moreover, today's current operations, combined with existing studies, further demonstrate the need for expanded hazardous cargo capabilities at en route and theater

airfields around the globe. To this end, USTRANSCOM is working with combatant commanders, Joint Staff, and DLA to implement a truly global en route infrastructure system.

Efficient cargo movement through aerial ports requires appropriate materiel handling equipment (MHE). The Air Force's current fleet of 40K loaders, wide body elevator loaders (WBELs), and 25K loaders is old, deteriorating, and suffering from poor reliability and maintainability. Fortunately, we are fielding 318 new Tunner 60K loaders to replace all 376 40K loaders and 147 of the 206 WBELs. To date, AMC has fielded 264 of these capable new loaders. They have a much-improved mean time between maintenance, are compatible with all military and commercial cargo aircraft, and can load six standard Air Force 463L pallets at a time. The new Halvorsen (25K) loader is smaller in size and weight than the old 25K loader, is transportable on C-130s, C-17s, and C-5s, and is more reliable than its predecessor. USTRANSCOM has a requirement for 618 Halvorsen loaders, which supports unfilled authorizations, and replaces the 1960's vintage 25K loaders and remaining 59 WBELs. Currently 312 Halvorsen loaders are funded, leaving 306 unfunded for subsequent Program Objective Memorandum (POM) submission. Halverson deliveries began in FY01 with 236 delivered to date.

**Readiness: Commercial Industry and Labor Teammates**

Our readiness also depends on timely access to militarily useful commercial transportation. USTRANSCOM's superb relationship with the U.S. commercial transportation industry and supporting labor organizations allows DOD to leverage significant capacity in wartime without the added peacetime cost of sustaining comparable levels of organic capability. For example, under full activation, CRAF provides 93 percent of our international passenger capacity, 98 percent of our AE capability to CONUS, and 41 percent of our international long-range air cargo capacity. The CRAF program affords peacetime business to participating airlines in exchange for their pledge to

provide specified capacities in wartime. CRAF's ability to dramatically influence operations literally overnight was never more apparent than immediately following the terrorist attacks of 9/11. On 10 September 2001, USTRANSCOM had 27 organic military aircraft in service on key express and channel movements. On 13 September 2001, after the historic shutdown of the airways, we again had 27 aircraft in service on those same routes. But this time, there were only 3 military aircraft augmented by 24 commercial aircraft. Having unencumbered 24 military aircraft via the voluntary commitment and patriotism of our CRAF partners, USTRANSCOM could immediately answer the call for ONE.

Our CRAF partners, both voluntarily and under activation, continue to support critical wartime requirements and, in exchange, deserve as predictable a safeguard of their capital investments as possible. In this respect, the Federal Aviation Administration's Aviation War Risk Insurance is vital to assure our CRAF carriers that they can recover from significant loss or damage incurred in support of DOD. The CRAF program demonstrates that all U.S. air carriers, large and small, are key to a robust civil air industry. Therefore, we support the Fly America statute (49 USC 40118) and what we refer to as the Fly CRAF statute (49 USC 41106) as they serve to support and sustain this critical national asset.

Because of the increasing requirements related to the deployment of forces in preparation for OIF, USTRANSCOM activated the CRAF Stage I passenger segment on 8 February 2003. Stage I remained activated through 18 June 2003, when major combat operations had ceased and initial force redeployments had occurred. Under CRAF activation, each aircraft comes with four crews comprised of (non-Reservist) U.S. citizens, and the aircraft are dedicated to DOD. This combination allows for greater security, scheduling flexibility, and responsiveness to changing requirements. Additionally, activation removes all questions about war risk insurance coverage as the

non-premium war risk insurance and DOD indemnification programs cover hulls, liability, and crew insurance coverage for all DOD missions. For this activation, a total of 51 aircraft and associated crews were activated. Their associated carriers made the aircraft and crews available for their first missions within 24 hours of the tasking, and these forces significantly contributed to USTRANSCOM's ability to rapidly flow manpower to the region.

The Voluntary Intermodal Sealift Agreement (VISA) is the maritime equivalent of the CRAF program. Under VISA, DOD has access to commercial U.S.-flagged sealift capacity and intermodal infrastructure in return for peacetime business preferences. Because pre-negotiated contracts with the carriers permit early access to additional lift capacity, the time required to close forces for the counterattack phase of war operations can be significantly shortened. VISA participants move over 80 percent of wartime sustainment cargo.

Force deployment requirements in support of OEF/OIF were met with organic shipping assets and commercial shipping acquired through MSC contracting initiatives. Therefore, activation of VISA was not required. However, VISA could conceivably be called upon to meet emerging sustainment requirements.

MSP, another critical element of our commercial sealift program, provides assured access to sealift/intermodal capacity and a readily available, highly trained and qualified work force of merchant mariners employed in U.S.-flagged shipping. The recent authorization of the Maritime Security Act of 2003 expands the current MSP fleet from 47 to 60 vessels. This increase allows the opportunity to better assure access to U.S.-flagged "low density-high demand" assets (e.g., RO/RO and heavy lift ships). MSP provides an underpinning for VISA by helping to guarantee the continued presence of a minimal U.S.-flagged commercial fleet operating in international commerce and that fleet's availability to provide sustainment sealift capability in time of war or national emergency. This guarantee is particularly critical should

the U.S. find itself in a position where it must act alone. Additionally, this increase in fleet size should play a critical role in expanding the U.S. mariner base. Currently, the MSP fleet accounts for more than 900 crew billets that provide jobs to roughly 1800 trained and qualified mariners. Finally, MSP provides financial assistance to offset the increased costs associated with operating a U.S.-flagged vessel. In return, participating carriers commit vessel capacity and their intermodal transportation resources for DOD use in the event of contingencies.

In concert with their commercial aviation and maritime counterparts, our nation's commercial longshoremen continue to play an integral role in the DTS, facilitating SDDC marine terminal operations at strategic seaports both in CONUS and overseas. Throughout the massive deployment operations in preparation for OIF, between 400 and 500 longshoremen supported 24-hour operations at U.S. strategic ports alone. Their herculean efforts made a tremendous difference in our ability to load and deliver combat capability quickly and safely to Southwest Asia.

Along the lines of the CRAF and VISA programs, USTRANSCOM is currently investigating Commercial Assured Access to surface transportation assets, specifically, commercial chain tie-down rail flatcars. Chain tie-down rail flatcars are the preferred and primary method used to support large movements of military vehicles and equipment from "fort to port" and vice versa within CONUS. Currently, there is a shortfall of approximately 2,000 rail flatcars (commercial and DOD-owned) to support MRS-05 surge requirements. The long-term issue is that, even with a recent 10-year life extension, we will see large-scale mandatory retirement of the chain tie-down rail flatcars in the commercial fleet (slightly over 5,000 cars) beginning in 2014. There is no current industry plan to recapitalize, based on the fact that such flatcars are primarily used to move military equipment only. USTRANSCOM and SDDC are working with the railroad industry to ensure that sufficient rail transport

capability exists, both now and in the future, to handle the CONUS movement of equipment, ammunition, and supplies as part of force deployment and redeployment operations.

### **Transportation Systems of Tomorrow**

The need for more responsive and flexible lift, getting it where it needs to be, when it needs to be there, cannot be overemphasized. New mobility platforms as well as enhanced infrastructure technologies and process/organizational improvements are essential to meet the challenge.

In conjunction with the Joint Staff, Services, and other combatant commands, USTRANSCOM participated in a Defense Planning Guidance (DPG)-directed study of future (2020) mobility platforms known as the Advanced Mobility Concept Study. This study provided the initial identification and prioritization of the future mobility assets required to support DOD's transforming forces and operational concepts for 2015-2020. The study recommended: 1) OSD include appropriate direction in POM SPG-06 to initiate Research Development Testing and Evaluation on a Shallow Draft High-Speed Vessel, Theater Support Vessel, Super Short Take-off and Landing Aircraft, Global Range Transport, and Joint Rapid Airfield Construction. OSD and the Services will continue to address technical readiness, cost, port analysis, and impacts on the current programming cycle. 2) Conduct an excursion to the next Mobility Capabilities Study that considers transformed forces and mixes of advanced and current lift in the 2020 timeframe. 3) Ultra-Large Airlifter (ULA) continue as a platform for further related studies involving advanced lift platforms since Defense Advanced Research Projects Agency (DARPA) is currently funding its research as a multi-mission platform.

USTRANSCOM, working with industry, is actively exploring a wide variety of future technologies and concepts for military and commercial use. In terms of sealift, we are studying militarily useful high-speed vessels (HSVs) that provide the potential to enhance intra-theater lift capability. These

shallow draft high-speed platforms allow access to a greater variety of unimproved ports, providing enhanced anti-access mitigation. Currently, HSVs are capable of transporting over 1,000 passengers and more than 500 tons of cargo at speeds in excess of 40 knots.

From an air mobility perspective, our interest lies in high-speed, low-observable multimission strategic mobility aircraft with short take-off and landing as well as autonomous approach capabilities. In the future, it makes sense to look at a family of transport category aircraft that could satisfy multiple needs. Variants of a common airframe could be built to serve as a tanker, an airlifter, a penetrating aircraft for the Special Operations Forces infiltration mission, a gunship, or an Intelligence Surveillance Reconnaissance platform. This approach would have standardized cockpits, engines, and systems to minimize overall development expenses and reduce life-cycle costs.

We need a collaborative effort between the Joint Staff, Services, and other combatant commanders to shape our planning, policy, and procedures as technology moves from test and evaluation into acquisition. All of the types of systems that I just mentioned would be costly to develop, procure and operate. Much work remains to be done to determine how much they would add to our overall military capabilities, determine how costly it would be to pursue these individual systems, and decide on the right mix of systems and capabilities in which to invest. We must make decisions concerning future employment of this technology that are consistent with the best interests of our overall transportation system and our warfighters.

#### **FINAL THOUGHTS from General Handy**

All that matters, and what each of us in USTRANSCOM is pledged to do, is to provide absolute, complete, and total support to the warfighter.

On any given day, the USTRANSCOM team of professionals provides critical strategic transportation to a host of U.S. and international agencies.

Today, USTRANSCOM is simultaneously supporting every single combatant commander performing real-world operations. No matter what the mission assigned, the men and women who operate USTRANSCOM's air, land, and sea components are first out the door. There are not many headlines for what they do, but these dedicated professionals execute their global military mission every day in defense of our country.

I am extremely proud of today's USTRANSCOM and honored to lead the superb men and women who comprise our national defense transportation team. USTRANSCOM will continue to provide the most effective and responsive mobility capability the world has ever seen and, in light of recent developments, will endeavor to create that same level of efficiency and interoperability through a transformed DOD distribution process.

You can rest assured that USTRANSCOM's crystal clear vision of the way ahead will provide constantly improving, seamless, and responsive support to the warfighters. America's military might moves with us, and we are stepping out smartly.