NOT FOR PUBLICATION UNTIL RELEASED BY THE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

STATEMENT

OF

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BEFORE THE

SUBCOMMITTEE ON SEAPOWER AND EXPEDITIONARY FORCES

OF THE

HOUSE ARMED SERVICES COMMITTEE

ON

NAVY FORCE STRUCTURE AND SHIPBUILDING

MARCH 3, 2010

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Mr. Chairman, Representative Akin, and distinguished members of the Subcommittee, thank you for the opportunity to appear before you today to address Navy shipbuilding. The Department is committed to the effort to build an affordable fleet tailored to support the National Defense Strategy, the Maritime Strategy, and the new 2010 Quadrennial Defense Review. The Department's FY 2011 budget will provide platforms that are multi-capable, agile, and able to respond to the dynamic nature of current and future threats. The FY 2011 shipbuilding budget funds nine ships, including two Virginia Class fast attack submarines, two DDG 51 Class destroyers, two Littoral Combat Ships (LCS) including Economic Order Quantity for seven ships sets, an Amphibious Assault Ship (LHA), a Mobile Landing Platform and the third Joint High Speed Vessel (JHSV) for the Navy. Additionally, a second FY 2011 JHSV is funded in Other Procurement, Army for a total of ten ships in FY 2011.

As we continue to build our future force, we remain engaged in operations in Afghanistan and in the drawdown of U.S. forces in Iraq.

Since last year, the Marine Corps has transferred authority for Anbar Province to the U.S. Army and is near completion of a responsible drawdown from Iraq. From 2003-2009, our force levels in Iraq averaged 25,000 Marines. By spring of this year, our mission in Iraq will be complete and your Marines will redeploy.

In Afghanistan, the mission has expanded. Since July, the 2nd Marine Expeditionary Brigade has conducted Operation Khanjar, the most significant Marine Corps operation since the battle of Fallujah in 2004, and the largest helicopter insertion since the Vietnam War. As of September 22, 2009, there were more Marines in Afghanistan than in Iraq. In December, they conducted Operation Cobra's Anger in the vicinity of Now Zad and recently the First and Third Battalions, Sixth Marines initiated a major offensive to secure Marja. By March 2010, there will be more than 18,500 Marines in Afghanistan, and by mid-April, that number will grow to a robust Marine Air-Ground Task Force of 19,400 personnel with equipment, and will be commanded by a Marine two-star general. Your Marines and Sailors have already had success and have made a difference in some of the toughest regions of Afghanistan, primarily Helmand Province in the South — the source of the highest volume of opium production in the world. However, more work remains to be done.

For the second year in a row, the Navy has more Sailors on the ground than at sea in CENTCOM. At sea, we have more than 9,000 Sailors, including a U.S. Navy aircraft carrier and air wing dedicated to providing 24/7 air support to U.S. and coalition forces on the ground and ships supporting counter-terrorism, theater security and security force assistance operations. Navy Riverine forces are on their sixth deployment to Iraq, conducting interdiction patrols and training their Iraqi counterparts. On the ground, we have more than 12,000 active and reserve Sailors supporting Navy, Joint Force, and Combatant Commander requirements. Navy Commanders lead six of the 12 U.S.-led Provincial Reconstruction Teams in Afghanistan. We have doubled the presence of our SEABEE construction battalions in Afghanistan, increasing our capacity to build forward bases for U.S. forces and critical infrastructure in that country. Our Naval Special Warfare forces continue to be heavily engaged in direct combat operations and our Explosive Ordnance Disposal teams continue to conduct life-saving counter-Improvised

Explosive Device operations. As we shift our effort from Iraq to Afghanistan, demand for Navy individual augmentees (IAs) has increased. We have additional IAs supporting the surge of U.S. forces in Afghanistan while our IAs in Iraq remain at current levels to support the withdrawal of U.S. combat troops, maintain detention facilities and critical infrastructure, and support coalition efforts until the operations and support they provide can be turned over to Iraqi forces.

While Iraq and Afghanistan continue to be the primary focus of our nation's military efforts, our Navy remains globally present and engaged to protect our partners and advance our nation's interests around the world. Approximately 40 percent of our Fleet is currently underway, providing U.S. presence in every region of the world. Our Fleet is executing all the capabilities of our Maritime Strategy today.

Our ballistic missile submarines are providing nuclear deterrence year-round, while our Aegis cruisers and destroyers are providing conventional deterrence in the form of ballistic missile defense of our allies and partners in Europe, the Mediterranean, and the Western Pacific. Our Carrier Strike Groups and Amphibious Ready Groups continue to prevent conflict and deter aggression in the Western Pacific, Arabian Gulf and Indian Ocean, while their forward deployments afford the U.S. the ability to influence events abroad and the opportunity to rapidly respond to crisis.

Our Navy continues to confront irregular challenges associated with regional instability, insurgency, crime, and violent extremism at sea, in the littorals, and on shore as we have done throughout our history. We are partnering with U.S. Coast Guard law enforcement teams in the Caribbean to conduct counter-narcotics and anti-trafficking operations and deny traffickers use of the sea for profit and exploitation.

We continue to strengthen our relationships and build the capabilities of our international partners through maritime security activities, such as global maritime partnership stations in Africa, South America, and Southeast Asia, and high-end training and operations with partners in the Western Pacific. Our ships continue to conduct counter-piracy operations off the coast of Somalia with an international presence that includes traditional and non-traditional partners, such as China and Russia.

We are providing humanitarian assistance and disaster response to Haiti after a 7.0-magnitude earthquake devastated the nation. Within hours of the earthquake, we mobilized the aircraft carrier USS CARL VINSON (CVN 70) with over a dozen helicopters, cargo aircraft, and extensive potable water-generating capability. The USS BATAAN Amphibious Ready Group with the 22nd Marine Expeditionary Unit, the USS NASSAU Amphibious Ready Group with the 24th Marine Expeditionary Units, and the USS GUNSTON HALL immediately responded to stabilize the increasingly volatile environment. This force included over 4,300 Marines and Sailors, seven amphibious ships, 28 tilt rotor / rotary wing aircraft, multiple ship to shore landing craft, and significant medical, engineering, construction, and sustainment capability. Additional naval assistance included complementary sustainment and command and control capabilities along with a SEABEE construction detachment, our hospital ship USNS COMFORT with medical personnel and supplies, a Navy dive and salvage team, P-3 surveillance aircraft; several surface ships with helicopters, Maritime Prepositioning Force ships with military and

interagency supplies and equipment, and Military Sealift Command ships with fuel and cargo. Our disaster relief effort continues there today as part of a comprehensive U.S. government and non-governmental organization response.

Global demand for Navy forces remains high and continues to rise because of the ability of our maritime forces to overcome diplomatic, geographic, and military impediments to access while bringing the persistence, flexibility and agility to conduct operations from the sea.

The Department has updated the Long Range Shipbuilding Plan based upon the 313-ship force originally set forth in the last Naval Force Structure Assessment, as amended by the Secretary of Defense decisions, and the 2010 Quadrennial Defense Review (QDR). As such, the plan is designed to provide the global reach; persistent presence; and strategic, operational, and tactical effects expected of naval forces within reasonable levels of funding. The plan balances the demands for naval forces from the National Command Authority and Combatant Commanders with expected future resources. The plan takes into account the importance of maintaining an adequate national shipbuilding design and industrial base and uses realistic cost estimates for the ships.

In the near-term from FY 2011 to FY 2020, the Department of the Navy begins to ramp up production of ships necessary to support persistent presence, maritime security, irregular warfare, joint sealift, humanitarian assistance, disaster relief, and partnership building missions, namely the LCS and the JHSV. At the same time, the Department continues production of large surface combatants and attack submarines, as well as amphibious landing, combat logistics force, and support ships. Yearly shipbuilding spending during this period averages $14.5 billion (FY 2010$), or about $1.5 billion less than the 30-year average. The overall size of the battle force begins a steady climb, reaching 315 ships by FY 2020.

In the mid-term planning period, from FY 2021 to FY 2030, the recapitalization plan for the current Fleet Ballistic Missile Submarine (SSBN) inventory begins to fully manifest itself. Current plans call for 12 new Ohio Class Replacement Submarines (SSBN(X)) with life-of-the-hull nuclear reactor cores to replace the existing 14 Ohio Class SSBNs. Advance Procurement funds for detail design for the first SSBN(X) begins in FY 2015, and the first boat in the class must be procured in FY 2019 to ensure that 12 operational ballistic missile submarines will be available to perform the vital strategic deterrent mission. Eight more SSBNs will be procured between FY 2021 and FY 2030 (with the final three coming in the next planning period, beyond FY 2031). Because of the high expected costs for these important national assets, yearly shipbuilding expenditures during the mid-term planning period will average about $17.9 billion (CY 2010$) per year, or about $2 billion more than the steady-state 30-year average. Even at this elevated funding level, however, the total number of ships built per year will decline because of the percentage of the shipbuilding account which must be allocated for the procurement of the SSBN. Recognizing these impacts, we are looking at various ways to control the cost of these ships, including leveraging technology and lessons learned from the highly successful Virginia SSN shipbuilding program and by considering sustainment issues earlier in the design process than we have in the past.

In the far-term, from FY 2031 to FY 2040, average shipbuilding expenditures fall back to an average level of about $15.3 billion (FY 2010$) per year. Moreover, after the production run of Ohio replacement SSBNs comes to an end in FY 2033, the average number of ships built per year begins to rebound.

Aircraft Carriers

The Navy remains firmly committed to maintaining a force of 11 carriers for the next three decades. With last year's commissioning of USS GEORGE H. W. BUSH (CVN 77) and inactivation of the 48-year-old USS KITTY HAWK (CV 63), our last conventionally powered aircraft carrier, we have an all-nuclear-powered carrier force for the first time. Our carriers are best known for their unmistakable forward presence, ability to deter potential adversaries and assure our allies, and capacity to project power at sea and ashore; however, they are equally capable of providing our other core capabilities of sea control, maritime security, and humanitarian assistance and disaster response. Our carriers provide our nation the ability to rapidly and decisively respond globally to crises with a small footprint that does not impose unnecessary political or logistic burdens upon our allies or potential partners.

Our 11-carrier force structure is based on world-wide presence requirements, surge availability, training and exercises, and maintenance. During the period between the November 2012 inactivation of USS ENTERPRISE (CVN 65) and the commissioning of GERALD R. FORD (CVN 78), the Navy will utilize the Congressional waiver for a 10 carrier fleet. We will continue to meet operational commitments during this 33-month period by carefully managing carrier deployment and maintenance cycles. After the commissioning of CVN 78, we will maintain an 11 carrier force through the continued refueling program for Nimitz Class ships and the delivery of our Ford Class carriers at five-year intervals starting in 2020.

CVN 78

The GERALD R. FORD (CVN 78) is the lead ship of our first new class of aircraft carrier in nearly 40 years. Ford Class carriers will be the premier forward deployed asset for crisis response and early decisive striking power in a major combat operation. They incorporate the latest technology, including an innovative new flight deck design to provide greater operational flexibility, reduced manning requirements, and the ability to operate all current and future naval aircraft. Among the new technologies being integrated is the Electromagnetic Aircraft Launch System (EMALS) which will support Ford's increased sortie generation rates. EMALS is moving from having been a promising technology to a proven operational capability, which will deliver the war fighting enhancement needed in the future. Recently, the program successfully demonstrated a controlled launch sequence with the full-scale EMALS production representative unit and an aircraft launch demonstration is scheduled for later this summer. EMALS' production schedule supports delivery of CVN 78 in September 2015.

The Submarine Fleet

Our attack and guided missile submarines have a unique capability for stealth and persistent operation in an access-denied environment and to act as a force multiplier by providing high-quality Intelligence, Surveillance, and Reconnaissance (ISR) as well as

indication and warning of potential hostile action. In addition, attack submarines are effective in anti-surface ship warfare and anti-submarine warfare in almost every environment, thus eliminating any safe-haven that an adversary might pursue with access-denial systems. As such, they represent a significant conventional deterrent. While our attack submarine fleet provides considerable strike capacity already, our guided missile submarines provide significantly more strike capacity and a more robust capability to covertly deploy special operations force (SOF) personnel. Today, the Navy requires 48 attack submarines and four guided missile submarines (SSGN) to sustain our capabilities in these areas. The Navy is studying alternatives to sustain the capability that our SSGNs bring to the battle force when these ships begin retirement in 2026.

Virginia Class SSN

The Virginia Class submarine is a multi-mission submarine that dominates in the littorals and open oceans. Now in its 13th year of construction, the Virginia program is demonstrating that this critical undersea capability can be delivered affordably and on time. These ships will begin construction at a rate of two per year in 2011, with two ship deliveries per year beginning in 2017. The Navy will attempt to mitigate the impending attack submarine force structure gap in the 2020s through three parallel efforts: reducing the construction span of Virginia Class submarines, extending the service lives of selected attack submarines, and extending the length of selected attack submarine deployments. One of the critical aspects of this mitigation plan is achieving and sustaining a construction rate of two Virginia Class submarines per year. The Navy continues to realize a return from investments in the Virginia cost reduction program and construction process improvements through upgraded shipbuilder performance on each successive ship. Not only are these submarines coming in within budget and ahead of schedule, their performance is exceeding expectations and continues to improve with each ship delivered. Additionally, three of the five commissioned ships completed initial deployments prior to their Post Shakedown Availabilities.

Ballistic Missile Submarines

Our ballistic missile submarines are the most survivable leg of the Nation’s strategic arsenal and provide the Nation’s only day-to-day assured nuclear response capability. They provide survivable nuclear strike capabilities to assure allies, deter potential adversaries, and, if needed, respond in kind. The number of these submarines was delineated by the Nuclear Posture Review 2001 which established the requirement of a force comprised of 12 operational SSBNs (with two additional in overhaul at any time). Because the Ohio SSBNs will begin retiring in FY 2027, their recapitalization must start in FY 2019 to ensure operational submarines will be available to replace these vital assets as they leave operational service. As a result, the procurement plan in this report supports a minimum inventory of 12 SSBNs for this force.

Submarine Modernization

As threats evolve, it is vital to continue to modernize existing submarines with updated capabilities. The submarine modernization program includes advances in weapons, integrated combat control systems, sensors, open architecture, and necessary hull, mechanical and electrical upgrades. These upgrades are necessary to retain credible capabilities for the future conflicts and current peacetime ISR and Indication and Warning missions and to continue them on the path of reaching their full service life. Maintaining the stability of the modernization program is critical to our future Navy capability and capacity.

Surface Combatants

As in the past, cruisers and destroyers will continue to deploy with strike groups to fulfill their traditional roles. Many will be required to assume additional roles within the complex ballistic missile defense (BMD) arena. Ships that provide ballistic missile defense will sometimes be stationed in remote locations, away from strike groups, in a role as theater ballistic missile defense assets. The net result of these changes to meet demands for forward presence, strike group operations and ballistic missile defense places additional pressure on the existing inventory of surface combatants, currently base-lined at 88. While a new force structure analysis may require the Navy to procure a greater number of these ships, we will also have to consider redistributing assets currently being employed for missions of lesser priority for these new missions as a result of the 2010 QDR and the President's commitment to supporting the missile defense of our European allies.

In the Navy's FY 2009 shipbuilding report, the lead CG(X) guided missile cruiser was planned to start in FY 2011. This ship was to fulfill a critical role in Integrated Air and Missile Defenses (IAMD); but due to the ship's projected high cost and immaturity of its combat systems technology and still evolving joint Ballistic Missile Defense architecture, the Navy has determined that it is not feasible to continue to pursue a new-design CG(X) procurement program. Instead, we intend to deliver highly capable, multi-mission ships tailored for IAMD by spiraling the DDG 51 program into the next future destroyer, DDG Flight III. This preferred approach will develop the Air and Missile Defense Radar (AMDR) and install it on a DDG 51 hull with the necessary hull, power, cooling, and combat systems upgrades. The installation of this "family of systems" upgrade to the existing DDG 51 Class will define the third flight of these ships. The war fighting analysis completed for CG(X) directly supports requirements development for this upgraded DDG 51 which is envisioned to be procured in FY 2016.

DDG 51

To address the rapid proliferation of ballistic and anti-ship missiles along with deep-water submarine threats, we have restarted production of the Arleigh Burke Class destroyer DDG 51 Flight IIA series. The first ship of the restart, DDG 113, was funded in FY 2010 and the contract is expected to be awarded this summer. This budget procures an additional two ships in FY 2011. These ships will incorporate Integrated Air and Missile Defense, providing much-needed BMD capacity to the Fleet. They will also leverage the maturity of the DDG modernization program and include all associated hull, mechanical and electrical alterations. We

will continue production of the DDG 51 in order to leverage the hot production line to spiral the DDG 51 to address future IAMD capabilities.

The DDG 51 Class, starting with the Flight IIA restart, will continue to be upgraded in order to deliver the best combination of capability and capacity to meet future threats. This approach leverages the cost-savings of existing production lines; reduces total owner ship costs due to predictable designs; reduces cost overruns and delays through the incremental, or evolutionary, approach of developing new technologies; and it strengthens and stabilizes the industrial base to more efficiently and cost effectively produce ships to meet our national needs.

Littoral Combat Ship (LCS)

The Navy remains committed to procuring 55 LCSs. LCS expands the battle space by complementing our inherent blue water capability. LCS fills warfighting gaps in support of maintaining dominance in the littorals and strategic choke points around the world. The LCS program capabilities address specific and validated capability gaps in Mine Countermeasures, Surface Warfare, and Anti-Submarine Warfare. The concept of operations and design specifications for LCS were developed to meet these gaps with focused mission packages that deploy manned and unmanned vehicles to execute a variety of missions. LCS design characteristics (speed, agility, shallow draft, payload capacity, reconfigurable mission spaces, air/water craft capabilities) combined with its core Command, Control, Communications, Computers and Intelligence, sensors, and weapons systems, make it an ideal platform for engaging in Irregular Warfare and Maritime Security Operations.

Affordability remains the key factor to acquiring the needed future capacity of this highly flexible and capable ship. To stay on path to deliver this ship in the quantities needed, we announced this past September that we will down select between the two LCS designs in FY 2010. We have assessed the combat capabilities of both these ships and believe that either ship would meet all of the Key Performance Parameters for this class. While each ship brings unique strengths and capabilities to the mission and each has been designed in accordance with overarching objectives for reducing total ownership cost. On balance, they produce essentially equivalent results across the broad spectrum of missions assigned. Therefore, the down select will be based largely upon procurement cost considerations. The selected industry team will deliver a quality technical data package, allowing the Navy to open competition for a second shipyard to build the selected design beginning in FY 2012. The winner of the down select will be awarded a contract for up to 10 ships from FY 2010 through FY 2014, and also provide combat systems for up to five additional ships built by the second shipyard. This decision was reached after careful review of previous FY 2010 industry bids, consideration of total program costs, and discussions with Congress. In addition to the funding required for two seaframes in FY 2011, our FY 2011 budget includes an additional $280 million for Economic Order Quantity for seven ships sets to continue the block buy which is essential to lowering the per unit costs of the seaframes. We request your continued support as we take the measures necessary to deliver this much needed capability at the capacity we need to meet future demands.

DDG 1000

The DDG 1000 Zumwalt guided missile destroyer will be an optimally crewed, multi-mission surface combatant designed to fulfill long-range, precision land attack requirements. The first DDG 1000 is under construction, with plans for three ships in the class. There is a validated Operational Requirements Document which specifies that Naval Surface Fires will be necessary to support combat operations across the beach. The DDG 1000 features two 155mm Advanced Gun Systems capable of engaging targets with the Long Range Land Attack Projectile at a range of over 63nm. In addition to providing offensive, distributed and precision fires in support of forces ashore, it will provide valuable lessons in advanced technology such as signature reduction, active and passive self-defense systems, and enhanced survivability features. Overall, construction of DDG 1000 is approximately 20 percent complete and is scheduled to deliver in FY 2013 with the initial operating capability in FY 2015.

Modernization

As threats evolve it is vital to modernize existing ships with updated capabilities. Capable ships, supported by an effective industrial base, have been the decisive element during war, crisis response, and peace-time operations for more than two centuries. The destroyer and cruiser modernization program includes advances in standard missiles, integrated air and missile defense, open architecture, and necessary hull, mechanical and electrical upgrades. These upgrades are necessary to retain credible capabilities for future conflicts, including BMD, and to continue them on the path of reaching their full service life. Maintaining the stability of the cruiser and destroyer modernization program is critical to our future Navy capability and capacity.

The DDG Modernization Program is planned to execute in two six-month availabilities; Hull Mechanical & Electrical first, followed by combat systems two years later. The program focuses on the Flight I and II ships (hulls 51-78), commencing in FY 2010. However, all ships of the class will be modernized at midlife. Key tenets of the DDG Modernization program include: upgrade of the Aegis Weapons System to include an Open Architecture (OA) computing environment; upgrade of the SPY radar signal processor; addition of Ballistic Missile Defense capability; Evolved Sea Sparrow Missile (ESSM); the upgraded SQQ-89A(V)15 anti-submarine warfare system; the SM-6 Missile; and improved air dominance with processing upgrades with the Naval Integrated Fire Control-Counter Air (NIFC-CA) capability.

The Cruiser Modernization Program is designed to modernize all remaining cruisers. The first fully modernized cruiser, USS Bunker Hill (CG 52), was completed in June of 2009. The key aspects of the Cruiser Modernization program include: upgrade of the Aegis weapons system to include an Open Architecture (OA) computing environment; addition of Evolved Sea Sparrow Missile (ESSM); SPQ-9B radar; Close In Weapon System (CIWS) Block 1B; upgraded SQQ-89A(V)15 anti-submarine warfare system; and improved air dominance with processing upgrades and Naval Integrated Fire Control-Counter Air (NIFC-CA). Six cruisers will receive an additional Ballistic Missile Defense upgrade. Our FY 2011 budget includes funds to execute the modernization of three cruisers and three destroyers.

Amphibious Warfare Ships

These ships provide distributed forward presence to support a wide range of missions from theater security cooperation and humanitarian assistance to conventional deterrence and assuring access for the Joint Force. When necessary, our forward postured amphibious forces can aggregate with others surged from homeports or other global locations to conduct major combat operations. The number of amphibious ships in the Department's inventory is critically important for overcoming geographic, diplomatic, and military challenges to access in permission, uncertain, or hostile environments.

The Navy and Marine Corps have determined a minimum force of 33 ships represents the limit of acceptable risk in meeting the 38-ship amphibious force requirement for the Assault Echelon in a two Marine Expeditionary Brigade (MEB) forcible entry operation. A 33-ship force comprised of 11 LHA/D amphibious assault ships and a mix of 11 LPD 17 amphibious transport docks and 11 LSD(X) dock landing ships will be sufficient to support forcible entry operations with acceptable risk in the speed of arrival of combat support elements of the MEB.

LPD 17 Class Amphibious Warfare Ship

The LPD 17 San Antonio Class of amphibious warfare ships represents the Navy's commitment to an expeditionary, power projection and engagement Fleet capable of operating across the full spectrum of warfare. The class has a 40-year expected service life and serves as the replacement for four classes of older ships: the LKA, LST, LSD 36, and the LPD 4. San Antonio Class ships play a key role in supporting ongoing overseas operations by forward deploying Marines and their equipment to respond to global crises. USS NEW YORK (LPD 21) commissioned last November and to date, two LPD-17 ships have completed initial deployments. The 11th LPD is planned for procurement in FY 2012.

LHA Replacement (LHA(R))

LHA(R) is the replacement for our Tarawa Class ships that will reach the end of their already extended service life between 2011-2015. LHA(R) will provide flexible, multi-mission amphibious capabilities that span the range of military operations from forcible entry to humanitarian and disaster relief. LHA(R) will leverage the LHD 8 design while providing modifications that remove the well deck and increase aviation capacity to better accommodate aircraft in the future Marine Corps Aviation Combat Element (ACE), such as the short take-off vertical landing Joint Strike Fighter and the MV-22. We laid the keel of the lead ship, USS AMERICA (LHA 6) in July 2009 and our FY 2011 budget includes funds for one LHA(R) which is split-funded in FY 2011 and FY 2012.

Maritime Prepositioning Force (Future)

The MPF(F) concept envisioned a forward-deployed squadron of ships to enable rapid closure to areas of interest, at-sea assembly, and tactical employment of forces to areas of interest in the event of crisis. Although useful in the lower end of the war-fighting spectrum, this squadron was primarily designed for use in major combat operations. Due to refocusing of

priorities and cost, this program has been restructured and replaced with alternatives which enhance the existing capabilities of the Maritime Prepositioning Ship (MPS) Squadrons. While the MPF(F) program originally intended for this purpose has been truncated in this year's program, the creation of a support program has been added to enable development of the Tactics, Techniques and Procedures required to fully exploit this mission area in the future. Ships previously discussed in the context of the MPF(F) are moved to the Command and Support section for battle force accounting. In addition, the Navy has determined the LHA 6 Class amphibious assault ships previously designated for the MPF(F) would better serve the Navy and Marine Corps in the assault echelon force where they could be employed in Joint forcible-entry operations. As such, the requirement for these ships has been moved to the Amphibious Warfare category.

In support of this enhanced MPS concept of operations, three T-AKE auxiliary dry cargo ships have been shifted to provide logistic support to Marine Corps units ashore. Further, the Navy recognizes the need to provide for at-sea transfer of vehicles from a cargo ship and to provide an interface with Landing Craft Air-Cushioned (LCAC) vessels (both key capabilities the MPF(F) program was to provide). The Navy intends to procure three Mobile Landing Platforms (MLPs) to fulfill this capability. The planned MLPs, a lower cost variant of the MPF(F) MLP program, will be based on an Alaska Class crude oil carrier modified to be a float-on/float-off vessel. These ships will provide concept validation, operational testing and an incremental operational capability. Operationally, the three current MPS Squadrons will have an additional MLP and an additional T-AKE to supplement the current maritime prepositioning force in order to better provide in-theater capability to support resupplying a MEB.

Joint High Speed Vessel (JHSV)

The JHSV provides high-speed support vessels for the Army and the Navy. JHSV will be an effective alternative to move assets throughout marginally developed theaters of operation while also requiring a less well developed port facility than is the case for today's principal lift assets. In addition, its relatively shallower draft permits operation in a greater number of port facilities around the globe. The combination of these attributes permits rapid transport of medium size payloads over intra-theater distances to austere ports, and load/offload without reliance on well developed, heavy port infrastructure. Combatant Commanders have made clear to the Navy their desire for this niche capability that can execute unique operations with partner nations throughout each of their areas of responsibility.

Shipbuilding Industrial Base

Beyond balancing requirements and resources, the FY 2011 President's Budget submission for shipbuilding also weighs the shipbuilding industrial base. The Navy's plan leverages stable designs to minimize disruption experienced over past decade of "first of class" construction. The plan provides stable procurement rates within constraints of requirements and budget which allows industry to plan and invest in facilities and process improvements to drive learning and efficiencies into serial production. The FY 2011 shipbuilding plan ensures that major suppliers have "base" workload and opportunity to compete for future ship construction. As an example, the revised LCS acquisition strategy creates opportunity for our major shipbuilders to compete for future workload that was previously limited to incumbents. The

Navy intends to sustain dual sources for fast attack submarines, surface combatants, Littoral Combat Ships, and amphibious/auxiliary ships.

The Navy continues to promote efficiency within the shipbuilding industry. The Navy has expanded use of competition and fixed price contracts; incentivized shipyards to improve facilities through contract incentives, selective release of retentions, and Hurricane Katrina infrastructure funding; cracked down on contract changes; and judiciously employed Multiyear Authority, Block Buy Authority and Economic Order Quantity to show commitment to stable production.

Finally the Navy has initiated a Shipbuilding Industrial Base Study to review capabilities/capacities of the shipyards including design and production; the health of the vendor base, and trends in rates and overhead, productivity, and investment strategies. This study will inform Navy's FY 2012 budget deliberations.

Acquisition Workforce

The Department has embarked on a deliberate plan to increase the size of the DoN acquisition workforce by at least 5,000 employees over the FYDP, or about a 12 percent increase. We started last year and aggressively increased our acquisition workforce based upon bottoms-up requirements from our PEOs, Systems Commands, and Warfare Centers. In the last 15 months, for example, we have added 400 acquisition personnel (journeyman and high-grade) to support shipbuilding programs at the Naval Sea Systems Command. In addition, we have added over 900 acquisition personnel to our warfare centers across the country, that provide critical engineering, integration support, testing, and contracting oversight to all of our sea, air, land, space acquisition programs. These personnel are critical since they represent a part of the pipeline of future Program Managers and Senior Systems Engineers.

We have also taken advantage of the Defense Acquisition Workforce Development Fund (DAWDF), initiated by Congress, and added nearly 300 acquisition interns this past year, and are on target to bring aboard an additional 500 this year and next. About 30 percent of our DAWDF Acquisition Workforce hires are now in shipbuilding organizations. We have also improved our education and training programs in two critical areas of need --- shipbuilding program management and contracting. We have used DAWDF funds to pilot a shipbuilding program manager's course that was successful enough that we are moving it permanently to our Defense Acquisition University (DAU) program. In addition, because of the difficulty in hiring experienced contracting officers, we have implemented an intense accelerated contracting training program at the Naval Sea Systems Command to increase the number of qualified contracting officers as well as increase retention rates among this important group. It will take several years to rebuild and rebalance the DoN's acquisition workforce, but these measures and continuing them with this budget is an important step.

These acquisition workforce initiatives are supportive of DoD's High Priority Performance Goal to "Reform the DoD Acquisition Process" in the President's Analytic Perspectives volume (page 78) of his FY 2011 Budget which includes these performance measures:

- By 2011, DoD will decrease reliance on contract services in acquisition functions by increasing the in-house civilian and/or military workforce by 4,765 authorizations for personnel.

- By 2011, DoD will increase the total number of DoD civilian and military personnel performing acquisition functions by 10,025 personnel (end-strength).

Summary

The Navy's Long Range Plan for the Construction of Naval Vessels addresses the requirements in support the National Defense Strategy, the Maritime Strategy, and the new 2010 Quadrennial Defense Review. The plan sustains an 11 CVN force from 2015 through 2045; increases Virginia Class build rates to two submarines per year; increases Air and Missile Defense capability with continued DDG 51 construction and Aegis modernization; increases amphibious lift capability with LHA 7 procurement in FY 2011 and the 11th LPD in FY 2012; increases intratheater lift capability with increased JHSV procurement; and continues Ohio Class Replacement design and development by funding Research and Development efforts within the FYDP as well as Advance Procurement funds for detail design in FY 2015.

Through the Long Range Plan for Naval Vessels, the Navy has addressed affordability. The plan continues DDG 51 construction to leverage a stable design, mature infrastructure, and affordable capabilities. The Navy cancelled CG(X) and truncated DDG 1000 procurement at three ships and consolidated construction in a single shipyard. The Navy plans to transition DDG 1000 technologies and has aligned CG(X) Research and Development funding to the DDG 51 platform including development of the Air and Missile Defense Radar. The Navy intends to down select to a single LCS design which leverages competition, commonality, and efficient construction rates. The Navy has restructured the Maritime Prepositioning Force by continuing development of enhanced seabasing capabilities for the Maritime Prepositioning Squadrons. We have directed the LHA(R) ships to the amphibious force and intend to augment with MPS squadrons with a T-AKE, Mobile Landing Platform, and an existing Large Medium Speed Roll-On/Roll-Off ship. The Mobile Landing Platform will leverage an existing commercial design. The Navy has also increased the emphasis for meeting and extending service lives of in-service ships. We are sustaining the CG/DDG Modernization efforts and are targeting extension of the more capable DDG 51 Flight IIA ships to 40 year. We have deferred command ship replacement and intend to sustain the current command ships until 2029.

The Navy has addressed realism in the Long Range Plan for Naval Vessels by incorporating realistic budget projections in the near and mid term and realistically estimating the long term. In addition, in this year's plan the Navy has included the estimated funding for the Ohio Class Replacement program during the mid term period.

Finally the Navy has addressed the industrial base in leveraging stable designs to minimize disruption experience with first of class constructions, provides stable production rates within the constraints of requirements and budget and ensures major shipbuilders have base workload and opportunities to compete for future ship construction.