

**HEARING TO RECEIVE TESTIMONY ON THE  
DEPARTMENT OF THE AIR FORCE IN RE-  
VIEW OF THE DEFENSE AUTHORIZATION  
REQUEST FOR FISCAL YEAR 2009 AND THE  
FISCAL YEARS DEFENSE PROGRAM**

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**Wednesday, March 5, 2008**

U.S. SENATE  
COMMITTEE ON ARMED SERVICES  
*Washington, DC.*

The committee met, pursuant to notice, at 9:35 a.m. in Room SH-216, Hart Senate Office Building, Hon. Carl Levin, chairman of the committee, presiding.

Members Present: Senators Levin [presiding], Lieberman, Akaka, Bill Nelson, Ben Nelson, Webb, McCaskill, Warner, Inhofe, Sessions, Chambliss, Graham, Dole, Thune, Martinez, and Wicker.

Committee staff members present: Richard D. DeBobes, Staff Director, and Leah C. Brewer, Nominations and Hearings Clerk.

Majority staff members present: Jonathan D. Clark, Counsel, Madelyn R. Creedon, Counsel, Creighton Greene, Professional Staff Member, Peter K. Levine, General Counsel, Michael J. Noblet, Professional Staff Member, and William K. Sutey, Professional Staff Member.

Minority staff members present: Michael V. Kostiw, Republican Staff Director, Gregory T. Kiley, Professional Staff Member, David M. Morriss, Minority Counsel, Lucian L. Niemeyer, Professional Staff Member, Sean G. Stackley, Professional Staff Member, Diana G. Tabler, Professional Staff Member, and Richard F. Walsh, Minority Counsel.

Staff assistants present: Fletcher L. Cork, Kevin A. Cronin, and Brian F. Sebold.

Committee members' assistants present: Jay Maroney, assistant to Senator Kennedy, Frederick M. Downey, assistant to Senator Lieberman, Darcie Tokioka, assistant to Senator Akaka, Christopher Caple, assistant to Senator Bill Nelson, Andrew R. Vanlandingham, assistant to Senator Ben Nelson, Jon Davey, assistant to Senator Bayh, M. Bradford Foley, assistant to Senator Pryor, Gordon I. Peterson, assistant to Senator Webb, Stephen C. Hedger, assistant to Senator McCaskill, Sandra Luff, assistant to Senator Warner, Anthony J. Lazarski, assistant to Senator Inhofe, Todd Stiefler, assistant to Senator Sessions, Clyde A. Taylor IV, assistant to Senator Chambliss, Lindsey Neas, assistant to Senator Dole, Jason Van Beek, assistant to Senator Thune, Brian W.

Walsh, assistant to Senator Martinez, and Erskine W. Wells, III, assistant to Senator Wicker.

#### OPENING

#### STATEMENT OF HON. CARL LEVIN, U.S. SENATOR FROM MICHIGAN

Chairman LEVIN. Good morning, everybody.

We welcome, this morning, Secretary Wynne and General Moseley back to the committee. As we do on these occasions, let us ask both of you to extend, on behalf of the committee, our gratitude to the men and women of the Air Force, their families, for the many sacrifices that they have made, and will continue to make on behalf of our Nation. And thanks, to both of you, for your careers of leadership and service.

A number of critical issues confront the Air Force. Although not at the same operating tempo as the Army and the Marine Corps, the Air Force faces the difficult challenge in balancing its modernization needs against the costs of supporting ongoing operations in Iraq and Afghanistan. We understand that you, General Moseley, have said that you require something like an additional \$20 billion per year, beyond the budget request, to maintain and modernize the Air Force. We also know that each of the other services is facing its own modernization and readiness challenges. So, we'd like to hear from both of you this morning about the risks that will, in your opinion, face future Secretaries and Chiefs of Staff if additional resources are not provided, but also whether you requested additional funds from the administration when discussing your budget with them.

We know that the Air Force is providing forces to the Central Command war efforts in a number of traditional roles, but it is also providing airmen in support of land- component tasks and the so-called "in lieu of," or ILO, missions. According to the witnesses' prepared statements, there are more than 6200 airmen currently performing that mission in the theater now. I think we should hear from the witnesses about what systems are in place to cushion the impact of these ILOs being where they're at on the organizations who are giving up these airmen for those ILO deployments.

On the acquisition front, one of the challenges facing the Air Force is in space systems. All of the Air Force space satellite systems are in the process of modernization and replacement, and all have seen substantial cost growth and schedule delays. In many instances the initial cost and schedule predictions were unrealistic, and in others the technical risk was greater than thought or not well understood, and others suffered from poor management or execution. Some of these programs are showing improvement, but most are not out of the woods yet. As a result, space program costs have increased substantially overall.

Another challenge facing the Department is the potential closure of several production lines and what effects those closings might have on meeting warfighting requirements. The production program that has had the most prominent discussion of the past several years is that of the C-17. Two years ago, Congress added ten C-17 aircraft to the fiscal year 2007 supplemental request. Then,

last year, the Air Force budget for the current fiscal year, 2008, did not include any funding to keep the C-17 production line open. Congress authorized procurement of eight additional C-17s in fiscal year 2008, but no funds have yet been appropriated for those aircraft.

General Moseley has been quoted as saying that he would like to retire C-5A aircraft and buy more C-17 aircraft. In fact, you've requested 15 more C-17s on your unfunded priority list, at a cost of approximately \$3.9 billion.

At one point, the Air Force had been discussing a so-called 30-30 option, wherein 30 C-5As would be replaced by 30 new C-17s. The analysis supporting the Reliability Enhancement and Re-engining Program, RERP, the certification of the Under Secretary of Defense reviewed that very option, but rejected it, because it would not meet requirements.

So, we should hear from you this morning, General Moseley, about whether your unfunded priority list for buying more C-17s is part of a plan to retire C-5As or whether they would be added to the airlift force, and whether you made your case for the C-17s to the Department of Defense for inclusion in the fiscal year 2009 budget request.

On the C-5 modernization program, the Air Force's RERP program has recently been granted a waiver under the Nunn-McCurdy process. It was invoked when that effort ran into cost problems. The program has now been scaled back to a total program of performing that re-engining on the 49 C-5Bs and two C-5C aircraft in the fleet, and dropping the C-5A aircraft from the program. Does dropping the C-5As from that program result in having insufficient strategic airlift capability?

So, in summary, we need to hear about the Air Force's plans for airlift modernization and sustainment.

Another program facing production shutdown is the F-22. The fiscal year '09 budget for F-22 includes neither funds for advanced procurement of additional aircraft in 2010, nor money to pay for line shutdown charges. We think the Air Force's view is clear on this. General Moseley's unfunded priority list for fiscal year '09 includes almost \$500 million for advanced procurement for 24 aircraft that would be produced in a later fiscal year. However, others within the Defense Department hold the view that the currently approved program of 183 F-22 aircraft is enough to meet the needs of the warfighters. So, the committee needs to hear more about those differing views this morning.

On the tanker issue, the Air Force has not provided, yet, any details describing the basis under which the winner of the competition was selected. We appreciate that the Air Force leadership took special measures to ensure transparency with the Congress in the tanker acquisition process leading up to the selection of the winning contractor team. I believe that the Air Force is following appropriate procedures in waiting to provide details of the decision to Congress until the Air Force has briefed the participating contractors, and we would welcome any comments or clarification, as appropriate, this morning.

Underlying all of these major acquisition concerns is an acquisition management issue. Secretary Wynne, when you came into this

job, you recognize that you would have to take significant steps to build up the acquisition workforce and to restore confidence in the Air Force acquisition system after the abuses and poor decisions, that were previously documented, on the tanker lease program. We talked last year about that effort. But, again this year, we'd like to hear from you of any progress on that front.

In the operational arena, the Air Force has been challenged to review the procedures under which it manages and protects access to nuclear weapons. We all know about the incident of the B-52 carrying nuclear weapons from Minot Air Force Base to Barksdale Air Force Base, when standard nuclear weapons handling procedures were violated. It would be useful to hear what the Air Force has done, both in making corrective actions and in holding accountable those responsible for the failures involved in that incident.

So, we look forward to hearing your testimony this morning on these and other issues that face the Air Force. And, again, we're grateful for your service and for your presence here this morning. Senator Warner?

**STATEMENT OF JOHN A. WARNER, U.S. SENATOR FROM  
VIRGINIA**

Senator WARNER. Thank you, Mr. Chairman.

Mr. Chairman, it's interesting, the Air Force celebrated its 60th birthday in September, and I judge that you and I have sat here for 30 years, for half the life of the Air Force, working on these budgets. [Laughter.]

Chairman LEVIN. Well, we don't look that old. The Air Force sure looks that old, but we don't look that old. [Laughter.]

Senator WARNER. This budget poses a challenge. The chairman pointed that out. But, I certainly want to recognize the tremendous contribution that the men and women in uniform, and your large civilian component, are performing on behalf of this Nation all over the world. You should take great pride in it.

I checked, the other day. You—in the CENTCOM area alone, you've been there for 17 years, taking an active role, from the first Gulf war to enforcement of Iraq no-fly zones all during that interregnum period with the Navy, and now Operations Enduring Freedom and Iraqi Freedom. Those deployments, in addition to operations in Bosnia, Kosovo, and elsewhere throughout the world in support of humanitarian efforts, have made the maximum use of the Air Force air expeditionary concept. I don't think there's a Senator around this table that hasn't ridden in the aircraft operated by the Air Force, particularly the old C-130s, the Air Guard—magnificent part of your organization. All of us remember the flights, every hour on the hour, into Bosnia and Sarajevo, back in that stressful period of time. And in our visits to Iraq and Afghanistan, it's usually the old workhorses, the C-130, that takes us around.

And, you know, it's interesting, this morning I was reading, with great interest, the acceleration of China's budget. And I stopped to think—the role of the Air Force in balancing the interests of the United States in China and that region is really critical.

But, you've got a few problems in here, and the chairman touched on 'em, but I'd like to add a few of my own views.

We're back again with the Joint Strike Fighter Program, and we simply have the funding for the single engine. And this committee has taken the lead—I think I have, sort of, been in the forefront of that—to provide for the competition and the reliability, which, really, history points out, is essential to a program of this magnitude, and particularly where we hope—we have, now, a number of foreign partners in it, and that could even grow.

And, consequently, I think we have an obligation to this contract and the foreign participation to make sure we've got that two-engine. I don't think there's any contract that I can think of in the history that I've been affiliated with the Pentagon—which is quite a few years—with that large a participation by other nations in buying in and sharing in that program.

So, that's a challenge that the committee will have, and I, sort of, feel pretty confident the committee can work that out, as it has, in the years past, in the same way.

Now, the chairman very carefully pointed out about the conflicting messages with your 17s and the C-5s and the—he went all through the 17 production line. I've been on this committee, with all of us working it out. But, the plain fact of the matter, the 17 is one of the finest aircraft that we've ever produced, and we've got to continue, somehow, to make this aircraft available.

Similarly, the F-22—again, the chairman covered that—but, this conflict between “It's not in the budget, but there's no shutdown” leaves us up just to work with you to figure out how we're going to go through that.

This is one that strikes me as rather—it has to be said—I'm going to read it carefully, “Continuing on the theme of the budget being incomplete, the Air Force has submitted an unfunded priorities list of items that did not make it into the final budget request, that totals \$18.7 million.” Despite the fact the Air Force budget has grown by nearly 35 percent in constant dollars since 2001, the Air Force's unfunded list this year is four times the size of the Navy list, five times as large as the Army, and ten times the Marine Corps.

Well, I guess, if you don't ask, you don't get, but we're going to have to work our way through that in an equitable manner as it relates to the other components—that is, the Army, the Navy, and the Marine Corps.

So, we will carefully follow your testimony today. The chairman mentioned our concern about the nuclear-weapons-handling incident. The—as we increase the end strength of the Army and the Marine Corps, how you intend to adjust your end strength? The new Cyber Command is of great interest to me, and, I'm sure, others. And the interesting thing, that you told me, Mr. Secretary, about the use of alternative fuels to help alleviate the energy crisis, I hope you've got an opportunity to discuss that.

So, I, kind of, look at—we're going like—this budget—on the old song, “We're coming in on a wing and a prayer,” and it's going to take a lot of praying to work these things out for your folks.

But, I also want to add my thoughts about this tanker contract. If you'll recall, there were—there's a reprogramming action that worked its way through Congress, and the two committees in the House approved it—Appropriations Committee in the Senate ap-

proved it, and then myself and others—I was chairman, at that time, on this committee—we felt that that contract wasn't correct. And the rest is history. We've lost a lot of time. And I join the chairman in saying that we will work, in reviewing with you how you performed the steps under the law to reach your conclusion, but I want you to know, I feel very strongly that Congress should not get into the business of trying to rewrite a contract, particularly one of this magnitude and complexity, as it might suit other members. So, I intend to support the contract; nevertheless, we'll look at it carefully. But, I'm confident, once we've finished that exam, we can go forward with this contract.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Warner.

Secretary Wynne?

**STATEMENT OF HON. MICHAEL W. WYNNE, SECRETARY OF  
THE AIR FORCE**

Mr. Wynne: Thank you very much, Mr. Chairman, members of this committee. Thank you for the opportunity to testify on behalf of America's Air Force.

Thank you, as well, for your support on our improved readiness, via retirement and recapitalization. We're working hard to see this through. Today, we urge you to quickly pass the pending supplemental, as it will help.

Across the total force of Active, Guard, Reserve, and civilian, we are America's strategic shield in air and in space and in cyberspace. We are contributing to today's fight with increasing ordnance-drops, and we stand watch at the missile fields; we stand ready in the nuclear field; and we are an effective air superiority and strike force to both deter and dissuade any opponent who may consider our forces to be stretched in the global war on terror.

We're gratified to hear that role reaffirmed by the Chairman of the Joint Chiefs of Staff in a deliberate message to those who might seek to dissuade or deter us from our own options in the future. This is why we seek to move forward, and not backward, into fifth-generation fighters, into new expeditionary tankers, and into new long-range strike assets. And I can report to you that we did complete the award for the new KC-45 air refueling tanker. This tanker decision is a major step in the Air Force's critical recapitalization and modernization effort. It is why we seek to modernize space assets, as the executive agent for space, and not see further fragmentation of the management of this now vulnerable area. It is why we have established the cyberspace command and see this as a warfighting domain in which we need to dominate to remain a net-centric force for the future.

Clearly, beyond the global war on terror, we must not lose America's asymmetric advantage in strategic forces. Your force has been in the fight for 17 years, as you acknowledges, and yet, has, over the same 17 years, seen underfunded modernization. We thank you for initiatives to restore fleet management to the United States Air Force, a responsibility we don't take lightly. When General Moseley and I came to our posts, we set about a strategy to restructure our Air Force, truly develop a lean and efficient Air Force in order to husband the resources for investment. We worry about the indus-

trial base and the need to look after any open line. I am pleased to report to you that the Department and the Air Force have indicated a desire to essentially not close the F-22 line, and to develop a long-range threat asset. It is to these that we would like to apply the saved resources over the near term while the F-35 proves itself through rigorous tests and is effectively capped on production. We ask that you agree with an approach for the F-22 aircraft, while we work to restore our readiness with younger aircraft.

The F-35 and the F-22 are complementary. The F-22 is bigger, faster, planned to fly higher, and can carry more air-to-air weapons internally. Also, with less than 20 penetrating bombers in our current fleet, it is time to develop an alternative, as well. We have talked about being underfunded, but, here, have worked to offer a balanced budget, prioritized to best defend America, and we will continue to do that over the fiscal year Defense Plan.

The Air Force research laboratories is well engaged in technology development, expanding the opportunities for energy alternatives, while reducing our demand in our fleet and at our bases, also on unmanned flight, in propulsion, in material science, as well as in human effectiveness.

As regards space, at Kirtland Air Force Base, a branch of the Air Force research laboratory is creating inherently defensive space assets. In cyberspace, career development, including Air Force Institute of Technology, and also warfighting schools are keys. Combat commanders and agencies partner with us in this increasingly contested domain.

I have worked in space for almost two decades, and have worked in commercial and classified space as a supplier and a customer. We need consolidated leadership to maintain our current strategic advantage. Congress asked for a re-look at responses to the Space Commission, and we should really consider what's in the report. The Air Force is undergoing a back-to-basics, as well as a back-to-blue, complementary efforts to restore a steady demand and a knowledge base to execute on that demand. I recommend we keep the executive agency exactly where it is, which is in the Air Force shop.

I have engaged airmen in both theaters of operation, and they have asked about the continuation of our presence and the continuation of the ground-force tasking, referred to as "in lieu of" tasking. My answer is, they performed so well that our Army colleagues don't want to give them up. And they do perform well, many winning Bronze and Silver Stars. Your Air Force is currently protecting the sovereignty of these fledgling nations, and, until their air forces can do that, I would not be surprised to see that our Air Force requested to remain. This is why we are re-examining our force structure, though we have prioritized, right now, recapitalization in the President's budget.

I again thank you for the privilege of leading the best Air Force in the world. Every day, our airmen earn the respect of our friends and enemies. We worry about their quality of life as we seek efficiencies and as we implement joint basing, but we never worry about the sense of mission they bring to the task.

I will not have the privilege to represent them in this setting for the force posture again, and I hope I have reflected their pride in service, as I have felt, myself.

I'm read to take your questions. [The prepared statement of Mr. Wynne and General Moseley follows:]

Chairman LEVIN. Thank you, Secretary.  
General Moseley?

**STATEMENT OF GENERAL T. MICHAEL MOSELEY, USAF, CHIEF  
OF STAFF, UNITED STATES AIR FORCE**

General Moseley: Chairman Levin, Senator Warner, distinguished members of the committee—sir, if you'll allow me, instead of an oral statement, allow me to introduce five great Americans that wear the uniform—

Chairman LEVIN. We'd be honored by your doing that.

General Moseley:—of the United States Air Force.

Chairman LEVIN. Thank you. Please proceed to do that.

General Moseley: Sir, first, let me thank you and the committee for all you do for soldiers, sailors, marines, coast guardsmen, and airmen. Thank for the opportunity for my boss, Secretary Wynne, and I to spend some time with you and talk about the posture of your Air Force, and the vision for the future, and the strategy to achieve it.

The face on those 670,000 airmen are seated behind me, and, with great pride, I'd like to introduce them and tell you a little bit about each of them.

First is Lieutenant Colonel Brian Turner. Please stand. He's a Virginia Air National Guardsman who flies F-22s at Langley Air Force Base in the first of our classic associations with the F-22 in the Air National Guard and the Reserve. He's a graduate of the University of Virginia. He's a symbol of the Air Force's ironclad commitment to total force integration. He's logged over 3,600 flying hours in the F-16A, B, C, and D, and now the F-22. He's got over 300 combat hours in Desert Storm, Allied Force, and Iraqi Freedom, and one of his current roles at Langley is flying Operation Noble Eagle, which is our air sovereignty and air defense of the country over the top of Washington and New York, the East Coast, in the F-22, as he defends the homeland. So, that's Lieutenant Colonel Brian Turner, sir, Virginia Air National Guard.

Next is Captain Kari Fleming. She's a C-17 pilot from Charleston Air Force Base. She's a 2003 graduate of the United States Air Force Academy. So, Charleston is her first and only operational assignment. Still, she's amassed over 1200 total flying hours, including 900 hours in the C-17, including 124 combat missions, 278 combat hours since 2005, just in Operation Enduring Freedom and Iraqi Freedom alone. Her missions have included, not only delivery of equipment and cargo, but aeromedical evacuation for a fallen airmen and operational airdrops. I was having a chat with her the other day, and I asked her the last time she landed a big airplane in the dirt, and she says she's done that quite often, landed it on dirt roads and riverbeds. So, sir, that's Captain Kari Fleming, from Charleston Air Force Base.

Next is TAC Sergeant Jim Jochum. He's in the business end of offensive air power. He's an aerial gunner on our special operations

AC-130 gunships out of Hurlburt Field, Florida. He joined the Air Force in August 1989, and spent 5 years as a maintenance airmen, then joined Air Force Special Operations. Since November 1995, he's logged over 4,300 total flying hours, 2,500 of that being combat hours, 367 combat sorties in the AC-130, which is more than anyone else in Air Force Special Ops Command. He's got 35 combat support hours on an additional seven other sorties. But, since October '01, he's accrued 892 days deployed—over 3 years. He wears an Air Medal with 16 oakleaf clusters.

Mr. Chairman, next is TAC Sergeant Michelle Rochelle. She's a lead operator for the Joint Team of Cyber Operations. She's under the tactical control of United States Strategic Command's Joint Functional Component for Command Network Warfare. She's the leading edge of this business of cyberspace. Her roles in conducting computer network attack missions and exploitations means she has direct involvement in the global war on terrorism and supplying strategic intelligence to America's political and military leaders. She truly represents the vanguard of the forces that we are attempting to organize, train, and equip to operate in cyberspace for the Nation's combatant commanders. She also reminds us how critical the cyberdomain is, and the nexus of cross-domain dominance, with cyberspace, space, and air. She's one of those professionals that you never see, you never hear about, but you know they exist, and they do this magic work every single day.

Next is TAC Sergeant Michael Shropshire. He's currently the acting ops supervisor for the 12th Combat Training Squadron at Fort Irwin, California. That is our embedded operation that we marry our operations at Nellis and the National Training Center with the United States Army. He's a tactical air control party member. He enlisted in July 1992, is a battlefield airman. He's spent his entire career associated with the United States Army; multiple deployments, from Joint Endeavor, in Bosnia, to Iraqi Freedom. He wears a Silver Star and a Bronze Star. His Silver Star is for individual heroic actions while surrounded, cut off under hail of enemy gunfire in the largest sandstorm in four decades, alongside our Army comrades. He quickly coordinated close-air support, putting 12 joint direct-attack munitions, or JDAMs, on ten Iraqi T-72 tanks, while constantly switching from his radio handset to his rifle, personally engaging and killing three enemy soldiers at close range. For that, he wears a Silver Star. His Bronze Star is for exceptional performance as a tactical air control party member during the 3rd Infantry Division's push on Baghdad in March and April of 2003.

So, Mr. Chairman, Senator Warner, distinguished members—sir, thank you for the opportunity to bring five of your airmen to the hearing and so you can see a face on the 670,000 airmen that Secretary Wynne and I are so proud to represent. And thank you, to the committee, again, for watching over soldiers, sailors, marines, coast guardsmen, and airmen, and for understanding that these folks make miracles happen every day. [Applause.]

Chairman LEVIN. We thank you. We thank you, General, for taking the time to bring these airmen to this committee. We thank you for the way you introduced them, for the passion that you show for

the men and women in the Air Force, as does Secretary Wynne. And it's an honor to be in their presence.

General Moseley: Sir, it's an honor to wear the same uniform that they're wearing this morning.

Senator WARNER. I think you should stop while you're ahead now, let the—[Laughter.]

Senator WARNER.—just sit here—

General Moseley: Yes, sir, I'll just sit back.

Senator WARNER. No, go ahead.

Chairman LEVIN. Let Secretary Wynne answer all the questions now, right? [Laughter.]

General Moseley: Sir, we're—I'm ready—yes, sir.

Chairman LEVIN. Let me start with the issue of the C-17 procurement. The Air Force budget for fiscal year '09 does not include any funding to keep the C-17 production line open. General Moseley, you've been quoted, though, as saying that you'd like to buy more C-17 aircraft. The Air Force stopped requesting C-17s when they got 180—when they got to 180 aircraft. Two years ago, Congress then added ten C-17s, the '07 bridge supplemental. That brought it up to 190. Last year, Congress authorized an additional eight. The final supplemental appropriation for fiscal year '08 will likely provide an appropriation for at least eight C-17s. That would bring us to a total of 198 C-17 aircraft.

Now, the commander of the Transportation Command, General Schwartz, said, late last year, that he believed that meeting the requirement for strategic airlift aircraft would mean having 205 C-17s. So, assuming that the appropriations process yields the eight aircraft that were authorized that we would—we would then need only to buy in another seven aircraft to meet General Schwartz's requirements. Nonetheless, this year, General Moseley, you've requested 15 more C-17s on your unfunded priority list, at a cost of about \$4 billion.

Now, knowing that the TRANSCOM requirement totals 205 C-17s, my first question is, Why didn't the administration include any C-17s? And the second question is, Why would you want to buy, on your unfunded requirements list, more than—more C-17s than are necessary to get to the 205 requirement of the TRANSCOM commander? I don't know—I think you know these numbers well enough, by heart, so I won't apologize for throwing a bunch of numbers at you, but there's two questions that are involved there.

General Moseley: Mr. Chairman, thanks for that question. Sir, I will tell you, the C-17 is performing magnificently in the arena that we've got it in. We're doing things with the C-17 that we've only previously done with—

Senator WARNER. Pull your mike up a little bit, General. A lot of people in the back are not hearing you.

General Moseley: The airplane is performing in a magnificent manner, as are the crews. We're doing things with the C-17 that we've only previously done with C-130s, like landing it in the dirt and providing forward resupply to land-component and special operations.

And, sir, since we testified in '06, when we said 180 is enough, that was predicated on the requirement for strategic airlift remain-

ing constant and the C-5 capability being modernized. Mr. Chairman, since then, the goal post has moved on us a bit, and we continue to struggle with defining that requirement.

The Army's grown, and the Marines have grown, close to 100,000. The Future Combat System vehicle that we have counted on being able to fit in the C-130, we're told now that it likely won't fit in a C-130; we'll have to put it into C-17s and C-5s. AFRICOM has stood up, which will be an incredibly mobility-intense operation, to be able to move humanitarian-relief and disaster-relief equipment and people around that huge continent, that huge AOR.

And, sir, as we look at the difference in up-armored Humvees and MRAPs, and to be able to move those, it takes us away from the C-130 capability.

And then, sir, on top of that, on every month, we fly as much as we can off the roads to avoid IEDs and insurgents, and we're averaging somewhere around 3500 convoys a month, and close to 9,000 people a month that we get off of the roads, away from IEDs and convoys.

So, sir, as we support the President's budget and support OSD in these tough decisions on resourcing and affordability, we continue to struggle with the notions of, How do we meet those growing demands as the goal post moves on us? And those are the discussions we have inside the Department as we attempt to come to closure on this.

Chairman LEVIN. Did you request those additional C-17s of the DOD?

General Moseley: Sir, we had those discussions as we put the budget together, but it's simply an affordability issue.

Chairman LEVIN. But, you did make the request.

General Moseley: We did talk about it, yes, sir. And in the unfunded requirements list, as we replied to a request from Congress, our desire was to be absolutely open and transparent, and to show you where the next dollar would go, if we had an additional dollar.

Chairman LEVIN. I'll put it this way. Did you argue for it in the budget?

Mr. Wynne: We could not—we could not overcome the fact that the MCS-05 capped us at 300 strategic airlifters. And there was a law basically restricting us from retiring C-5s, so you had to use all 110 in the—and the debate over the Nunn-McCurdy was still there, so we were not well received with any increase in the C-17s, and we knew that.

Chairman LEVIN. Does that mean you argued for it—

Mr. Wynne: We didn't—

Chairman LEVIN.—but it—

Mr. Wynne: We didn't—

Chairman LEVIN.—wasn't well received?

Mr. Wynne: We did not offer it after we received the analysis back.

Chairman LEVIN. All right.

Now, on the F-22—by the way, we'll have a 6-minute first round, if that's all right with everybody—on the F-22 issue, there is a difference of opinion here between the Air Force and the Department of the Defense, as well, about how many of these planes should be acquired. And one of the issues, as I understand it, is whether the

currently-planned 183 aircraft would be sufficient to meet wartime requirements. We can't talk about the specific differences, in an unclassified setting, but it does appear that the Air Force and the Office of the Secretary are using different estimates for the threat. My understanding is that the DIA—the Defense Intelligence Agency—is responsible for publishing coordinated threat estimates, against which the whole Department fields capability. And so, my question, General, of you is, Is the Air Force using the DIA-approved threat estimates in arriving at its conclusion that you need more F-22s?

General Moseley: Sir, we use all threat information that we can get. And, of course, you know, inside the Defense Intelligence Agency, each of the services participate aggressively in understanding those threats.

Sir, I would tell you, this is another example of—we completely support the President's budget, and the Secretary of Defense's budget submission, but this is also an affordability issue, and that's where the discussions really come down as to what we can afford, as we have these discussions about meeting our top line.

Chairman LEVIN. I can understand that, inside of the DIA, when you have these discussions, that there are differences, but there is a final threat estimate that is issued by the DIA after that discussion takes place. Is the—my question is, Is the Air Force using the final DIA- approved threat estimate in arriving at your conclusion that you need more F-22s?

General Moseley: Sir, we use the DIA threat estimate, yes.

Chairman LEVIN. Thank you. My time is up.

Senator Warner?

Senator WARNER. Thank you very much, Chairman.

Following on the chairman's line, the questioning on the 17, I wonder if you could put a little more emphasis on the fact that when we go into a big aircraft program like this, we try to set the end-number limit based on what we perceive, at that time, to be the challenges for that aircraft over its lifetime. I would daresay that the challenges that the 17 has met far exceed those projections, in terms of flying hours in these operations in both Afghanistan and Iraq—those are remote places on the globe—and that that should be considered as a basis for the additional C-17s. Would I be correct, General?

General Moseley: Sir, you are. And inside the affordability discussion is still the notion of another mobility capability study, that we're working now, which will be due, I believe, in January of '09, to try to capture that movement of the goal posts on a larger Army, on vehicles that will or won't fit, and on what we're doing with these aircraft, as far as over-flying the program flying hours to take convoys and people off the roads.

Senator WARNER. So, that has been very substantial.

General Moseley: Yes, sir, and we're working our way through that next mobility capability study to try to better define that requirement.

Senator WARNER. And from an engineering perspective, is the airframe holding up under these stressful conditions?

General Moseley: Sir, it is. It's a wonderful airplane. And I won't speak for the pilot, back here, but we've not found anything that

we can't do with the airplane that we couldn't do with the C-130, and that's a strat-lifter that we're using in that environment.

Senator WARNER. I remember when we worked on this airplane, from the congressional perspective. We asked you to make sure you make one to do short landing, takeoffs, and drive around on the dirt. The captain testifies that they work well on the dirt.

Captain, is that correct?

Captain Fleming: Yes, sir.

Senator WARNER. Thank you very much. [Laughter.]

Senator WARNER. On the tanker contract, the Secretary spoke to his strong affirmation of the procedures that were followed, and I'd like to have your perspective on how the winning contract prevailed. In my understanding, we have five criteria; and—was it four out of the five that the winning contract, in your judgment, exceeded the other contract?

General Moseley: Sir, if you'll allow me—since I'm not in the acquisition business, I would ask the professionals inside Secretary Wynne's world to provide that for the record, as far as those criteria. [INFORMATION]

General Moseley: I will tell you that we were very stringent on the requirements that we laid down for either airplane to be met, that we could take these airplanes into the 21st century, and fight with them, and providing refueling for the entire joint team.

Senator WARNER. But, there were clear—

General Moseley: Criteria, yes, sir.

Senator WARNER.—criteria. And in meeting the criteria, it appears that the winning contract had the stronger aircraft for a number of those criteria.

Mr. Wynne: Senator Warner, if I could relieve the Chief of his anxiety—

Senator WARNER. Yes.

Mr. Wynne:—I will—I can tell you this. There were nine key performance parameters. And across that spectrum, all evaluated, the Northrop Grumman airplane was clearly a better performer.

In the area of the proposal factors, there are factors that are reviewed, and, in that area, the Boeing proposal was judged to be just a little bit more risky, primarily because of the complexity of their offering.

In the area of price, the Northrop Grumman proposal was judged to be less, across the board, narrowing slightly at the total life-cycle estimate. And I think they're going to be debriefed on Friday. I have been advised, by lots of folks, that if I go into any more depth than that, I have to have it in a private session, because it—

Senator WARNER. Well, that's—

Mr. Wynne:—it gets into—

Senator WARNER. All right. It's—

Mr. Wynne:—proprietary information. But, sir—

Senator WARNER. At this point, this committee—

Mr. Wynne:—it confirms your view.

Senator WARNER.—this committee is not going to be involved until all those procedures have finished. It's the appropriate time for Congress—is to review how you reached the contract and determine if it's consistent with the law. But, I think it's just important, as this debate is beginning to build up, to have some facts out

there which show that this aircraft is the best performer. And I'll just close on that.

On the question of the cyberspace—it was quite interesting that you had one of your outstanding airman here today on that subject—tell us a little bit about the Cyber Command. This is an area in which I've had a lot of interest.

Mr. Wynne: There's a—there are—we stood up a provisional command, down in Louisiana last September, in order for it to shape itself and become organized. There are elements around the country that have an interest, and a continuing interest. We have, so far, been solicited by 16 States for the location of the final command. And what we are doing is, we are going to communicate with the point of contact in each of those States on or about mid-month, this month. We're going to cut off the supply of information, so we can do an evaluation, between July 4th and November. We intend to down-select to four of the prime candidates in November, and then down-select to a single candidate in December, and trying to do it in as fair an unbiased manner as we can.

The command, however, is—we've also asked it to become virtual. In other words, we've said, "We don't want you to be a standard pro-forma command, as you might see from the Napoleonic era." We think we should go into the Information Age, so we asked them to look at Accenture and Amazon and companies like that, see how they operate, and minimize the headquarters. And, by the way, we see that the units where they are already located in the various States around the country—our first inclination is to leave those in place.

Senator WARNER. Let me turn to my last question, on the UAV program. Congress, in its infinite wisdom—and I had a hand in this—laid down some goals, that, by 2010, one-third of the aircraft in the operational deep-strike force should be unmanned. Now, I have to tell you, at the time we did that, it was to try to push your Department into more forward thinking on this. However, the Unmanned Systems Roadmap for 2007 to 2032, just delivered to Congress, did not describe how it plans to achieve that goal, nor does it include striking targets as key UAV role missions in the future.

UAV is really performing magnificently, particularly on the border between Afghanistan and Pakistan. It's becoming an essential component of our overall Armed Forces. We were privileged, yesterday, to have the CENTCOM commander before the committee, and the commander of the Special Operations Forces. And he reiterated his growing dependency on—for special operations—the UAV—various programs, across the board.

Mr. Wynne: We're extremely proud of the partnership we have with the Special Operations Command. And, by the way, the reachback activities that you cannot find in country, you have to come to Beale Air Force Base, or you have to come to Nellis, or sometimes you have to come in areas here in Washington, D.C., to find the actual operators who are doing that. And what we find is that—and, sir, you may look in the budget this year and find that we are asking for 92 airplanes, of which half of them are unmanned. So, we are—so, that's one of the reasons that we're running into a little stress, if you will, on our manned fleet. But, the—our unmanned fleet is burgeoning, and deliberately so. We're actu-

ally running into a little bit of buildout constraints, if you will, in being asked by the suppliers to add to their capacity, to make sure that we can order more.

That having been said, we're also asking our Army colleagues if we can show them, and use their resources—because they have a lot of shadow aircraft that we think we can press into the fight, and maybe meet some of your larger goals. And, as we go forward in our unmanned long-range strike, we're actually thinking about having that aircraft be a manned and unmanned variant, because we see the manned as, in fact, a constraint. He can only go for 11, 12, 13 hours, as we have in the U-2, and we have in other—in the SR-71 program. And, absent the individual, we find out Global Hawks can go 24 to 27 hours.

Senator WARNER. Thank you, Mr. Secretary. My time is up.

General Moseley: Senator Warner, that number is 93 airplanes, and 52 are unmanned, that the Secretary talked about. And our Reapers, our MQ-9s, that we're using, that you talked to Admiral Fallon and Admiral Olson about, we have those in strike squadrons, not reconnaissance squadrons. And so, the vector we got from the committee, awhile back, on moving into strike, that version of the UAV is a strike platform, not a reconnaissance airplane.

Chairman LEVIN. Thank you, Senator Warner.

Just for the information of Senators, on this question of the tanker contract, the committee staff is going to schedule a briefing after your briefing of the parties.

Mr. Wynne: Excellent.

Chairman LEVIN. They will then—and we—Senator will be notified of the time and place of that briefing, in case any Senator might want to attend, personally. Senators, of course, may ask for individual briefings. That'll be up to each Senator.

As a matter of, just, timetable, if there is an appeal to the Comptroller General, which the law apparently allows, what is the timetable for that?

Mr. Wynne: I think it's shortly after they get debriefed, which will be this Friday.

Chairman LEVIN. Is there a 10-day, 20-day, 30-day—

Mr. Wynne: Sir, I'd have to get that back to you. [INFORMATION]

Mr. Wynne: I thought it was 10, but I—but it could be 30, is what—

Chairman LEVIN. All right.

Mr. Wynne:—I don't want to misspeak.

Chairman LEVIN. Very good. Thank you very much.

Senator Lieberman?

Senator LIEBERMAN. Thanks, Mr. Chairman.

Mr. Secretary, General, thank you. Thanks, to all those who serve under you, who are behind you today and in many other places around the world to protect our security and our freedom.

I would like to talk to you for a moment about the MP-RTIP program, this extraordinary, next-generation X-band radar that has developed for airborne surveillance systems, that, as you know, can provide unprecedented situational awareness to the warfighter, of both ground and air targets.

There's a history, here, obviously, which is that this was being developed for the E-10A. That plane was canceled by the Air Force. At one point, the work on the MP-RTIP was stopped, even though we had spent somewhat over a billion dollars on it. Then, I think, quite correctly and wisely, the Air Force realized that that was not the right way to go, and began to come back to developing MP-RTIP, because it is a unique capability. The—you've listed MP-RTIP as one of your unfunded priorities, for 285.5 million. Description is, "Accelerates MP-RTIP development while the Air Force determines the most viable platform to carry the future MP- RTIP sensor."

I want to make a pitch, and then ask you what—that I know there's consideration of doing this radar system on a smaller variant for the—to be used on a Global Hawk. That's obviously positive, but I hope that you're also considering using it on the E-8, the Joint STARS, platform, because of the additional capabilities that the larger version of MP-RTIP gives you that can be put on the Joint STARS. And I'm thinking, particularly, about the ability of the larger system—increased ability to detect and track targets which—with a much smaller radar signature. And here, I include cruise missiles, because of the ability to protect our forces in the field. But, I must say—and here, I put on my other hat, as the chair of the Homeland Security Committee—my concern about the potential for a cruise-missile attack, by terrorists or enemies, on the U.S. homeland.

So, my question is whether the larger platform and a larger MP-RTIP are under consideration as part of this unfunded priority list?

General Moseley: Sir, it is. And if you remember, sir, the reason the E-10—we had to cancel the E-10—

Senator LIEBERMAN. Right.

General Moseley:—because of cost growth on it, and we couldn't—we couldn't see our way clear to spend that kind of money on a single demonstrating airplane. But—

Senator LIEBERMAN. Understood.

General Moseley:—the concept of the technology is still most attractive. We've looked at versions to put on the 707 airframe, but we're limited, on the 707 airframe, just from the distance from the belly to the runway, on the size of an antenna that you can put on it.

Senator LIEBERMAN. Right.

General Moseley: And so, there is a version of it that will fit on the existing 707 airframe, and we've worked with the contractor, for that.

We've also kept it alive to put to it on the Global Hawk—

Senator LIEBERMAN. Right.

General Moseley:—which addresses Senator Warner's question about unmanned vehicles and persistence.

And so, sir, I think there is a future for this capability, because of the need to be able to see things small, both on the unmanned and on the manned side of this.

Now that we have a tanker contract with another-type aircraft that is bigger, now we have options to go back to the bigger antenna, or the bigger gondola with a bigger aperture, so that we can take a look at that.

And, sir, we've had the conversation is amongst ourselves about, How do we start that program, now that we have an airframe that is big enough, the distance from the runway to the belly of the airplane, that we can put the bigger antenna on it?

Senator LIEBERMAN. And you might—

General Moseley: So, it's very much alive.

Senator LIEBERMAN.—you might put the antenna on the tankers?

Mr. Wynne: Well, sir, what we're looking at is—you know, all of our derivative aircraft are 707s.

Senator LIEBERMAN. Right.

Mr. Wynne: And what we're looking at now is, thinking about going to the systems houses and asking them to, essentially, design their product for a platform that's in the aircraft—that's in the Air Force inventory, and give them the right to come back to us with, What does it fit on? And I think—because that would put the impetus, if you will, on—instead of the platform, on the electronics.

Senator LIEBERMAN. Well, I appreciate that. That's very encouraging, even exciting, so long as—my main point is, I hope we can find a way to acquire that larger MP- RTIP piece of this.

Mr. Wynne: And, sir, in your chairmanship of the Homeland Committee, you might think about—the reason that the National Guard is so excited about the F-22, frankly, is that it also can chase down cruise missiles.

Senator LIEBERMAN. Yeah. Hear, hear. Although I think its capacity, as great as it is, will be amplified by the MP-RTIP.

Mr. Wynne: If it gets queued, it's—

Senator LIEBERMAN. That's the—

Mr. Wynne:—much easier.

Senator LIEBERMAN. That's the key.

Briefly, on the fighter programs—first, on the Joint Strike Fighter—you do not fund the alternate engine for the Joint Strike Fighter in your budget request. During hearings last year on this issue, you characterized it as unnecessary and a potential cost that could delay fielding of the Joint Strike Fighter. Is that still your position, Mr. Secretary?

Mr. Wynne: I think the issue really affordability. It fails the business case. I would note that Senator Warner emphasized reliability. When you go—if you go to a single airplane for eight, nine, ten nations, then the question is, Does it have to pass a business case in order to just be an investment in uber reliability? Recognizing it doesn't pass its business case, as Senator Levin pointed out on the C-17, we don't get much support for putting it forward. So, we do agree with the President's budget, as it sits, but we also look at it and think, you know, What should America take responsibility for in the area of reliability?

Senator LIEBERMAN. Understood.

General Moseley: Senator Lieberman, if I could—

Senator LIEBERMAN. Yes, sir.

General Moseley:—if I could piggyback my boss, the—

Senator LIEBERMAN. You sure can.

General Moseley:—holding of the F-35-series aircraft—F-35A, B, and C—timeline to the original requirement is something we're very sensitive to. And being able to deliver that airplane on time, for the—not just the Air Force, but the international community,

as well as the Marines and the Navy—any billing of money, inside that program that slips that, is a concern to all of us about being able to bring that aircraft online, in the numbers that we need, on time.

Senator LIEBERMAN. I agree, and appreciate the answer.

My time's up. Thank you very much.

Chairman LEVIN. Thank you, Senator Lieberman.

Senator Inhofe?

Senator Inhofe: Thank you, Mr. Chairman.

I was going to start off with my concern over the number of the F-22s, but I see that Senator Chambliss is here, and I'm sure he'll cover that in enough detail, I won't have to use my time to do it.

A lot of discussions taking place by—about the aging equipment. I would observe—I know that you guys have tunnel-vision, you're concerned mostly about the Air Force—but this could be a hearing of the Army, the Marines, the Navy. All of 'em have this same problem. And we had a conversation a couple of days about, with General Wurster, the Air Force SOC commander, and he told me about a refueling mission with a KC-135, where they had problems transferring gas from one of its wings through the boom; instead of aborting the mission, they—the crew devised a workaround, off-loading gas from the good wing, and then pumping it over from the—to replace it and maintain the same—the balance all at the same time. So, I know this is happening. This is—things like this are going on.

In the last—not the last two, but a couple of trips back, going into Baghdad, they always put me in the oldest C-130s they can find. [Laughter.]

Senator Inhofe: And I'd say, "You know, you don't have to—I'm convinced. You don't have to do that with me." [Laughter.]

Senator Inhofe: And we actually lost two engines, going in, once. Not one, but two engines. And then, of course, the last time, we were about 8 minutes out, we were shot at, and if we had had something that performed better, we would have been out of range by that time. So, I don't have to be convinced. I know that's a problem. But, I wonder how many people in this room know that, in the case of the lift vehicles, that Tinker has a reverse-engineering facility, where it reverse-engineers parts of our aging aircraft, because there just aren't the parts available. Is this a program you're familiar with, General Moseley?

General Moseley: Yes, sir. And also in our wings, when the aircraft—when the old aircraft go through phased maintenance, we work very closely with the depot teams associated with that MDS so that we're actually manufacturing parts for aircraft that there's no supply for. And so, even in phase maintenance, not just in depot, are we supplying things down to the wing level to be able to keep the old airplanes flying.

Senator Inhofe: Yeah. And I know that—it's true in Georgia and Utah, and in Oklahoma—that the ALCs are doing, really, a great job, a much better job than they used to do. And we had occasion to take a team around to all of 'em and, kind of, compare as to how it's being done. And it's being done very well.

I am glad that people are now talking about the overall problem. I can remember, 7 years ago, when Secretary—or when Rumsfeld

was up for confirmation, asking him the question about the overall problem that—you know, where—How can we assure that, 10, 15 years from now, we're going to have the best of everything? And we went through this thing where we didn't have the best of everything. And, certainly, John Jumper was very courageous, in the late '90s, to point that out. But, he said—he said, "Well, you know, we went through the entire 20th century, for 100 years, averaging 5.7 percent of GDP for military." And he said, "It's"—and this was right at the—at 7 or 8 years ago—"It's down, now, to about 2.7 percent." Now it's up to about 3.4 percent. So, I said, "Where should it be?" And, you know, a lot of people have done a study on this thing, and it's somewhere around 4 to 4-and-a-half. Well, since then—nothing happened for about 6 years. Now people are talking about it.

And I noticed, General Moseley, in February 29th's Early Bird, you were quoted that you are looking at that, too. You came up with something, probably off the top of your head—4 percent. And so, I would like to hear any comments you—the two of you might have right now about this, where we should be, and then make a request.

Go ahead.

Mr. Wynne: Actually, we have swung in to support the Chairman of the Joint Chiefs, who looked at it, conducted a—what I would say is a—probably a short assessment, and felt that 4 percent was an appropriate floor to—but, when you fall below that, you really begin to build up a bow wave, because you begin to shut things down. And if we were to shut down a shipyard, or we were to shut down an aircraft line, these things just do not start back up again—

Senator Inhofe: Yeah.

Mr. Wynne:—on their own initiative. So, that's where you begin to really build a bow wave forward and cause yourself to really think about getting back into the 4's and 5's. Whereas, if you'd had a nice, steady rate, I think it wouldn't have gotten us there.

Senator Inhofe: Yeah.

General Moseley: Senator, I—our analysis—I'll say "my analysis"—takes us to that 4-percent number, which allows us, whether it's shipbuilding or aviation or space, to be able to lay in the capital investment, in the long term, to be able to recapitalize aging systems, and to stay ahead of obsolescence on the inventory, whether it's ships or whether it's aircraft. If you could lay that in, and—stabilize the contractors and lay that in, then you can also get economic order quantities that you can deliver the systems much faster, at lower cost, and you can field the capability much faster for the entire joint team. Less than that, we are making fundamental decisions based on affordability, not on notions of protecting the industrial base and delivering capability.

Senator Inhofe: Yeah, and all of that affects the risk that these guys, over here on—to your left, are facing on a daily basis.

In your statement, General Moseley—and you didn't get a chance to read your statement, because you were introducing your people, but in your—I saw something in your written statement that surprised me, and it pleased me. Each of us up here is on two standing committees. And, of course, this is Armed Services, one of 'em.

My other one deals with the crisis that we have, in terms of energy. And it says here that—I'm quoting, now, out of your statement—it says, "Finally, as a result of congressional interest, we have begun considering a potential for small-scale nuclear power production on Air Force property." Could you elaborate a little bit on that?

General Moseley: Sir, the Secretary and I have discussed this several—in several venues, about being able—on an Air Force base or on a military installation, the opportunity to put a small nuclear reactor, because you can protect it, you can secure it, and you can also generate the power from it in a very clean way.

Senator Inhofe: Well, I—

General Moseley: So, we're interested in—actually, we've asked the question, What would it look like, and how would we efficiently ask the question? But, I think it merits—

Mr. Wynne: Right, and we've—

General Moseley:—some discussion.

Mr. Wynne:—and we've looked at the—we've asked the contractors to come in and tell us—we would like a—you can't terrorist-proof it, but what we want is something that is not dangerous to the community.

Senator Inhofe: Sure.

Mr. Wynne: And they can—they have, now available, interesting designs, which we can put on parts of our base, you can actually almost bury it, but it takes up about a football field, and produces about 50 megawatts, and—which would take the military off the grid, which I think might be valuable in the event of a grid catastrophe, and then also provide the surrounding community with a maintenance amount. And it's one of those things that I've been worried about since we stood up Cyber Command and people began to tell me about what the threats are. I said, well, maybe we ought to make sure that we're protected, in several ways.

General Moseley: Senator, we've pushed the limit about as far as we can on geothermal—

Senator Inhofe: Right.

General Moseley:—on wind, and on renewable energy and alternative energy sources. We run most of our bases west of the Mississippi on alternative energy. We've also flown airplanes with synthetic jet fuel. With the Secretary's leadership, we've pushed very hard into that world of renewable and alternative energy, but there's a limit to wind and geothermal and solar that seems to be an opportunity to begin to ask the question, What can we do next?

Mr. Wynne: Right.

Senator Inhofe: Well, I—my time is expired, but I applaud you for that, and encourage you to pursue that.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Inhofe.

Senator Nelson?

Senator Ben Nelson: Thank you, Mr. Chairman.

And thank you, gentlemen, for being here. And thanks, to our men and women in Air Force blue, for your commitment and your service, as well.

Senator Levin was talking about the unfunded list, the unfunded request that you're looking at to recapitalize and modernize the

fleet. We're talking, in terms, as I understand it, of \$20 billion, this budget cycle, but it's also my understanding that you're thinking in terms of \$20 billion for each of the next four budget cycles after this one. Is that correct?

General Moseley: That's correct.

Senator Ben Nelson: We've gotten ourselves into a situation, here, where the budget really is never a budget, it's maybe not even a blueprint at times. My concern is that, when we continue to put requests outside the budget, that we're creating a bypass of the process, in part, but, also, we're skewing what the budget really looks like. So, what we should be thinking about is, whatever comes here next year, if it doesn't include that 20 billion, just begin to automatically add 20 billion in our thinking, because that's what's going to automatically happen? I'm not trying to pin you down, as much as I am raising serious questions about the process, not suggesting—

Mr. Wynne: Well, Senator, I think—

Senator Ben Nelson:—you don't need the money.

Mr. Wynne:—I think one of the best ways to look at it is, we have been below 4 percent now for several years. We have been actively engaged in a war for 17 years. We went through a procurement holiday, and we have built up a bow wave. Now, the American taxpayer can tell us that, "You know, we don't want the kind of defense you all are offering. We would rather that you were smaller or that you just let yourself grow old." I think there's enough of a democracy out in the world that we owe you—we owe you what we believe it takes. However, when the—when—as you know, when the die is cast and the gavel comes down, this is America, and we follow direction.

Senator Ben Nelson: Well, is the theory that it's—might be easier to convince us than it is to convince the administration?

General Moseley: Sir, I wouldn't say that. Remember the unfunded requirements list was a request from Congress as to where we would put the next dollar.

Senator Ben Nelson: I know. I know. I just wonder why it comes to us in that situation, as opposed to coming through the regular budget.

General Moseley: Sir, we spent a year—in fact, the last budget that we submitted, the Air Force spent 2.2 million man hours on submission of that POM inside the Department. So, we do spend some time trying to get it right, given the fiscal guidance that we're given by the Department. And we have those discussions inside the Department, and we salute smartly when the Secretary of Defense makes a decision and submits that budget to the President. So, we live with—inside that, and I've got no problem with that; I support that fully. But, when asked, "Where would you put the next dollar?" I think it's—the right way to answer is to be absolutely transparent and honest. And we—

Senator Ben Nelson: I don't want to put a penalty on candor. So—

General Moseley: We did the same thing last year, sir. We did it—the last 2 years, we've told the Congress exactly where we would put the next dollar, if we had an extra dollar.

Senator Ben Nelson: If we could move to cyber for a moment, as we look toward the high-tech requirements that cyber—that protecting the cyberspace is going to require, are we in a position to be able to recruit young people and/or people from industry with the right technical background for that kind of command?

Secretary Wynne?

Mr. Wynne: Sir, we're—first of all, we can't afford not to, because it is a warfighting domain, and we consider ourselves a net-centric operation. I would also tell you that my interaction with industry is, they are ready, willing, and able to help us in that, and that many of them have constructed some network operations centers on their own, that they're willing to allow us to share with them, to share with us, as to what they're—where they're going and what their innovation is. We have, in our own Air Force Institute of Technology, a master's degree program in cyberspace, in aspects of technology relating to cyberspace, and we're establishing, actually, National Guard squadrons, in the Silicon Valley and in Seattle, Washington, that are very well attended. So, we find that the—that this is an area whose time may have come. The question is, How do we organization, train, and equip correctly, and how do we make sure that we maintain the right kind of leadership to get this done?

Senator Ben Nelson: Well, the importance of a private/public—public/private partnership is fairly obvious, because we can certainly acquire a great deal of technology and information, that can help us with technology, from the private side. Is there any effort to try to make this a three-party arrangement so that you've got the public—or the private—the private side together with Homeland Security, as well as the Air Force?

Mr. Wynne: What our role is, is—I want to be sure that we can organization, train, and equip and present forces where we are asked to do it. And so, I am working very closely with Strategic Command, as my combatant commander, and making sure that we have the right attributes to support him. When it comes to the Director of Homeland Security, the mission is a little bit different. When it comes to some of our partners in the intelligence community, the mission is a little bit different. But, we see it as a cross-domain exercise. In fact, we have a warfighter school set up at Nellis, that the Chief set up, so that we could show how, if you can synchronize a cyberdefense together with an air attack and a ground attack, it is a remarkable, remarkable difference.

Senator Ben Nelson: So, you think that there is a possibility of synchronizing what happens with the requirements from Homeland Security, together with the Cyber Command component?

Mr. Wynne: I think we will all learn from each other, but the missions are a little bit different.

General Moseley: Senator, I think we have to do it that way. I think we have to look at ways to capture those synergies. And I would offer that the two of us, as we've stood up this provisional command and looked for a full command, we're just now beginning to understand how to ask the question about cyberspace. So, I'm not sure we have the answers yet.

So, the first steps are to understand the domain, get our professionals, like TAC Sergeant, here, involved in that, and look for ways to partner with both the academic world and the industry

and the other departments to see how to even ask the right questions.

Senator Ben Nelson: Well, the assets of the private sector are considerable, and if they can be made available to assist, that certainly would provide, not only synergy, but I think it would provide compatibility, to bring all of our interests in protecting the cyber area together.

General Moseley: Yes, sir.

Senator Ben Nelson: Thank you.

Senator Sessions?

Senator Sessions: Thank you, Mr. Chairman.

I just want to say, General Moseley, that a good friend, Chuck Larson, U.S. Attorney in Iowa, sent me a book by his son, Major Chuck Larson, who served in Iraq, about heroes, people who won Silver Stars. This individual, who won the Silver Star, gave great credit to his air-traffic controller, who was under fabulous—fierce fire, as your airman, here, and he said, when that was over, he had one goal; that was to go find those guys and hug 'em, because they could—they would not have survived without a vigorous and prompt—and several other stories in there. Those soldiers, who were in very desperate situations, made a reference to their ability to call in air support that was critical in saving the lives of Americans. Of course, we have a lot of airmen in Iraq and Afghanistan, serving in all kinds of different circumstances today. And we thank you for that.

I thought I would mention the tanker. Mobile is a strong Air Force town. Brookley Air Force Base had 40,000 people working there at one time, and it was just closed in the 1960s, and the town really went—30 years of struggling. And now, the Northrop Grumman team searched the world over and selected that as the place to construct a new tanker, if they were able to win the contract. And they have been able to do so. And I just have never seen anything like the excitement that our people feel for the opportunity to once again be a part of the Air Force community, to see the revitalization that—of that fabulous old runway and the engineering building they have already constructed. And they intend to move forward.

I just want to share a few thoughts about that process. This committee became engaged in it. I—at—the lease proposal that turned out to be an embarrassment for us all—the lease proposal was raised. And Senator McCain, in the Airland Subcommittee, that I chaired at the time, having—long before Mobile was ever considered a site for this. And he objected to the lease agreement, and made a number of valid points. We had analyses of alternatives, that formal procedure, GAO reports. It came up to full committee, and Senator Warner, as he noted, and Senator Levin, as ranking member at that time, believed that this was not the way to go, and that we should have a bid process, a competitive bid process. And the Congress voted on that. We said, “No, we’re not going to do a sole-source lease. We’re going to have a competitive bid process.”

Now, Secretary Wynne, if you’re going to buy a large aircraft transport plane, and you’re going to have a competitive bid process, you need more than one bidder, don’t you, to have the benefits of bidding?

Mr. Wynne: Yes, sir, you do.

Senator Sessions: And, in the world, how many companies produce major aircraft—large aircraft?

Mr. Wynne: Well, right now there are three, as you know. And, one of them, we are actually running MRAPs back on Antonovs, and then there's EADS, and then there is Boeing.

Senator Sessions: Yeah, there were basically two at the time, and so, you had the two bidders. And they bid. And did you make a commitment, impliedly and explicitly, that you would fairly evaluate those bids, and that, when it was over, you would award the contract to the best bidder?

Mr. Wynne: We made a commitment that we would be transparent, that we would apply the laws of the land in a fair way, and be very communicative to the Congress, as well as to the companies. And I think we've done that.

Senator Sessions: And did anybody claim and object, at any time, that the Northrop Grumman lead responsible bidder and the EADS partner was unqualified to bid and shouldn't be allowed to bid, and didn't meet the standards for bidding, that you're aware of?

Mr. Wynne: Not that I'm aware of.

Senator Sessions: I didn't hear that, either. So, the complaints have come, now, from some who didn't win. And I think that's a bit late. We can discuss the bidding process, if we'd like, and what kind of changes we'd like, but, you know, you—it's not acceptable to change the rules in the middle of a game. It's certainly not acceptable to change the rules after the game is over and the winner has been declared. So, I think politicians really need to be circumspect in some of the things they—more circumspect than what I've been hearing from some, not in, really, so much—not on this committee, but others.

I would just note a couple of things about that contract, because it is important to me, and I've watched it. There will be 25,000 new American jobs created in 49 States; 230 companies will participate in this process. And the Commerce Department has said, despite some different numbers being floated, they estimate that the Boeing plant would amount to 25,000 jobs, also. So, it was the same number. And would note that we have gotten an aircraft that I think, in all the major criteria, is superior.

But, let me just, sort of, ask you, Secretary Wynne—my time is run out, and—but, with regard to the criteria, that includes, like, how far the plane can fly, how long it can stay in the air, how much fuel it can carry, and life-cycle cost, and other factors. Those are fairly objective criteria.

Mr. Wynne: We had nine KPPs, which are key performance parameters. We actually allowed the competitors to trade off anything that was not a KPP. So, you're right, those were actually contributions to the warfighting mission.

Senator Sessions: Well, I thank you for your leadership, and I believe the Air Force conducted the most transparent and open bidding process, perhaps in the history of this kind of procurement, perhaps setting a model for the future. You did it on an objective basis, I believe, and came out with one conclusion, which was that this aircraft, that was selected according to your professionals who analyzed it, was clearly—"clearly" was the word they used—supe-

rior. And I don't think politicians should now seek to alter a process we've approved all along.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Sessions.

Senator Bill Nelson?

Senator Bill Nelson: Thank you, Mr. Chairman.

Gentlemen, good morning. And thanks again, I enjoyed the visit yesterday. Thank you all for your service to our country.

One of the things, in our private meeting, that I didn't bring up, that we've talked at length about, is, back a year ago, the Authorization Act directed the Air Force to produce two reports on the future of the test and evaluation wing at Eglin Air Force Base. And we've gotten one of those reports. We've got another one that's coming. And, as I understand, it's coming pretty soon. And, Mr. Secretary, I wanted to ask you, is the Air Force planning on restructuring of test and evaluation that will affect Eglin by reducing manning or capacity?

Mr. Wynne: Well, remember, sir, we were waiting for the two reports to come in, and I understand there's—the Office of Secretary of Defense is also looking at that, at the Defense Test and Readiness Management Center. So, we'll have to wait to see what they say, but, as far as I know, the—it appeared to me the capacity was held.

Senator Bill Nelson: Well, if you will make your decision on a comprehensive analysis and a coordination with DOD, and the other services, before you come to a conclusion, then I feel confident, as the first RAND study has already shown us—

Mr. Wynne: Right.

Senator Bill Nelson:—that what was originally planned by the Air Force was certainly not in the interest, not only of the Air Force, but not in the interest of DOD. For example, you were shutting down, in that first attempt, to try to squeeze money out of the Air Force Materiel Command. You were shutting down the climatic lab. Well, I mean, it's one resource in the world. You can't duplicate it. You could say, "Well, we can send people to Greenland to simulate cold, then we can send 'em to the desert to simulate hot." But, what about if you want a combination of sleet with the snow, or what if you want a combination of wind from a certain direction coming in with a certain temperature? You certainly can't simulate that, that we can do in that climatic lab.

Mr. Wynne: Well, I think, sir, you've hit upon a stress point across our Nation, frankly, that affordability can't always be the rule.

Senator Bill Nelson: Well, here's where the problem is. This is the nub of the problem. DOD said we've got to cut X number of billions of dollars. The comptroller of DOD allocates it out to the various services. The services allocate it out to the various commands. Materiel Command got a cut of \$1.7 billion, and it tries to figure out how it's going to do it, and it says, "Well, we can get 800 million by shutting down these things in test and evaluation, and squeezing it together with Edwards Air Force Base."

Now, that's wrongheaded decisionmaking on the basis of an artificial number imposed by a comptroller of DOD, allocated out, be-

cause that's not considering the mission of the entire DOD. The mission—

Mr. Wynne: Well, I think—

Senator Bill Nelson:—of the DOD, in this case, is to be able to test and evaluate all of our systems, highly sophisticated weapons systems, in order that they will work when we call on them to work. And so, here's the wrongheaded budgetary thinking, "Well, we've got to impose this much cuts." And I appreciate the drill that you all have to go through. And I know the discomfort. But, when it is a artificial number given to certain commands, and they're looking at it through a tunnel, and they don't see the big picture of how it's going to affect DOD—

Now, the reason I get so worked up about this that I had to get into it, and I had to put an amendment on the authorization bill to stop it, because it was going to happen by my amendment causing the studies. The RAND study came out and basically corroborated a lot of what I've said, and we're working—we're waiting on the second study right now. And I just want to make sure that, you know, behind the scenes, that suddenly this guy with the green eyeshade, up there in the comptroller's office, who is saying, artificially, for you all to cut certain amount, that this is not happening, and it becomes a fait accompli, to the detriment of the defense of the United States.

Mr. Wynne: I think there is some support, without a doubt, for the climatic laboratory and some other facilities there at Eglin, in the RAND report, and I—as I remember, in the—even in the second one that's still being in review.

Senator Bill Nelson: Well, I'm just using the climatic lab as one example. I mean, there are other—

Mr. Wynne: Right.

Senator Bill Nelson:—unique facilities there, and a unique mission, there, of test and evaluation. That's why we have almost the entire Gulf of Mexico off of Florida that is restricted airspace, so y'all can go out there and test and evaluate those weapon systems.

And, General, I didn't ask you any question, but do you want to comment?

General Moseley: Sir, test and evaluation is a big deal for us, because the Air Force lives on technology, the Air Force lives on fielding technology to make the warfight quicker, with less losses. I mean, we live at the leading edge of technology, whether it's altitude, speed, lethality, precision, efficiencies of being able to deliver ordnance. Eglin is an important part of that for us, as is—China Lake is for the Navy, as is—Fallon is for the Navy, and Edwards is. And so, the synergy of all of this is a big, big deal for us. And getting it right is a big deal for us.

Sir, having said that, it wouldn't surprise you for a Secretary or a Chief to say, "But, we're still living inside the world of what's affordable and what's our top line." And so, those are the decisions that we're struggling with every day. But, sir, rest assured, test and evaluation and fielding systems is at the top of our list.

Senator Bill Nelson: Well, I just want to—I don't want this to happen in the dead of night. It almost did, 2 years ago. And I was just fortunate that this little country boy happened to be in the right place at the right time to get some, as the Good Book says,

“Come, let us reason together,” before it happened. And I hope y’all will be mindful of that in the future.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Nelson. Senator Wicker?

Senator Wicker: Thank you, Mr. Chairman.

Let me just make a few observations about the tanker replacement announcement last week. The chairman mentioned this in his opening remarks, and I’m glad to know that there’ll be further opportunity for information, Mr. Chairman, on the basis for the award, which, of course, is information that should be provided after the competitors are debriefed. But, I would just note, for those who might not have been in the room, that the Air Force has been commended for the special efforts toward transparency in this particular process. Those are not my words, those are the words of the chairman of this committee. And I would echo the words of my chairman, in that respect, to our two witnesses today.

Of course, the assembly of these aircraft will occur in Mobile. That’s right next door to Jackson County, Mississippi. And I expect a lot of Mississippians will be among the 25,000 Americans who will be new—who will participate in the new jobs created by this program. So, as a Mississippian, and as—American, I am—I’m very pleased about this.

It has been mentioned, also, that the KC-135, which was about a decade old when I was in field training at Grissom Air Force Base, and got to take a flight and lie in the boom, there, and watch a refueling, is now 48 years old, and time is a-wasting on the new tanker replacement. We’ve already lost a lot of time in this regard. Those are not my words today, those are the words of our ranking member, Senator Warner. And I would just, again, say to our two witnesses and to our colleagues, that I appreciate Senator Warner’s statement that Congress should not get into the business of rewriting contracts. Certainly, we’ll be debriefed about it, as I’ve already said.

Had the award gone to the competitor, I would, no doubt, have been disappointed. But, I do think that we don’t need to lose sight of the central question, and that is producing the best aircraft for our servicemen and -women, and for the mission. And I also appreciate other Senators today also pointing out that, on the categories of mission capability, proposal, risk, past performance, cost, and integrated fleet aerial refueling assessment, the Northrop bid did come out first in four of the five key areas, and tied in the other key areas.

Ms. Payton, of the Air Force Acquisition Authority, has stated publicly that the—that this decision had to do with the requirements the warfighter needed. And we need to keep that in mind. I’m glad these jobs are coming to the Gulf Coast. I’m glad that it’s going to an aircraft that’s 60-percent U.S. content, as compared to the other proposal, which was only 57-percent U.S. content. But, that wasn’t part of the criteria that the Air Force was asked to look at; they were asked to look at the requirements.

General Arthur Leach, commander of the Air Mobility Command, has stated that the Northrop Grumman—about the Northrop Grumman proposal. This is an American tanker. It’s flown by

American airmen. It has a big American flag on the tail. And it will be saving American lives every day. He went on to say that it can be summed up in one word: "more." More passengers, more cargo, more fuel to offload, more patients that we can carry, more availability, more flexibility, and more dependability. The KC-135, according to the information I have, will have 22 percent more fuel offloaded, 30 percent more booms on station time, 68 percent more cargo capacity, and more aircraft fly-by-wire and state-of-the-art avionics.

An independent aerospace analyst, Loren Thompson, said of the award, mentioning the four or five key—four of the five key areas where Northrop bested the opposition, that the outcome and victory by Northrop Grumman was not even close.

I would also point out to the committee that the KC-45, which was chosen by the Air Force in this transparent process, has won the last five international competitions against the other competitor—the United Kingdom, Australia, the UAE, and Saudi Arabia, and now, of course, our own United States Air Force.

So, I would just—I would just hope that, once the disappointment—understandably, the disappointment by people who have worked real hard on the other project, once that has subsided, that we won't sight of the main objective, and that is that we're already a little bit behind on this, we've lost some time, and we need to get on with it.

So, gentlemen, I haven't asked a question, either. If I've said anything—if I've stated anything that's factually incorrect, I'd invite you to comment on that.

But, I thank the Chair for indulging me.

Chairman LEVIN. Thank you, Senator Wicker.

Senator Graham?

Senator Graham: Thank you, Mr. Chairman.

Secretary Wynne, I just want to say, from my point of view, you've done an outstanding job of leading the Air Force. And I know you've had some tough issues to deal with over there, but you've been a straight shooter, and we really appreciate what you've brought to the table, here.

General Moseley, I've known you for a long time. I really appreciate your service and leadership. And I'm not going to talk about the tanker deal; I guess because none of it is in South Carolina, I suppose. But, from a 30,000-foot view of the Air Force, the question for the Congress is, Do we need more money for the Air Force and the Navy as we grow the Army and the Marine Corps? And the supplemental budgeting, when you add that with the baseline—Secretary Wynne or General Moseley, what percentage of GDP have we been spending, when you look at the supplementals plus the current baseline?

General Moseley: Senator, I believe that's 4.6 or 4.7. But, if you'd allow us to go get the exact number, we'll provide that for the record. [INFORMATION]

Senator Graham: Well, the point, for my colleagues—if you believe we should be spending 4 percent on GDP—defense spending should be 4 percent of GDP, we're spending more; we're just not doing it in a very wise way. I think we could baseline 4 percent and probably get what we need. So, I hope the committee and the

Congress will look at trying to avoid all these supplementals, and get a baseline that works.

Now, for the last 17 years, we've been in states of undeclared war, in terms of the Air Force. Is that correct, General Moseley?

General Moseley: Yes, Senator, that's right.

Senator Graham: We've been flying 2.2 million hours per year for the last 17 years.

General Moseley: Averaging about 17 years, yes, sir.

Senator Graham: Of that, how much is combat time?

General Moseley: Sir, I've asked them to get those numbers, and we'll provide that for the record. [INFORMATION]

General Moseley: Combat, combat support, and the rest of the training time.

Senator Graham: Now, for a military lawyer, that sounds—a lot. Is it?

General Moseley: Sir, that's a lot.

Senator Graham: Okay. And we've been doing—for 17 years, we've been in some form of combat somewhere, flying 2.2 million hours, and doing it with 30 percent less airplanes. Is that correct?

General Moseley: That's correct, sir. From the baseline of '89 and '90, Desert Shield, Desert Storm, to where we are now, we have a little over 30 percent fewer aircraft.

Senator Graham: And a lot more challenges.

General Moseley: And they're over 40 percent older.

Senator Graham: So, let me get this right. We've been flying the wings off these things for 17 years, performing missions in combat. The air fleet is 30 percent less than it used to be. And the age of the planes have grown 40 percent during this period of time. Is—

General Moseley: Yes, sir.

Senator Graham:—that correct?

General Moseley: Yes, sir.

Senator Graham: Now, we're going to grow the Army and the Marine Corps. Do you support that?

General Moseley: Absolutely.

Senator Graham: We need more boots on the ground, right?

General Moseley: Absolutely.

Senator Graham: Now, tell me what happens to the Air Force when you grow the Army and the Marine Corps.

General Moseley: Sir, first off, when the Army grows, we grow, a certain percentage, because we have—like our Tactical Air Control party member, behind me, here, we have members of the Air Force embedded into Army formations. So, when the Army grows the brigade combat teams that we see now, that's at least 1,000 or so more airmen that live inside the Army formations. When the Army grows to those larger numbers of brigade combat teams, same with the Marine regimental combat teams, the mobility requirement obviously goes up, to be able to support either forces in the field or force rotation modules—obviously goes up.

Senator Graham: So, the workload of the Air Force is going to grow as the Army and the Marine Corps grows. Is that correct?

General Moseley: Yes, sir.

Senator Graham: Tell me about the C-17, the assumptions we had, a few years ago, about its utilization and reality now. How has the C-17 mission changed?

General Moseley: Senator, we're using the C-17 a lot like we've used all our strat airlifters, but also like we've used our theater airlifters. We're using C-17s like we have C-130s. So, when we take convoys off of the roads, when we take people off the roads, when we—

Senator Graham: And how much of that are you doing?

General Moseley: Sir, somewhere around 35- to 3600 convoys a month, and around 9,000 people a month that we take off the roads, away from IEDs or insurgents.

Senator Graham: So, in-theater airlift allows us to take 9,000 people off the roads.

General Moseley: Rough numbers, yes, sir.

Senator Graham: Okay. And—

General Moseley: Thirty—

Senator Graham:—tell me about how the C-130 is—utility has changed, given the new needs of the Army.

General Moseley: Sir, the C-130 is still a wonderful airplane. The C-130J is the gold standard for theater—intra-theater airlift—intra-theater airlift. And that's why we continue to support that program, and the numbers that we see to replace the old C-130s, which we're obviously flying the wings off of.

But, sir, as we look to support a modernized Army, Future Combat Systems, as the Army moves into the future with their digital system, we're told now that the vehicle—the baseline vehicle that they're looking at won't fit in a C-130. So, to move the new Army around, we're going to have to use C-17s or C-5s to be able to do that.

Senator Graham: So, the assumptions we had a few years ago about the C-17 have changed, because the Army is changing.

General Moseley: Army's modernizing, Army's changing, Army's growing. I support all of that.

Senator Graham: Now, your son's an F-15 pilot. Is that correct?

General Moseley: That's correct, sir.

Senator Graham: Is he flying the same plane you flew, basically?

General Moseley: Sir, he's flown several airplanes that I flew.

Senator Graham: I don't know how old you are, but—[Laughter.]

General Moseley: Sir, I'm a—

Senator Graham:—that's a pretty old plane. [Laughter.]

Chairman LEVIN. Do you want to tell us, off the record, how old you are, General? [Laughter.]

General Moseley: Sir, a pretty old fighter pilot.

Sir, he's flown several airplanes that I've flown, and he's flown several airplanes that I flew as a captain. And so, as we—not just because I have a son that does that, but because they're all sons and daughters to all of us, I think we owe it to them, to the folks behind me here, to have the best flying machine and the best satellites that we can field for the joint team.

Senator Graham: You know, some people say, "Why do you need fighters? We don't have any enemies out there anymore." Tell me about China and their fighter aircraft.

General Moseley: Sir, I believe—I believe, in the world of modernization out there, we're not the only ones that are modernizing the systems. I think there are threat systems out there that—the DIA baseline reports, that Chairman Levin referenced—that are

not just fighters, but they're surface-to-air missiles, they're integrated systems, they're early-warning radars, target-tracking radars, as well as the fighters. There are countries out there that are producing wonderful, wonderfully capable, very lethal systems. And to be able to survive in that world—or, better said, to be able to deter or dissuade—I believe we need the best systems that we can possibly field.

Senator Graham: Can the F-22 and the F-35 meet those threats?

General Moseley: Yes, sir, it can. Both can.

Senator Graham: And, finally, I believe the number that you're talking about to put the Air Force in good shape is \$20 billion a year.

General Moseley: Rough number, yes, sir.

Senator Graham: Okay. So, for 20 billion more, the American public would have a modernized Air Force, where the F-15 pilots would not be flying the same planes you flew; we'd have a C-17 capable of supporting the Army; we'd have the ability to suppress any new air defense systems out there and continue to support the Army and the Marine Corps in their missions. Is that correct?

General Moseley: That's correct, sir.

Senator Graham: And—thank you very much.

Chairman LEVIN. Thank you, Senator Graham.

Senator Akaka?

Senator Akaka: Thank you very much, Mr. Chairman.

I want to add my welcome to the Secretary and to the Chief, and thank you so much for your service to our great country, and also thank all the personnel in the Air Force, as well.

The Air Force is currently conducting operations—and this has been mentioned here already—in the oldest fleet of aircraft in its history, and wearing out some—those same aircraft at rates that imagined, just—not “imagined”—just 7 years ago, as has been discussed already.

As chairman of the Readiness Subcommittee, I'm especially interested in helping to maintain the air superiority that has protected our military forces since the Korean War, which as—was the last time an American soldier was attacked by an enemy air force. And so, I look forward to working with you and address the concerns that you have.

Mr. Secretary, the Air Force continues to train and provide airmen for ground combat duties in Iraq and—as part of the—they call it “in lieu of” program, where they are performing missions that have traditionally been carried out by our Army personnel. I understand the benefits these airmen have provided to our overstretched ground forces, but what has been the impact of the ILO program on Air Force readiness and ability to perform its own core competencies?

Mr. Wynne: Well, sir, as we—we've taken this, for the most part, out of hide; meaning that most of our units operate with a little bit less competent players.

I'm very proud of the service that our airmen have provided in the “in lieu of” opportunities. I was a little bit surprised that we haven't had the combat service support come up faster to—in order to replace them. I've had a theory that I've advanced, that every

airman or rifleman doesn't work in the limit. But, I'm very proud of what they've done, to date, and I tell my Army colleagues that they—that they love the innovation and imagination that they bring. But, they have had an impact on our operational readiness. We've stressed—stretched this out, and—but, it—to date—and, Chief, I'm going to have to ask you to help me out, here—we have not used that as a—it has not impacted us in a way that we—that, really, we can highlight.

General Moseley: Senator, with our end strength headed for 316,000, we will have less capacity to offer up the magnitude of the “in lieu of” tasking that are performing now. We have about—a little over 6,000 deployed, this morning, and about 15,000 or so in the pipeline; so, a little over 20,000 or so wrapped up in that. As we go from 330,000—328-, where are now, to 316-, we will have less capability to offer up that magnitude of people outside the career field or outside the workplace that they're involved in, in their Air Force job.

And so, sir, that's the piece of this that we're working through with Joint Forces Command to identify where we can continue to contribute to the joint fight, the long war on terrorism, and still not begin to influence or impact negatively on the units that we have for the other combatant commanders. Because, on any given day, 53 percent of your Active Air Force is committed to a combatant commander, higher than any other service, because of space, because of mobility, because of command and control. So, when you have 53 percent committed to the global set of combatant commanders, and you're taking 20,000-plus people out, I want to make sure we have that right. And those are the—those are the discussions we're having now with Joint Forces Command and the OSD staff.

Senator Akaka: My concern has been for the Air Force and whether what's happening in this program takes away anything from the Air Force.

General Moseley, the Army's shift to transform to a more flexible, modular force will involve the use of many more unmanned systems than is in use today. Even now, Army UAVs are being piloted by Army personnel in conducting operations in the global war on terrorism. As both the Army and the Air Force transition to greater numbers of unmanned systems, I am concerned about overlapping roles, missions of two services. And the word “joint” services, of course, is an important word, as it is being used now.

My question to you is, What type of future integration will be necessary between Air Force and the Army to ensure unity of effort when conducting close air support and renaissance missions? And how will the services cooperate with their respective unmanned systems in managing the battle space?

General Moseley: Sir, the Army Chief and I have been friends for a long time, and we've worked this personally. In fact, we have agreed to merge our two Concept of Operations—one, an Air Force CONOPS, and one an Army CONOPS—into a single CONOPS for looking at theater ISR and looking at fielding these systems.

On the tactical side, we effectively buy what the Army buys, and they have a great operation in Alabama to do that. On the strategic side, all the Joint Force leverages off of Air Force strategic systems,

be they Global Hawk, U2, Rivet Joint, or the other systems, manned or unmanned. The seam between the strategic side and the tactical side, or the high altitude and the low altitude, is that area that we're working now to make sure we understand fully how to employ the maximum amount of combat effectiveness with the minimum amount of friction. And so, sir, the Army Chief and I are working this very hard.

Senator Akaka: Thank you very much.

My time is expired, Mr. Chairman. I'll submit my other questions for the record. [The information previously referred to follows:] [COMMITTEE INSERT]

Chairman LEVIN. Thank you, Senator Akaka.

Senator Thune?

Senator Thune: Thank you, Mr. Chairman.

Secretary Wynne, General Moseley, thank you very much for your outstanding service.

I, for one, believe that the Air Force does need—we do need to increase the top line. I hate to see you robbing from Peter to pay Paul. I think that the Air Force is at a pretty remarkable crossroads, in terms of deciding what to buy next, how many to buy. We've got aircraft that are getting older, that are flying more than expected. And so, I think it's important that—and I appreciate your focus on modernization. I think we've got to stay ahead of our adversaries out there. But, if you look at—the facts are pretty daunting, when you look—and they're evident in my State of South Dakota, just like they are everywhere else in the Air Force. You look at the 114th Fighter Wing, and an Air National Guard unit in Sioux Falls, the F-16s there are F-16s that were built in 1985, they're 23 years old, they have an average of 5,000 hours apiece on the airframes, which is an astounding measure, by any account. The B-1s that we have at Ellsworth Air Force Base are also showing their age, and they're being used much more than was projected. Most of those aircraft are over 20 years old. And, due to the support of the operations in Iraq and Afghanistan last year, the 28th Bomb Wing flew 171 percent more than normal.

So, I guess I want to home in a little bit on a couple of the questions with regard to replacing those.

But, Secretary Wynne, I was happy to see that—as you look at the roadmap for future siting and potential bed-downs of some of these new aircraft, I was pleased to see that the Sioux Falls Air National Guard Base at Joe Foss Field was on the Air Force's future weapon-system roadmap. And, by replacing some of the F-16s and A-10s and F-15Es in our inventory, the F-35, of course, is going to be critical to our Nation's Air Force. And I was also pleased to see that Ellsworth Air Force Base was on the roadmap as a potential bed-down for the next-generation bomber.

But, I guess I'd be interested in getting your comments on the status of the roadmap, maybe some insights into potential timetables for when the Air Force is going to begin analyzing potential bed-down sites and initiating those environmental impact statements that go with it.

Mr. Wynne: Well, sir, first of all, we are pleased to tell you that we work closely with the Adjutant Generals across the United States to do our total force, because we are becoming increasingly

reliant on our Reserve Forces as the Air Force gets smaller. We look at this—at the roadmap that has been devised, as a guiding tool, as you know, in—because the timing of all of our product that we can replace—we're not replacing at a rate that causes us to run around to try to figure out where the roadmap goes. Even the long-range strike airplane, we're talking about a—an IOC of 2018. We're not backing off of that. But, we recognize that you're not going to have a squadron of those. You're going to have a flight-ready system of that ability in that—in the 2020 timeframe, which is going to require siting and everything else in around the 2012–2013 timeframe to get that started.

We're a little bit surprised that, every time we move a fighter squadron to a fighter squadron base, that we would have to do an environmental impact study, but that's the way it is. And that will come, I think, on the roadmap, set back about enough time to allow us to do it, maybe 2, 3, 4 years, right in that range.

But, we're—we are excited about the prospects for maintaining the funding profile, maintaining the level of competition we have. And we'll probably be back here, as we can declassify our ongoing pursuit of the next-generation bomber. I think the committee's going to be extremely pleased with the way we've integrated technologies across the—that are available to us across this great country, to make this happen, and make it, not really a revolutionary vehicle, but, in fact, an evolutionary vehicle. It gives us hope that we can maintain our timelines.

Senator Thune: You—

General Moseley: Senator—

Senator Thune: I'm sorry. General? Please.

General Moseley:—I would also add, with the Secretary, when we look at having some definition by 2012 or 2013 to be able to do the environmental work to look at bedding down the new bomber, we're working the 2010 budget right now, so we're there. We're there, and beginning to look at the bed-down and the fielding and the criteria, not only for the total force, but the new systems. And so, 2010's not that far from a set of activities in 2012. And so, sir, I would say we're there.

Senator Thune: Mr. Secretary, you noted, in your prepared testimony, that the Air Force is already the model for melding its Guard, Reserve, and civilians into the regular Air Force elements—and I wholeheartedly agree with that—and that you're looking to push that synergy to new levels. One of the things that you have done in the Air Force is use the—this concept of active association units, which I understand is a program that brings Active Duty airmen and mechanics to Air Guard bases to receive training from the more seasoned Air Guard counterparts. And, I guess, could you give me—just state for the record a few details about that program, how many of those associations exist, what the process is for an Air Guard base to obtain an active association unit?

Mr. Wynne: Yeah, and I'd have to get that for the—for you for the record, sir. [INFORMATION]

Senator Thune: Okay.

General Moseley, one avenue of keeping the aircraft flying is modernizing 'em. And we had a little briefing yesterday on some of the things that are in the budget this year for the—to modernize

the B-1. I guess the question I would have is—what's proposed is placing advance targeting pods on the B-1s, and the question I have is, What kind of a capability does that give to a B-1? And does it in any way obviate the need for fielding a new bomber by the 2018—

General Moseley: Sir, the answer to the second question is no. To be able to bring the B-1 inventory up to the best capability that we can, given the missions that we're operating now in Iraq and Afghanistan, and putting the targeting pods on there, and be able to use that both as a striking platform and a nontraditional ISR platform, just makes perfect sense.

The lethality and the precision that you get with the sniper, the lightning pod on that airplane, to be able to deliver ordnance is just an incredible capability. And who would have thought, a few years ago, that we would be doing this to the B-1? I mean, the airplane has proven to be, just, an outstanding striking platform in the scenarios that we've got right now, supporting Army and Marine and Special Operations Forces.

Senator Thune: Just one last question, if I might. One of the things that you all have focused on, and I commend you for, is pursuing alternative fuels to alleviate our dependence upon foreign oil, and the—of course, military—and Air Force, in particular—is the biggest user in the country, of fuels. And in the prepared testimony, you said the B-1's on track to be certified to fly on a synthetic fuel blend sometime this year. I guess my question would be, How helpful would it be to the Air Force to be able to enter into multiyear contracts, beyond the statutory 5 years, perhaps out to 10 years and—when it comes to purchase of those types of fuels?

Mr. Wynne: It's really crucial to making a market, that—because this is—this is really about using the muscle of big government to make a market in a marketplace that's not there yet. And providing the—so, you have to get beyond the timelines that the bankers require, to make sure that there is a successful market out there. And we can take all of our payments, essentially, in fuel, but the fact of the matter is, is—we're going to need, probably, 5- to 7-year commitments out there, plus some options, to make sure that we are convincing to the marketplace, that they should invest—and it is a substantial investment—in these new alternative energy products and processes, to make sure that we're still going to be there as a consumer. And it is my intent to be a consumer, and to be the—to make a market, and not to be a producer.

So, as we go forward in time, even the—whether it's natural gas to liquid, coal to liquid, biofuels to liquid, whatever it is, we recognize that we have to have a long-term arrangement so that they can build the facility, produce the facility, and then we're still there to take the fuel.

General Moseley: Senator, if I remember the numbers right, we burn a little over 4 billions of fuel a year.

Mr. Wynne: Right.

General Moseley: Not all of that, jet fuel. We burn about 7 million gallons of jet fuel a day. So, 4 billion gallons, which includes diesel and gasoline and jet fuel. Alternative energy and synthetic fuels, this is a big deal for us.

Mr. Wynne: I will tell you, very proudly, that the B-1 that we're about to qualify, the two-stage engines, that's going to get us into the supersonic realm, and that allows me to branch out and now begin to qualify some supersonic fighters, as well as supersonic bombers.

Senator Thune: But—huge savings, I think, but also really important, in terms of our getting away from that dependence on petro dictators when it comes to our energy supply.

So, General, Mr. Secretary, thank you very much for your service.

General Moseley: Thank you, sir.

Senator Thune: Thank you, Mr. Chairman.

Chairman LEVIN: Thank you, Senator Thune.

Senator Chambliss?

Senator Chambliss: Thank you very much, Mr. Chairman.

And, gentlemen, thank you, as always, for your great service to our country. And, to those men and women who are sitting, in blue, behind you, thanks for the great job you do, each and every day, to make this world a safer place, and a safer place for my children and my grandchildren. We thank you.

I had a chance to speak to about 500 of your chief master sergeants earlier this week in Atlanta, and, boy, what a great bunch of men and women that is—really, really great leaders, and we all know they're doing a terrific job in providing the kind of leadership, again, that makes America a safer place.

Gentlemen, Senator Levin asked if the Air Force was using the DIA validated threat assessment, earlier, regarding how many F-22s you need, and I believe you said that you were. One key issue regarding how many F-22s we need relates to how many advanced SAMs countries like Iran may have in the future.

Now, we just checked, and the DIA has those assessments and projections for the short term, for 5 to 10 years, but not for any further. The OSD study assumes that Iran will have only a handful of advanced SAMs in 2024. However, as far as I can tell, there is no DOD assessment to support that number. I throw that out there, and if you have any comment on it, I would appreciate it.

General Moseley: Sir, I would only say, relative to the threat assessment, it's one of those things—as a squadron commander, you only know what you know. It's easy to build those systems, and it's easy to proliferate those systems; and so, you don't really know what's there until it shoots at you or you have the signature of it. And so, the notion of a capability is probably the more critical of the opening arguments, equally to the numbers. So, the fact that the SA-20 or the SA-15 or the SA-10 exists, and the fact that they can be bought on the open market, and sold alongside the target tracking radars and early warning radars, is the threat that we worry about.

Senator Chambliss: Gentlemen, at the DOD posture hearing earlier in February, Secretary Gates commented that we're fighting two wars, but that the F-22 has not performed a mission in either theater. Isn't it a fact that we have an awful lot of expensive weapons systems in our inventory that we've never used in Iraq, or never used in Afghanistan, but, if we knew who the next enemy was, it's important—or because we don't know who the next en-

emy's going to be, it's important that we have these weapons systems in our inventory, to make sure that we're always the world's strongest military?

General Moseley: Yes, sir. If you'll let me defend my Secretary of Defense for a minute, I think he was answering a question about, Has the aircraft deployed, and have we got it out into the inventory? We're—we have it in the AEF rotation. We've used it for Operation Noble Eagle. But, we've not deployed it into the theater. So, he's correct.

But, the ability to have the capacity or the capability to defend against the threats that you described is the fundamental question.

Senator Chambliss: Is it correct that the F-22 is designed to gain access and create and maintain air dominance?

General Moseley: Yes, sir.

Senator Chambliss: Is it correct that the F-22 has capabilities for gaining access and achieving air dominance by countering other advanced aircraft and surface-to-air missiles that the Joint Strike Fighter does not have?

General Moseley: Yes, sir.

Senator Chambliss: Is it correct that the Joint Strike Fighter is optimized for the air-to-ground mission, and that, although it has some anti-access capability, it is not optimized for the anti-access mission?

General Moseley: Yes, sir, and that's why our requirements are for both airplanes, and the requirements to have the synergy of both airplanes to be able to field that for the whole joint team.

Senator Chambliss: And the vision of the Air Force is that these two great weapons systems are to work hand in hand to make sure that we never have to worry about air dominance.

General Moseley: Correct, sir.

Senator Chambliss: I understand that, in 2015, when we are scheduled to be procuring 80 F-35s a year, that the per-plane cost is estimated to be \$77 million per copy. Is it true, however, that, given all the uncertainties that go into weapons procurement programs, that we really don't know how much the F-35's going to cost?

Mr. Wynne: Well, sir, it's been our history that—you know, we're just not producing airplanes at the rate of 180 a year, that we did the F-16. We're not producing them at the rate of 100 tankers, that we did. So, our trend is definitely that our great plans for producing or acquiring 100 of these fine F-35s may not come true. If we reduce the volume—in other words, we reduce the manufacturing volume at any plant—you can assume that the price was going to rise.

Senator Chambliss: F-15 has been a great weapon system, a great fighter. General Moseley, as you said, you've been in that plane. Now, is there any value in purchasing any additional F-15s today?

General Moseley: Sir, my personal opinion is no, because you can make the airplane reasonably lethal, but you can never make the airplane as survivable as the F-35 and the F-22. So, you can get a missile off of it, you can increase the ability of the radar to see a little bit, but you'd never make it as stealthy, never make it as—

the signature—you can't reduce the signature; and so, therefore, you can't make the airplane as survivable.

Senator Chambliss: And are there comparable aircraft flying, in the hands of other countries today, to the F-15?

General Moseley: Yes, sir.

Senator Chambliss: PA&E's Joint Air Dominance Study states that the Air Force only needs 183 F-22s, which is our current projected buy. This study assumed that, in 2024, one of the two near-simultaneous major combat operations, or MCOs, that the United States must be prepared to fight, that only one of those MCOs would require the Air Force to defeat advanced surface-to-air missiles. Do you agree with that assumption?

General Moseley: Sir, we're working very hard to get those baselines right. We're working very hard with PA&E, and with the folks in OSD, to better understand those threat levels. My personal opinion is, we have to be prepared to deal in a variety of locations, in a variety of places, and a lot of that is threat-dependent. Your opponent gets to choose where they decide to fight, and in the numbers that they decide to fight. And I think we should be prepared to deal across that full spectrum.

Mr. Wynne: An interesting fact there is that the problem of these advanced surface to air—integrated air defense systems are getting less and less expensive, and as they—as people who have a tendency to use them are, in fact, accruing more and more wealth, it becomes just a decision on their part as to whether they want to engage.

Senator Chambliss: Mr. Chairman, I know my time's up. I have a couple of more questions. Since we're—

Chairman LEVIN. Go ahead.

Senator Chambliss: Thank you very much.

PA&E study also assumed that it would take approximately 10 days for the Air Force to achieve air dominance in the most stressing MCO, and then swing to another MCO. Do you agree with those assumptions? And, in your estimation, does TRANSCOM have the logistical network to support such a swing?

General Moseley: Sir, as a guy that's commanded two air campaigns in combat, I would tell you that any projection on a week or 10 days is still adversary-dependent. What we would like to impose on an adversary and what actually happens may not necessarily work that way. So, it's back to the notion of, What can you afford, and what capacity can you field, and what contingencies and what depth are you looking for? But, sir, given ideal circumstances, 10 days might work. But, again, that's adversary-dependent, and it's hard to bet the farm on something that is adversary-dependent.

Mr. Wynne: I note that, in the—in the Millennium Challenge, the—where we had—we had our own people—in fact, it was a Marine Corps general, I think, that was in command of the adversaries, and he did something so unusual that we actually had to restart the game. So, the—so, planning on how the enemy will react to you might not work out.

Senator Chambliss: Has the Air Force ever proposed any reduction in the Joint Strike Fighter to procure additional F-22s?

General Moseley: No, sir.

Senator Chambliss: fiscal year-09 budget request contains \$497 million in F-15 O&M, presumably to fix the F-15's current grounded-grounded fighters, due to fatigue and cracked longerons. I understand that there are currently nine F-15s that you've identified for longeron replacement, at a cost of \$235,000 per plane, for a total of \$2.1 million, and that these costs may be covered by fiscal year-08 funds. Is that correct?

General Moseley: That's what we understand, sir.

Senator Chambliss: I understand that, based on the current funding profile, long-lead suppliers for the F-22 program will begin shutting down in the fall of 2008, and that procuring another four aircraft in the supplemental, as has been suggested, will keep these suppliers operating for another 2 to 3 months. Again, is that what you've been advised?

Mr. Wynne: Sir, that's up to every individual supplier. But, if you look at the profiles in which they are funding, the amount of funding that is available from four airplanes—and, by the way, the cost of those airplanes will probably rise fairly dramatically—we're just not sure of the sufficiency.

Senator Chambliss: Okay. The projected buy of F-22s today is 183. I understand that's a budget number, and it's what's been proposed by the Air Force. From a personal standpoint, General Moseley, do you think that number's enough?

General Moseley: No, sir.

Senator Chambliss: Secretary Wynne?

Mr. Wynne: Sir, not being the warfighter, my reliance is on the outside agencies, and I think there's a study out there that basically says about 277 is a—gets you to the minimum medium risk. So, that's, kind of, what I would rely on. Otherwise, we're driving by affordability.

Senator Chambliss: Okay.

General Moseley: Senator Chambliss, I would offer, this has been a true affordability discussion inside the Department about trying to meet our top line in the fiscal guidance both for '08 and the '09 budget. And, as we look at the POM10 budget, it is all about trying to get as much capability as we possibly can get into the budget, as we understand it, and the guidance that we've been given.

Senator Chambliss: Well, let me just say to both of you gentlemen, obviously we've had a number of conversations about this particular weapon system, as well as others, including the C-17, which—I think it's a mistake to shut down that line. But, I've also had those same discussions with OSD and individuals in that office, and I—I just appreciate your frankness. And this committee operates somewhat independent, but yet dependent on what comes out of OSD. But, we're the ones that ultimately are charged with the decisions of how to spend the taxpayer money, and how much of it to spend. And we can't do that without you being frank with us, without you being straightforward with us. And I want you to know I appreciate you doing that, in spite of the fact that you can have disagreements within the building, over various issues. And I would hope that those who have an opinion otherwise will allow us to continue discussion with them until we resolve this between the Hill and the Pentagon.

Thank you very much.

And thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Chambliss.

Senator Thune asked about the question of—asked about long-term arrangements for synthetic fuels and alternative energy. And, Secretary, you talked about the desirability of making a market for that by entering into, potentially, long-term contracts. Have you—is legislation required, to do that?

Mr. Wynne: As near as I can tell, sir, it is, from the standpoint of authorizing—or the DESC, the Defense Energy Supply, which believes that they have only a 5-year—and I think the companies are looking for 7 to 9.

Chairman LEVIN. Have you recommended to them that that authority be—

Mr. Wynne: We requested. Yes, sir, we have.

Chairman LEVIN. Of them?

Mr. Wynne: Well, I've asked that they request the authority, because I don't want to—

Chairman LEVIN. Of the Congress.

Mr. Wynne:—go into the buying business. They're—they should be in the buying business.

Chairman LEVIN. You've asked them to ask the Congress for increased—

Mr. Wynne: Yes, sir.

Chairman LEVIN.—authority? All right. Any memos that you can give us on that subject, we'd appreciate.

Mr. Wynne: Okay. [INFORMATION]

Chairman LEVIN. On the Joint Strike Fighter alternate engine—I'll ask both of you—should we terminate the JSF alternate engine program?

Mr. Wynne: Well, here's where we have to be very supportive of the President's budget.

Chairman LEVIN. Why do you have to be supportive here, but not on the F-22s and not on the C-117s?

Mr. Wynne: Well, we actually supportive on the submission. If you were to ask a personal opinion, I think we could—

Chairman LEVIN. Okay, let's try—

Mr. Wynne:—perhaps offer you that.

Chairman LEVIN.—try a personal opinion.

Mr. Wynne: On a personal level, the—if you want to maintain a—I mean, we were very happy to have the F-16 fighters available when the F-15s got stood down because of cracking. And so, to offer America reliability on the fighter fleet, on the air dominance fighter fleet, it was nice to have two airplanes.

One of the things we have here is the possibility of having two airplanes, but with one being a very short fleet and the other one support eight countries. You've got to ask yourself, What reliability should be there? And so, we looked to high reliability operations to ask the question. And I'll note for you that, on the Shuttle, there are quadruple redundancies that are on that Shuttle, that would not make a business case; they only made a strategic reliability case. And so, you've got to look at, What is America doing in involving nine countries and essentially taking decisions on an affordability basis, and not looking at the statistics for reliability, and just pushing them all the way to the nines?

Right now, the Pratt & Whitney engine is making its mark, and doing a great job. They—we expect that they will have problems downstream, because this is an aircraft program, and this is an engine program.

Chairman LEVIN. Well, in your personal judgment, should we cancel the alternate engine program?

Mr. Wynne: Well, I would tell you that that's a very tough decision, but—personal opinion is, I would keep it alive.

Chairman LEVIN. General?

General Moseley: Sir, we do—

Chairman LEVIN. Your personal opinion on—

General Moseley: Yes, sir.

Chairman LEVIN.—whether we ought to keep the program going, or not.

General Moseley: Sir, we do support the President's budget and the submission out of the Department of Defense. The issues on affordability, though, take us to these other discussions on a variety of levels.

To use the money that would perhaps slip the entire program would not be advantageous to all of us. I believe there should be a second engine. My personal opinion is, there should be a second engine. And we have had some problems with turbine blades on the one—on the F-35B.

But, sir, this goes back, again, to the affordability question, and it goes back to, How much money do we have to put into these programs to keep 'em online and on-time delivery?

Mr. Wynne: Right.

Chairman LEVIN. These issues always come back to affordability. I mean, that's what budgets are for, and that's what—

General Moseley: That's right.

Chairman LEVIN.—appropriations are for, and that's what priorities are for, and that's what judgment's for, and that's what difficult decisions are for, but it—nothing new about affordability being the issue, at the end of the day, that you've got to figure out, What can you afford, and what will you pay for, and what can't you pay for?

On the readiness issues, on your list of unfunded priorities you don't make reference to readiness at all. I don't believe that the word appears there.

General Moseley: Sir, we have several entries in there on modernization things, and on sustainment.

Chairman LEVIN. Right. But, on the readiness issue, the—you've got a readiness—in terms of depot maintenance, your readiness—excuse me, your—I think, your figure, here, that you're trying to reach on depot maintenance is something like—let me see if I can find that number—it's 77 percent of the projected depot maintenance requirements are met in this budget, so that leaves a shortfall, on depot maintain, of 23 percent. That's pretty significant shortfall. Perhaps not quite as big a shortfall as last year; but, nonetheless, a shortfall. Is that troubling to you?

Mr. Wynne: Depot maintain is periodicity, as well as usage. I would say that those folks have managed to use productivity improvements and lots of things, but they have a list of things, to make them better, and I think part of this maintenance fee can be

deferred, and that's, kind of, what we're trying to judge. I mean, when you come to affordability, as you know, you build it up, section by section, and level by level. We think that 77 percent gives 'em exactly what they need, to make their mission.

Chairman LEVIN. Are you comfortable with 77 percent, General?

General Moseley: Senator Levin, I'd like to have it higher. I would like to have it so that we could maintain the aging systems until we can recap them with new systems. And General Corley gave me a note, the other day, that said, of the—every dollar he spends on modifications to his existing inventory, 86 percent going to that goes to safety and sustainment, with only 14 percent going to enhanced warfighting capability. So, I think that gives you a rough gauge on what the depots are doing for us. The 70 percent—77-or-so-percent number is a true baseline. We can survive with that, but we don't have the depth and the capacity, and we don't know what part of this old inventory is going to break next.

Chairman LEVIN. Now, another readiness issue is the flying-hour program. In your testimony last year, Secretary, you explained that the Air Force was increasing the risk in readiness accounts in order to protect modernization accounts. Your budget request last year included a 10-percent reduction in flying hours, compared to fiscal year '07.

General, you indicated, last year, that you had some discomfort with that reduction in flying hours, and you were trying to find ways to, as you, I think, put it, or we put it, "migrate funds back into the flying-hour program." But, the request for fiscal year '09 included an additional reduction—it's a modest one, but, nonetheless, a continuing reduction—to the flying-hour program. And we are concerned that the reductions in the readiness account are, like you say, budget-driven rather than the needs—the operational requirements, safety requirements, risk requirements.

So, here's my question. Are you troubled, General, by this additional reduction in flying hours?

General Moseley: Sir, there's two answers to that. I'm always troubled by the reduction in flying hours; but, in this budget, we also lose, I think, 270 aircraft out of the inventory, so we have less airplanes to fly. We've also restructured a bit of training command, so we take some of the time out of the UPT and UNT syllabus. And so, that particular piece, I'm comfortable with.

The operational composite-force training, the preparation for Afghanistan and Iraq, or whatever we have to go do next, I'm less comfortable with that, and we work that, hard.

Mr. Wynne: But, I believe you've—Senator, I think there's a mismatch of numbers here. What General Moseley's saying is that we think it's the mix of the fleet that actually caused the appearance of a reduction in flight hours; but, per pilot—per pilot, we have not reduced flying hours.

Chairman LEVIN. Can you get us those figures, if we don't already have them?

General Moseley: Yes, sir.

Chairman LEVIN. If we do already have them, just let our staff know where they are—

Mr. Wynne: Yes, sir, we will.

Chairman LEVIN.—because I think that's a very important distinction. [INFORMATION]

Chairman LEVIN. I think you were—nope, almost made it. [Laughter.]

General Moseley: We would be remiss.

Chairman LEVIN. We're delighted that Senator Warner got here in the nick of time.

Senator Warner?

Senator WARNER. Thank you, Mr. Chairman.

I was privileged to join with our Senate leadership in having a small meeting with His Majesty, the Prince of Jordan.

The question I would ask is just to recite the pros and the cons, as you see it, of having a competitive engine process continue for the 35 aircraft. I recognize the position of your Department. I respect that. But, just let's evaluate the pros and the cons of that issue.

Chairman LEVIN. If I could interrupt, Senator Warner, when you were out, they crossed the Rubicon on this issue, in terms of their personal support for the second engine; they both expressed their personal support for it. I did not ask, however, your question, which is the pros and cons. And I don't want to interrupt that. But, I just—since you weren't able to be here—

Senator WARNER. Thank you very much. I appreciate that, Mr. Chairman.

But, as we work with our colleagues on this issue—and there is a significant budget issue—I think it would be helpful if we could—

Chairman LEVIN. It would. And I don't mean—

Senator WARNER.—portray to our colleagues—

Chairman LEVIN.—I don't mean to interrupt that, because that would be very valuable—

Senator WARNER. Thank you.

Chairman LEVIN.—but I just wanted to bring up you up to date.

Mr. Wynne: Sir, as we start this, first of all, on the—supporting the President's budget, it was—it was arrived at from affordability, it was arrived at because the Pratt & Whitney engine was, in fact, going along very well, and seemed to be hitting its statistical levels. And the impact on the program appeared to be—it failed the business case. And so, the—it did not get into the budget. And I think we, both of us, have that as our starting point.

If I could, as Senator Levin said, cross the Rubicon once again to offer you, from a professional standpoint and a personal level, what pros and cons could be, I would say it this way. I was very pleased to have two airplanes when the F-15 developed cracks. And the reason I was very pleased to be able to do that is, we swung a lot of F-16s in to support and essentially accomplish the mission of the F-15 while they were being examined for reflight. We were very pleased to have two engines on the F-16, sometime back, when we had an engine failure, and we had to cross—we had already unveiled—quite a few of our international partners had been here; and General Moseley, I know, when the F-15s went down, had to go to all of our international flying partners on the F-15s to reassure them that America, in fact, produced very high-reliable craft. And he has accomplished that mission in a very good way. And we have offered transparency in the reflight characteris-

tics for that airplane, because they only have the single airplane as their air-dominant fleet. Here in the Joint Strike Fighter, we are—now have a partnership across nine air forces.

We—I would tell you that, while it does not pass the business case, the question of, “How much reliability should you have if it is your air-dominant air fleet available to you?” is a—is yet a question that has not really been asked, and it is where I came down on the side of continuing the investment, at this point.

There is a secondary question about, What kind of capability will you have in the future to grow your engine, and what kind of capability do you have there? And, I think, having the competitive forces at work allows you some mission creep, which is going to happen across our air fleet, and, by the way, maintains the competition out there, which I—has proven itself to be somewhat apropos for the engine companies, and it has really helped in the international market, because one of the things that happens out there is, they will compete the engine companies.

So, in—after assessing all of that, I would tell you, from where we are, currently—and you, kind of, always have—

Senator WARNER. Thank you.

Mr. Wynne:—to look at the two GOCOs versus a sum cost, I think the two GO costs are appropriate.

Senator WARNER. Well, I thank you. So, it really comes down against an array of advantages—i.e., competition, reliability, international partnerships; possibly, there’s a variance in the thrust which could affect the V/STOL versus the—

Mr. Wynne: Right

Senator WARNER.—other plane. All of that—and, on the down side, it’s just the difficult question of the dollar budget.

Mr. Wynne: Yes, sir.

Senator WARNER. Is that about a summary of it?

Mr. Wynne: I think you’ve hit it.

General Moseley: And, Senator, that question of the dollar budget inside that program, we’re all very sensitive to fielding that airplane on time.

Mr. Wynne: Right.

General Moseley: Not just the A model, but the B model and the C model for the Navy and the Marine Corps, to be able to bring that airplane online so we can move into the 21st century with the new capabilities. And so, any large programmatic cut inside that program puts those IOC times at risk. That’s the sensitive—

Senator WARNER. In a few words: look elsewhere for the money.

General Moseley: Yes, sir. Or—

Senator WARNER. Thank you.

General Moseley: Or—or, sir, help us protect the IOCs on these critical airplanes as we develop ’em and field ’em for the joint team.

Senator WARNER. Well, I look forward to the challenges of working with each of you. You’re a great team.

And I was—caught that little comment of yours, when we started, Mr. Secretary: this could be your last budget presentation. We’ll wait and see. But, in any event, I do know this will be my last hearing with the Department of Air Force on the posture of your Department. There will be others, I’m sure.

Thank you very much.

[Whereupon, at 12:00 p.m., the hearing was adjourned.]