RECORD VERSION

STATEMENT BY

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Introduction

Chairman Sullivan, Ranking Member Hirono, and distinguished members of the subcommittee, thank you for this opportunity to discuss the Army's priorities for installations, energy, and environment. In order to deliver on the President's promise to deliver peace through strength, we must have strong, resilient, and reliable military installations and infrastructure. Our ability to protect and project combat power from installations around the world is no longer guaranteed or routine. Installations must be agile and adaptable, matching capabilities to threats to deter our adversaries and demonstrate strength around the world.

Over the last year, the Army has made meaningful progress to increase the adaptability, resiliency, and quality of our installations, but more needs to be done to fulfill our commitment to our Soldiers, their families, and the American people. Working with Congress, we will continue to build on our efforts in 2026 and beyond.

We must ensure predictable resourcing to enable our installations to modernize at pace with our Army's transformation efforts. In support of the Interim National Defense Strategic Guidance, we must first target our investments to be in the right locations and in the right types of facilities. These investments will help to ensure our warfighters have sufficient operational and support facilities. Second, we must transform our installations and services to ensure they are not only reliable, but also resilient—able to adapt to new missions while quickly recovering from disruptions and overcoming new and emerging threats. Our installations must stand ready to support not only the Army, but the entire Department of Defense, no matter the mission—whether at home or abroad. Finally, our installations must be efficient and effective to ensure that taxpayer investments are returning value in building warfighter readiness.

Facility Investments

The Army uses a deliberate process to prioritize military construction and other facility investment, which is used to produce a Facility Investment Plan (FIP)—a prioritized list of projects, by component, under consideration from which the Army develops infrastructure requirements. This prioritization considers several factors from our

commanders and senior leaders, including the relative importance of various facility types, the installation's location, and the installation's primary mission. The FIP is used to inform the Army's annual budget request.

The Army continues to work with the other military departments and the Office of the Secretary of Defense to ensure our infrastructure investments are synchronized with the department's mission. We acknowledge the establishment of minimum FSRM requirements for the coming years in the 2025 National Defense Authorization Act (NDAA) and the Army looks forward to working with Congress to develop a strategy to resource this mandate.

Unaccompanied Housing - Barracks

Our first and highest priority is to take care of our warfighters and ensure they have proper facilities to conduct training and live. The challenge we face is a substantial backlog of deferred maintenance that built up over many years. The Army, with the support of Congress, has significantly increased annual investment over the last few years to address this backlog, but these investments sometimes take a number of years to realize their effect. This year, for the first time, the Army will open the annual Tenant Satisfaction Survey to Soldiers living in our barracks to help assess whether investments in our barracks are improving Soldiers' quality of life. In addition to making long-term investments, the Army is also taking immediate action in situations where living conditions are unacceptable with Commanders moving Soldiers into appropriate living conditions.

Investments in the Army's permanent party barracks with construction and modernization continues to grow. The Army plans to program a portion of the sustainment funding to meet 100% of the requirement for permanent party barracks to prevent accelerated degradation of these facilities.

The Army continues to look for new and innovative ways to maximize our facility investments to improve our barracks quality and reduce the costs to taxpayers. Last year, the Army initiated a privatized barracks project at Fort Irwin, California, where a life-cycle cost analysis showed it is more cost-effective to have a private company build

and manage the barracks than to build government-owned barracks. The Army currently has five other locations with privatized barracks, with another two locations under development.

Army Family Housing

Taking care of our warfighters is also taking care of their families. The Army takes care of our families whether their warfighter is at home or not. The Army continues to make significant progress to provide high-quality family housing—both government-owned and privatized.

The Army has made significant investments in overseas family housing, which is mostly government-owned housing. In FY 2025, the Army has planned $752 million for operations, maintenance, leasing, oversight, and construction. We thank Congress for supporting the Army's request to extend certain authorizations in the FY 2025 NDAA—these extensions are critical as the overseas coordination required for some of the projects takes longer than domestic projects.

In addition to ensuring high-quality government-controlled housing, the Army is working to provide the high-quality privatized housing our Soldiers deserve. Over the next three years, privatized housing providers will invest over $2.4 billion for the construction of over 2,000 homes, renovations of 7,000 homes, and other developmental work. Over the last two years, the Army has implemented several oversight reforms to better hold privatized housing providers accountable for maintaining the high-quality privatized housing our Soldiers deserve. These efforts have included strengthening and clarifying enforcement language in ground leases, conducting house-by-house inspections, implementing quality assurance of construction and renovations, and developing a standardized quality assurance maintenance program that will be applicable to all privatized housing companies doing business with the Army.

By the end of FY 2026, the Army will complete third-party inspections of all our family housing inventory. When our inspections reveal deficiencies in work performed, the Army privatized housing provider or installation Director of Public Works reacts quickly to rectify the situation via the housing provider. The Army also conducts an annual

Tenant Satisfaction Survey to assess the quality of our homes and keep housing providers accountable for maintaining those homes. I am pleased to report that last year's survey results showed a notable increase in tenant satisfaction from prior years.

Safety and Occupational Health

The Army needs confident, trained, and fit Soldiers to generate readiness and project combat power. Those capabilities are diminished when our warfighters are taken out of the fight due to injury or unsafe facility conditions. The Army continues to work on decreasing preventable injuries, especially in training environments. Additionally, our investments in modern and safe facilities reduce preventable health risks posed to our Soldiers.

The Army is working to resource and implement the tactical vehicle data record pilot program enacted in the FY 2023 NDAA. These recorders will provide critical data to support mishap investigations and will give us the capability to proactively improve driver and passenger safety by identifying hazards for mitigation. The recorders will also provide the potential for daily monitoring of each vehicle and will give individual feedback for improving driver performance.

Additionally, the Army continues to review the potential risks of blast overpressure on our warfighters and civilians. The Army conducts health hazard assessments for equipment – to include weapon systems – as part of design, testing, and new equipment training. The Army utilizes scientific collection and measurement methods to develop and publish standardized training procedures, providing leaders and Soldiers guidance on proper use, required mitigation steps, and potential risks related to blast overpressure. When new scientific methods or tools are developed or monitoring indicates emerging injury trends, the Army reassesses and publishes updated training guidance.

Installation Resilience

Modernized installations, which include ensuring access to reliable power and water, are vital to assuring mission success. Given our installations primarily rely on

commercial utilities for energy and water, we must ensure they are protected from external disruptions and can quickly recover. Vulnerabilities, both natural and man-made, associated with interdependent electric power grids, natural gas pipelines, and water resources and systems can jeopardize installation security and mission capabilities.

To assess these potential risks to our water and energy systems, 98% of our installations have completed Installation Energy and Water Plans to identify requirements and risks, and to develop mitigation techniques. For example, the Army is deploying microgrids on installations, conducting Black Start Exercises (BSEs), and testing the cyber domain through the Cyber Readiness Resilience Exercises.

In addition to decreasing installation operational costs, efforts to reduce energy and water consumption increase resilience as less water and energy are needed to meet mission requirements if service is disrupted. The Army reduced energy use by 17.8% since FY 2003, and reduced water consumption by 25% compared to a FY 2007 baseline—a reduction of 13.5 gallons of water per square foot.

Army has explored power generation assets that can be combined with specific circuitry to allow the islanding of our installations, providing resilient energy for critical functions, including deploying microgrids. Army currently has 32 operational microgrids at 25 installations.

To test our energy resiliency, BSEs allow installations to experience the impact of a power outage from a service disruption. The Army has completed 20 BSEs, including, eight exercises in FY 2024, and is planning six more in FY 2025 - two of which have been completed and five in FY 2026. In FY 2024, Army conducted our first cyber resilience readiness exercise at Fort Carson and is planning an additional exercise in FY 2025.These exercises focus on understanding the potential effects and consequence of cyber vulnerabilities on energy and water systems that support critical missions, to include power denial as a primary consequence.

To be more efficient with taxpayer investments in our installations, the Army’s Office of Energy Initiatives (OEI) continues to explore public-private partnerships that reduce the

need for appropriated funding and employ a wide array of energy technologies in support of installation mission operations. The OEI looks to leverage the value of underutilized installation land for the development of energy-generation facilities that will enhance energy resiliency. Rather than a monetary rent payment for leasing installation lands, the Army typically seeks in-kind consideration to satisfy the fair-market value requirement. For energy-generation facilities, this includes the ability to prioritize power from the project to support critical missions during grid disruption. The Army's collaboration with private industry (both public utility companies and independent power producers) has resulted in approximately $677 million of private-sector investment and over $764 million of avoided operational costs for the Army.

Mitigating Risk and Building OCONUS Resilience

The Army is doing comprehensive energy and water resilience planning at installations worldwide, including in the U.S. Central Command, U.S. European Command, and U.S. Indo-Pacific Command (USINDOPACOM) regions. These forward installations are critical to assuring the Army's readiness and maintaining warfighting skills, with special emphasis on the unique threat picture and host nation requirements in each area. In USINDOPACOM, fuel logistics and vulnerable island locations present unique energy challenges. The Army is building energy resilience across USINDOPACOM by developing microgrids, implementing energy and water efficiency measures, and ensuring adequate fuel reserves to support operations during potential disruptions.

Nuclear Energy

The Army continues to follow Congress's lead in exploring the viability of nuclear energy as a stable and reliable source of energy for our mission-critical operations. The FY 2019 NDAA directed the Department of Defense to develop a plan to deploy a small modular advanced nuclear reactor for installation resilience, which is being led by the Air Force. The Army continues to monitor the progress of the resulting pilot program. Meanwhile, the Army is quickly working to deliver on the President's directive in Executive Order 14299, "Deploying Advanced Nuclear Reactors for National Security",

to begin operation of an advance nuclear reactor on an installation by 2028. The Army expects to have additional details at a later date.

Installation Management Efficiency

The Army still has a large inventory of closed installations that are experiencing increasing costs for environmental remediation before the land can be redeveloped. The Army continues to work to leverage private capital to complete this work so minimal costs are paid by taxpayers.

In FY 2025, the Army completed transfer of all surplus acres at Fort Gillem and Stratford Army Ammunition Plant. The Army also closed Pueblo Chemical Depot and is preparing to dispose of the 7,000 acres of excess land. We also thank Congress for enacting a provision in the FY 2025 NDAA to address the outcome for the former Army Navy Hospital in Hot Springs, Arkansas.

For our current installations, the Army continues to use Energy Savings Performance Contracts (ESPCs), Utility Energy Savings Contracts (UESCs), and Intergovernmental Service Agreements (IGSAs) to improve installation efficiency and lower facility operational costs across all utilities and services. The Army is working to award nine ESPCs and UESCs totaling $338 million in FY 2025. For FY 2026 and FY 2027, the Army hopes to award another 22 contracts with $570 million in private investment. Resilience enhancements remain a focus for ESPCs and UESCs, including a planned natural gas pipeline providing 16 megawatts of power generation at Fort Irwin and numerous industrial equipment upgrades to improve operational efficiency at Anniston Army Depot. The Army's 160 IGSAs include agreements for environmental services, waste management, and dozens of other community partnerships. Going forward, we intend to increase our use of ESPCs, UESCs, and IGSAs to reduce the long-term costs of our installations.

Historic Housing

The Army thanks Congress for its assistance in streamlining the management of our historic housing inventory, which encompasses over 30,000 homes, and ensuring

compliance with the National Historic Preservation Act (NHPA). Army installations and privatized housing partners may now implement management actions on the inventory of historic housing without further NHPA requirements. The Military Housing Association recommends other services look at the Army's successful programmatic approach to address their challenges in managing historic homes.

A few examples of the effectiveness of the Army's programmatic approach include $14 million in savings at Fort Leavenworth, $5 million saved replacing historic windows at Fort Belvoir, and over $2 million saved in roof replacements on historic homes at Fort Bliss. These savings and those from other renovations can be applied to current and future housing projects.

Environmental Compliance and Remediation

The Army remains committed to addressing environmental remediation issues and protecting the environment from unnecessary contamination. The Army continues to look for ways to modernize environmental compliance and looks forward to working with Congress to address the growing costs of compliance with the National Environmental Policy Act (NEPA).

The Army recognizes that exposure to certain levels of per- and polyfluoroalkyl substances (PFAS) pose a risk to our warfighters and surrounding communities. The Army acknowledges that the U.S. Environmental Protection Agency has established maximum contaminant levels for PFASPFOA in drinking water and the Army will continue to prioritize actions to address drinking water wells impacted with impacts from its releases in a transparent and systematic manner.

The Army has been proactive in addressing PFAS releases on- and off-installation, including the adoption of a risk-based approach to prioritize actions at sites with higher PFAS levels first. This "worst first" approach is consistent with OSD guidance. The Army follows the federal cleanup process to investigate and assess if remedial actions are needed. Of the 345 installations where PFAS may have been stored, used or released, 235 installations are moving to the next, more-intensive level of investigation. Efforts to

transition vehicles and facilities from aqueous film-forming foam to fluorine-free alternatives continue to be implemented across the Army to decrease PFAS exposure.

Conclusion

Providing safe, reliable, and high-quality installations for Soldiers, families, civilians, and defense communities is critical to ensuring the Army can remain adaptable to mission requirements around the world. To maximize installation support of the Army's lethality, we must continually evolve facility investment programs to support efficient and modern installation management. This requires the Army to continue investing in quality of life and the resiliency of our installations and services.