

DEPARTMENT OF HOMELAND SECURITY
U. S. COAST GUARD
STATEMENT OF
ADMIRAL THOMAS H. COLLINS
ON THE
INTEGRATED DEEPWATER SYSTEM
BEFORE THE
SUBCOMMITTEE ON COAST GUARD & MARITIME
TRANSPORTATION
COMMITTEE ON TRANSPORTATION & INFRASTRUCTURE
U. S. HOUSE OF REPRESENTATIVES
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Good morning, Mr. Chairman and distinguished Members of the Subcommittee. It is a pleasure to be here today along with my Deepwater Program Executive Officer, Admiral Pat Stillman, and with Ms. Wrightson from GAO. We welcome the opportunity to discuss the Coast Guard's Integrated Deepwater System and the positive impact it will have on the Coast Guard's ability to secure America's maritime borders, aid persons in distress, facilitate the safe and efficient flow of commerce, and respond to the expeditionary requirements of U.S. combatant commanders.

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Deepwater -- the centerpiece for the Coast Guard's transformation and my top capital priority -- plays an absolutely critical role in building a more ready and capable 21st-century Coast Guard equal to the challenging tasks we face today and anticipate tomorrow. Our Deepwater recapitalization is key to our ability to meet our multi-mission requirements. So I thank the Administration for its strong support and recognition that the original Deepwater plan must be adjusted to reflect post-9/11 realities.

The Deepwater team's government-industry partnership achieved many program milestones during 2004 and strengthened Deepwater's foundation by incorporating far-reaching program and contract-management improvements in accordance with recommendations from the Government Accountability Office.

Most importantly, this year's approval of a revised post-9/11 Deepwater Mission Need Statement and Implementation Plan are the most significant programmatic developments since we awarded the Deepwater contract in 2002. With the strong support of the Department of Homeland

Security, the Administration, and Congress, we will now posture the Deepwater Program to play an even greater role in reducing the future risk of a terrorist event in the homeland. We have established requirements for improved capabilities necessary to perform the Coast Guard's full range of post-9/11 missions, while sustaining and modernizing select legacy assets to operate effectively until replaced by Deepwater assets. The new plan moves the design of the Fast Response Cutter and Offshore Patrol cutter up by 10 and 5 years, to 2007 and 2010, respectively. It also leverages our existing asset base of C130s, H60s, and HH65s through conversion to provide a cost-effective, high-performance aviation Deepwater solution. It incorporates Aerial Use of Force, strategic lift, and enhanced force protection and other critical homeland security capabilities. I look forward to discussing these and other requirements adjustments with you this morning.

The Coast Guard's 2006 budget includes funding of \$966 million for Deepwater, a 33 percent increase over last year's appropriation. This investment will make important contributions to the Department of Homeland Security's strategic goals of improving threat awareness, prevention and protection against terrorist attacks, and response and recovery should they occur.

Deepwater aligns completely with my overarching budget goals to recapitalize the Coast Guard, implement the Maritime Strategy for Homeland Security, and enhance mission performance across the board.

The National Security Cutter and the Offshore Patrol Cutter are the centerpieces of the Integrated Deepwater System. The third National Security Cutter is funded in the FY06 budget and last month, together with Secretary and Mrs. Chertoff, I participated in the keel-laying ceremony for our first National Security Cutter, a significant milestone in Deepwater's transformation of the Coast Guard for our 21st-century missions. And as I have indicated, we have moved forward the design work, engineering, and long lead time material for the Offshore Patrol Cutter.

Funding is included in the '06 budget for legacy asset sustainment projects, such as HH-65 re-engining and WMEC mission effectiveness projects. These initiatives are absolutely critical to sustain capabilities *today*, while acquisition of new and enhanced Deepwater assets is vital to ensuring the Coast Guard has the right capabilities *tomorrow*.

Re-engining the HH-65 helicopter fleet continues to be my highest aviation concern. We are moving out at best speed at our Aviation Repair and Supply Center to restore operational safety and reliability to these critical assets. We are looking at ways to speed things up, including accelerating engine delivery, standing up a second re-engining facility, and purchasing additional aircraft. I am confident we will complete re-engining in 2007.

Our FY2006 Deepwater budget and our revived implementation plan have been carefully thought out. It is the right way forward with our modernization efforts.

With the continued support of the Administration, this Committee, and the Congress, and the tremendous people of the Coast Guard, I know that we will succeed in putting the right tools in the very capable hands of Coast Guard men and women and will succeed in delivering the robust maritime safety and security America expects and deserves from its Coast Guard.

Thank you for the opportunity to testify before you today. I will be happy to answer your questions.