

Surge Sealift Force in Need of Urgent Recapitalization, Officials Say



CHUK SAMET, Thailand (Jan. 27, 2019) A Soldier attached to U.S. Army Pacific (USARPAC) directs a vehicle down the ramp of the Military Sealift Command chartered ship M/V Cape Hudson (T-AKR 5066) during an offload at Chuk Samet, Thailand, Jan. 24, 2019.

WASHINGTON – The nation's seaborne logistics capability is atrophying and in need of rejuvenation, senior government officials said in testimony before Congress. Maintaining older ships is proving more costly than anticipated, driving officials to seek new or used ships to replace some in the current inventory.

Testifying March 7 before a joint hearing of the Seapower and Projections Forces subcommittee and Readiness subcommittee of the House Armed Service Committee were Army Gen. Steve Lyons, commander, U.S. Transportation Command, and retired Navy Rear Adm. Mark Buzby, administrator of the Maritime Administration (MARAD), a Department of Transportation agency that maintains the Ready Reserve Force (RRF), a fleet of sealift and specialized ships available on a reduced operational status for call up to service.

Of interest are the 46 ships of the RRF and the 15 sealift ships operated by the Military Sealift Command. The average age of the RRF ships is 44 years and are becoming increasingly difficult to maintain. Of the RRF ships, 21 are steam-powered, an obsolescent propulsion technology for which qualified mariners to operate it are decreasing in numbers.

Lyons noted that commercial ship companies look to retire ships at the 15-year mark to avoid the maintenance and repair

costs of older ships.

He said the readiness of the 15 surge sealift roll-on/roll-off ships currently is only 65 percent.

"The need to recapitalize is urgent," Lyons said. "I believe accelerating the used vessel purchases with the authority ... Congress provided in the last two years is the most practical way ahead."

Buzby said the key to sustaining sealift capability is the "acquisition and conversion of used ships for the RRF, beginning with the purchase of two vessels as authorized by the FY [fiscal year] '18 NDAA [National Defense Authorization Act]."

He said that in January the Navy, in coordination with U.S. Transportation Command, "provided MARAD with the desired characteristics for replacement ships to be acquired from the commercial market. MARAD then released a request for information to identify suitable ships, and responses are due back [on March 16]."

Buzby said that of the 50,000 large, oceangoing commercial vessels in the world, 181 sail under the U.S. flag, including 82 vessels operating exclusively in international trade and the remainder in domestic trade. He said that these commercial ships are critical to sustaining the employment base for mariners for the RRF. He also noted that of 82 U.S.-flag ships in international trade, MARAD's Maritime Security Program helps sustain a fleet of 60 militarily useful ships with mariners fully qualified for sealift operations.

"I am deeply concerned about our ability to muster an adequate number of mariners to operate the sealift fleet for surge and sustainment operations during a mobilization lasting about six months," Buzby said.

Buzby said the Navy is funding some service-life extensions

(SLEPs) of MARAD ships, but “the pace of repair is outpacing the pace of service-life extension,” noting that many of the repairs involve structural steel repairs. “We’re not making any headway toward extending that service life.”

He said that the SLEPs for each ship cost from \$800,000 to \$3.5 million, and often three times what was budgeted.

Service-life extensions are not returning the investment that we thought,” Lyons said.

Buzby said that used ships vary in cost “from \$25 million, maybe to \$60 million” depending on age “and a new ship is 26 times that.”

“If you look at the investments the Navy in the out-years, it’s very, very hard to compete a sealift new-build that is 26 times as expensive as an acquired used [ship] solution,” Lyons said.

New or used roll-on/roll-off ships are the primary recapitalization requirement for sealift, Buzby said.