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Executive Correspondence

BRAC Commission

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To: Mr. Charles Battaglia (703) 699-2735

From: MG Robert Lee Date: 07/17/2005

Re: Gov Lingle's BRAC testimony Pages: 18 pages including cover

CC: Mr. Russell Pang (State of Hawaii) (808) 586 0006

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Battaglia –

Attached is the signed testimony by Gov Lingle in support of Pearl Harbor Naval Shipyard. Please call me at (808) 295-0160 to confirm receipt.

Thanks Gov!

MG Robert Lee

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Executive Correspondence

EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

July 18, 2005

The Honorable Anthony J. Principi
Defense Base Closure and Realignment Commission
2521 South Clark Street, Suite 600
Arlington, VA 22202

Dear Chairman Principi,

The State of Hawaii submits this memorandum in support of the recommendation of the Secretary of Defense, submitted to the 2005 Defense Base Closure and Realignment Commission on May 13, 2005, to maintain Pearl Harbor Naval Shipyard as an active shipyard.

On May 13, 2005, under the authority of the Defense Base Closure and Realignment Act of 1990, as amended by the National Defense Authorization Act for Fiscal Year 2005 (DBCRA), the Secretary of Defense issued the Department of Defense's recommendations for closure and realignment of military installations inside the United States for the 2005 round of Defense Base Closures and Realignments (BRAC 2005). This is the fifth round of closures and realignments since 1988, with the previous rounds occurring in 1988, 1991, 1993, and 1995.

In particular, the Secretary recommended the closure of Portsmouth Naval Shipyard in Kittery, Maine, adjacent to Portsmouth, New Hampshire, and relocation of the ship depot repair function to Norfolk Naval Shipyard, Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility, and Puget Sound Naval Shipyard. This recommendation "retains one nuclear-capable shipyard on each coast," (Norfolk and Puget Sound) and "sufficient shipyard capacity to support forward deployed assets" (Pearl Harbor). The Secretary's recommendations also stated that: "Naval Shipyard Portsmouth was selected for closure, rather than Naval Shipyard Pearl Harbor, because it is the only closure which could both eliminate excess capacity and satisfy retention of strategically-placed shipyard capability. Planned force structure and force positioning adjustments reflected in the 20-year Force Structure Plan led to the selection of Naval

Shipyard Portsmouth as the preferred closure candidate between the two sites. Additional savings, not included in the payback analysis, are anticipated from reduced unit costs at the receiving shipyards because of the higher volume of work." The recommendations also stated that: "Naval Shipyard Portsmouth had a low military value compared to operational homeports, and, its berthing capacity is not required to support the Force Structure Plan. Therefore, closure of Naval Shipyard Portsmouth is justified."

On July 1, 2005, the Chairman of the 2005 Defense Base Closure and Realignment Commission wrote to the Secretary of Defense, seeking explanations why certain installations, including Pearl Harbor Naval Shipyard, were not included on the May 13, 2005, list. In particular, the Chairman of the 2005 BRAC Commission asked why the Secretary did not recommend that Pearl Harbor Naval Shipyard be closed and the ship depot repair functions there be realigned to Norfolk Naval Shipyard, Portsmouth Naval Shipyard, and Puget Sound Naval Shipyard. The stated grounds for the Chairman's question were that: (1) the Department of the Navy has "sufficient excess capacity" among its four shipyards to close either Pearl Harbor Naval Shipyard or Portsmouth Naval Shipyard; (2) Pearl Harbor Naval Shipyard "is less efficient" than Portsmouth Naval Shipyard "according to Department of Navy data;" (3) "additional savings could be found from reduced unit costs at the receiving shipyards because of a higher volume of work;" and (4) Pearl Harbor Naval Shipyard "has low military value compared to other shipyards according to DoD analysis supporting the recommendation to close Naval Shipyard Portsmouth."

The Criteria applied by the Secretary of Defense in making recommendations to close and realign military installations in BRAC 2005 are set forth in Section 2913 of DBCRA. Section 2903(d)(2)(B) of the statute provides that the BRAC Commission may not change any of the Secretary's recommendations unless the Commission determines that the Secretary deviated substantially from the Force Structure Plan and the Criteria in making his recommendations.

The Criteria assign priority to the Military Value of an

installation over considerations regarding the return on investment to be achieved from closing an installation; the economic impact of closure on the local community where the installation is located; the ability of the infrastructure at the existing and potential receiving communities to support forces, mission and personnel; and the environmental impact of closure, including costs arising out of environmental restoration and compliance activities.

The Criteria in Section 2913(b) of DBCRA set forth four components of Military Value: (1) current and future mission capabilities and the impact on operational readiness of the total force of the Department of Defense, including the impact on joint warfighting, training and readiness; (2) the availability and condition of land, facilities and associated airspace at both existing and potential receiving locations; (3) the ability to accommodate contingency, mobilization, surge, and future total force requirements at both existing and potential receiving locations to support operations and training; and (4) the cost of operations and the manpower implications.

This memorandum will demonstrate that the Secretary of Defense's recommendation to maintain Pearl Harbor Naval Shipyard as an active depot-level, nuclear-capable repair and overhaul activity more than satisfies the DBCRA Criteria and is completely consistent with the Force Structure Plan. Indeed, his recommendation recognizes the central strategic role that Pearl Harbor Naval Shipyard plays in the defense of this Nation, and, thus, its unparalleled military value.

First, the current and future mission capabilities and the operational readiness of the Pacific Fleet depend upon the full-service Naval Shipyard at Pearl Harbor. Both the Commander of the Pacific Command and the Commander of the Pacific Fleet explicitly affirmed this importance in recent correspondence to Senator Daniel K. Inouye, dated July 11, 2005 and July 8, 2005, respectively. The Secretary of the Navy and Acting Deputy Secretary of Defense cited the Shipyard's paramount importance in his letter to the Chairman of the 2005 Defense Base Closure and Realignment Commission, dated July 14, 2005. Second, the Naval Shipyard at Pearl Harbor is a large facility with extensive

infrastructure, such as five Drydocks that can accommodate Cruisers, Destroyers, Frigates, large Amphibious Ships and Aircraft Carriers as well as Attack Submarines and Piers that can accommodate a nuclear-powered Aircraft Carrier. Third, Pearl Harbor Naval Shipyard has substantial capacity to respond to surge requirements because of its extensive infrastructure and diverse workload and product lines. Fourth, Pearl Harbor Naval Shipyard's mid-Pacific location allows Navy ships homeported at Pearl Harbor to stay there for overhauls and repairs, rather than deploying to mainland shipyards with all of the attendant operational, economic and social costs; and it provides a full-service maintenance and repair yard for Navy ships operating in the Pacific. This location obviates the need for expensive and time-consuming transits to Naval Shipyards on the West Coast and the East Coast that would reduce the amount of time each ship is available to operate as a Fleet unit.

An equally important consideration is avoiding the need for Sailors to leave their homeport, and their families, or to relocate their families for ship maintenance and overhaul periods on the mainland. These dedicated men and women, who voluntarily choose to serve our Nation, should not suffer such unneeded disruptions to their lives.

BACKGROUND

The Secretary of Defense's 2005 recommendations concerning Department of the Navy bases and activities follow in the wake of the course set by Secretaries of Defense who developed closure and realignment recommendations in the 1988, 1991, 1993, and 1995 rounds of Defense Base Closures and Realignments. These rounds were driven by the dramatic changes that flowed from the end of the Cold War and the dissolution of the Soviet Union, specifically the substantial reductions in force structure and the absence of a major adversary that could threaten America.

Thus, taking into account the substantial reductions in the Navy's force structure, i.e., ships, aircraft and personnel, the Department of Defense recommended the closure of many Naval Stations, Naval Air Stations, Naval Shipyards, and Naval Air Depots on both coasts and in the Pacific during the 1991, 1993,

and 1995 rounds. These included the Naval Stations in New York, Philadelphia, Charleston, Mobile, Seattle, San Francisco, and Long Beach; the Naval Air Stations at Cecil Field near Jacksonville, Florida, Glenview, Illinois, near Chicago, Barbers Point on Oahu, near Honolulu, Adak Island in the Aleutians, Midway Island in the Pacific, and Agana in the Territory of Guam. These recommendations also included the Naval Shipyards in Philadelphia, Charleston, Mare Island (Vallejo, California), and Long Beach, California. And these recommendations included the Naval Air Depots at Norfolk, Virginia, Pensacola, Florida, and Alameda, California. All of these recommendations were accepted by the previous Commissions, and these bases and activities were closed during the 1990's.

The May 13, 2005, recommendations of the Secretary of Defense once again reflect the shrinking force structure of the Navy and the shifting source of threats to America's national security. These recommendations expressly take into account both the "planned force structure and force positioning adjustments reflected in the 20-year Force Structure Plan" of March 2005. The adjustments project, for example, a reduction of 21 per cent in the Navy's Attack Submarine fleet and the retirement of an Aircraft Carrier. See U.S. Government Accountability Office, Analysis of DOD's 2005 Selection Process and Recommendations for Base Closures and Realignments at 104-106 (July 2005). Despite this reduction in the Attack Submarine fleet, however, the Navy plans to increase the number of Attack Submarines homeported in the Pacific, including in Hawaii.

The clear implication is that this planned increase in Submarine presence in the Pacific region and the Secretary's BRAC 2005 recommendations take into account the emerging security threats in East Asia. The immediate threats to our national security from this region are those posed by North Korea and by terrorists from the Middle East who are infiltrating the Philippines and Indonesia. Additionally, a developing threat is evident in the large investment that China is making in its military forces, particularly in its navy.

The consequence for our national strategy is also clear. Admiral Vern Clark, the Chief of Naval Operations, recognized

these threats and spoke about their impacts on the Navy at the July 8, 2005, ceremony at Pearl Harbor, marking the Change of Command for the Pacific Fleet. During his remarks, Admiral Clark ordered the new Pacific Fleet Commander to keep his ships facing west.

THE DEPARTMENT OF DEFENSE'S ANALYSIS OF MILITARY VALUE

The Secretary of Defense's recommendations were based upon the conclusion of the Department of the Navy and the Industrial Joint Cross-Service Group that there is excess capacity across the four Naval Shipyards at Portsmouth and Norfolk on the East Coast, Puget Sound on the West Coast, and Pearl Harbor in the Pacific, and their judgment that the Military Value of Pearl Harbor Naval Shipyard is higher than that of Portsmouth Naval Shipyard.

Military Value has two components, and the Department of Defense relied upon both in formulating its recommendations for closure and realignment of military installations. The quantitative component is reflected in the commodity-based counting of assets to calculate capacity. The qualitative component is reflected in the application of military judgment to the totality of circumstances, strategic as well as economic, that bear on the decision to close or realign an installation.

In its quantitative analysis, the Department of the Navy determined the Military Value of activities that perform the Surface-Subsurface Operations function, consisting of 29 installations. Naval Station Pearl Harbor, including Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility, ranked first with a Military Value score of 74.50. Portsmouth Naval Shipyard ranked fifteenth with a Military Value score of 48.21. As stated in Candidate Recommendation #DON-0133 Supporting Information, Portsmouth's Military Value score of 48.21 "was below the mean Military Value score for all installations capable of performing the Surface-Subsurface Operations Function (50.61) and well below the mean Military Value score of 'active bases' (55.64)."

The Industrial Joint Cross-Service Group also calculated a

Military Value score for each Naval Shipyard. In order, these scores were: Puget Sound Naval Shipyard - 0.7480; Norfolk Naval Shipyard - 0.7339; Portsmouth Naval Shipyard - 0.6444; and Pearl Harbor Naval Shipyard - 0.6208. Thus, Portsmouth received a slightly higher quantitative Military Value score than Pearl Harbor.

However, after the Department of the Navy and the Industrial Joint Cross-Service Group calculated their respective quantitative Military Value scores, they proceeded to the qualitative evaluation of the shipyards. In this part of the Military Value analysis, they applied military judgment to resolve the excess capacity problem they saw across all four shipyards. The qualitative aspect of Military Value favored Pearl Harbor Naval Shipyard for strategic reasons and outweighed the slightly higher quantitative score that Portsmouth had received from the Industrial Joint Cross-Service Group. Importantly, both the Department of the Navy and the Industrial Joint Cross-Service Group agreed on the conclusion of the qualitative analysis that the Military Value of Pearl Harbor exceeded that of Portsmouth.

When the Department of the Navy applied military judgment to the excess capacity issue, it recommended closure of Portsmouth Naval Shipyard because that was the only closure that would both eliminate excess capacity and retain strategically located shipyard capability. In reaching this judgment, the Department of the Navy took into account planned adjustments in both force structure and the positioning of forces that were contained in the 20-year Force Structure Plan. The Navy also recognized that this recommendation would retain "sufficient shipyard capacity to support forward deployed assets." Finally, the Navy noted that "Naval Shipyard Portsmouth had a low military value compared to operational homeports, and its berthing capacity is not required to support the Force Structure Plan." See Department of Defense Base Closure and Realignment Report, Vol. I, Part 2 of 2 at DoN-23, 24, and Candidate Recommendation #DON-0133 and Supporting Information.

When the Industrial Joint Cross-Service Group applied military judgment to resolve the excess capacity issue, it

reached the same conclusion as the Department of the Navy. "It was the military judgment of the Industrial Joint Cross-Service Group that closing NSYD Portsmouth provides the highest overall military value to the Department." As the Department of the Navy explained in Candidate Recommendation #DON-0133, "NSYD Portsmouth was selected for closure, rather than NSYD Pearl Harbor, because it is the only closure which could eliminate excess capacity and satisfy Navy desires to strive to place ship maintenance capabilities close to the Fleet to: dry dock CVN's and submarines on both coasts and in the Central Pacific; refuel/defuel/ inactivate nuclear-powered ships; and dispose of inactivated nuclear-powered ship reactor compartments."

Thus, despite the slightly higher quantitative Military Value score that it received from the IJCSG, Portsmouth was selected for closure, because the Department of Defense's analysis of the qualitative component of Military Value looked beyond the commodity-based counting of assets and subsequent calculation of a Military Value score. The Department applied military judgment to the totality of circumstances, including strategic considerations, that bear on the decision whether to close or realign an installation. This examination clearly revealed Pearl Harbor Naval Shipyard's crucial role in America's national security and, therefore, its very high Military Value.

Thus, Pearl Harbor Naval Shipyard did not have a "low military value compared to other shipyards," as suggested by the attachment to the Commission's letter to the Secretary of Defense dated July 1, 2005. As set forth in the correspondence dated July 14, 2005, from the Secretary of the Navy and Acting Deputy Secretary of Defense to the Chairman of the 2005 Defense Base Closure and Realignment Commission:

> "Although the quantitative military value score
>
> for Pearl Harbor Naval Shipyard was slightly lower than that of Portsmouth Naval Shipyard, it was the military judgment of the Industrial JCSG that Pearl Harbor Naval Shipyard's critical geographical location, adjacent to a significant portion of the Fleet and forward positioned in the central Pacific, combined with its

> capability to dock a nuclear-powered aircraft carrier, provided a higher overall military value to the Department. This judgment is supported by the DON, as indicated by its submission of the closure recommendation. Pearl Harbor Naval Shipyard is strategically located to support DoD's current and future mission capabilities in the Pacific. Loss of this critical asset will have an adverse impact on operational warfighting capability, training and readiness. Additionally the Combatant Commander expressed operational concerns with a closure of the Pearl Harbor Shipyard in that it would result in reduced theater presence as a result of the associated increased transit times, a loss of emergent CVN drydock capability (the only option west of Washington state) and a general concern with the loss of availability of 'logistics, supply and operational support services throughout the Pacific.' Finally, the Navy was concerned with the personnel retention implications that would result from a closure of Pearl Harbor in that it would result in a significant increase in dockings being conducted out of homeport."

These considerations will be discussed more fully below.

PEARL HARBOR NAVAL SHIPYARD'S MILITARY VALUE

The Pearl Harbor Naval Complex on the island of Oahu is central to America's ability to project force in the Pacific; to sustain that force; and to repair, refuel and rebuild components of that force when they return to their homeport. This Complex consists of three principal components: Naval Station Pearl Harbor, Fleet and Industrial Supply Center Pearl Harbor, and Pearl Harbor Naval Shipyard. These three activities enable the United States to project, sustain and maintain a strong and reliable military presence in the Pacific, where the tyranny of distance and warm water impose extreme demands on the hulls of Navy ships as well as their propulsion, mechanical and electronic systems. There are 17 Los Angeles Class Attack Submarines (SSN 688 Class) and 12 Cruisers, Destroyers and Frigates homeported at the Naval Station, adjacent to the Shipyard. Additionally, the

new Virginia Class Submarine, USS Hawaii, will likely be homeported at Naval Station Pearl Harbor.

The Pacific Fleet's Area Of Responsibility covers 100 million miles in the Pacific, Indian and Arctic Oceans from the West Coast of the United States to the East Coast of Africa. Located in the middle of the Pacific Ocean, Pearl Harbor Naval Shipyard is six days ship transit time from the West Coast of the United States, nine days ship transit time from the Territory of Guam, and sixteen days ship transit time from Singapore.

Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility cover 112 acres at the Pearl Harbor Naval Complex. There are 114 buildings and structures, five graving drydocks, more than 20 piers, 10 portal cranes, and one floater crane with a capacity of 224,000 pounds at the Shipyard. The drydocks are capable of accommodating Submarines, Cruisers, Destroyers, Frigates, all large Amphibious Ships, and Aircraft Carriers, and the piers can accommodate a nuclear-powered Aircraft Carrier.

About 5,100 personnel, consisting of 4,300 civilians and 800 military personnel, work at the Shipyard. The Shipyard and Intermediate Maintenance Facility are the State of Hawaii's largest industrial employers and they have an economic impact on the State that is exceeded only by tourism. As in other Naval Shipyard communities on the mainland, Pearl Harbor Naval Shipyard has developed a tradition of producing skilled artisans generation after generation.

The workload at Pearl Harbor Naval Shipyard, reflected in its various product lines and CNO-directed priorities, responds to the national security requirement to project, sustain and maintain a Pacific Fleet that is capable of meeting, deterring and defeating America's adversaries in East Asia. Thus, Pearl Harbor Naval Shipyard is a full-service, nuclear-capable Naval Shipyard that maintains, repairs and overhauls Cruisers, Destroyers, Frigates and Submarines and can accommodate an Aircraft Carrier at its piers and in Drydock No. 4.

The Naval Shipyard at Pearl Harbor performs scheduled

overhaul and maintenance for Attack Submarines and Surface Combatant ships as assigned by the Chief of Naval Operations. It also performs emergent repair and maintenance services for the operational Attack Submarines and Surface Combatant Ships homeported at Naval Station Pearl Harbor and for the three Attack Submarines based at Naval Activities Guam. Additionally, the Shipyard maintains and repairs non-combatant ships and provides voyage repair services to Trident Submarines and other Navy ships transiting the Pacific and to ships of foreign navies that are operating in the Hawaii-Pacific area.

In particular, Pearl Harbor Naval Shipyard performs depot-level overhauls on Attack Submarines, Cruisers, Destroyers and Frigates and it performs nuclear submarine refueling overhauls on Attack Submarines. Its Intermediate Maintenance Facility provides repair, maintenance and modernization services for all Navy ships. Emergent repairs are conducted at the Intermediate Maintenance Facility, at the Shipyard, and at Navy facilities in Guam, Yokosuka and Bahrain.

The Shipyard's product lines consist of Fleet Maintenance Scheduled by the Chief of Naval Operations, such as Defueling and Refueling SSN 688 Class Submarines; Other Fleet Maintenance, including Regional Nuclear Maintenance; and Component Repairs, such as Propeller Shaft repairs. About 43 per cent of the Shipyard's annual workload consists of Fleet Maintenance Availabilities composed of about 40 Submarine Upkeeps and 38 Surface Ship Upkeeps. About 33 per cent of the Shipyard's workload is focused on Engineered Refueling Overhauls on Attack Submarines at the rate of about one each year. The remaining workload, 24 per cent, consists of Selected Restricted Availabilities for at least four ships each year.

Pearl Harbor Naval Shipyard has a distinctive workload as a result of the substantial emergent and voyage repair demands that Navy ships homeported in the Pacific and operating in the Pacific place on it. An instruction from the Chief of Naval Operations, OPNAVINST 4700.1K, established the priority of work at Naval Shipyards. The first priority is given to Trident Submarines that visit shipyards in transit to and from patrols. Second, Naval Shipyards must perform voyage repairs to Navy

ships that have, for example, sustained damage or experienced mechanical malfunction of equipment while at sea. Third, Naval Shipyards must work on ships that are preparing for deployment. Only after these priorities have been satisfied may Naval Shipyards turn to CNO-scheduled depot-level maintenance on ships assigned to them for maintenance and restricted availabilities.

Because there are 17 Attack Submarines and 12 Surface Combatant Ships homeported at Naval Station Pearl Harbor and 3 Attack Submarines based in Guam, and because other Navy ships operating in the Pacific visit Pearl Harbor regularly, Pearl Harbor Naval Shipyard must constantly respond to their emergent and voyage repair needs before performing scheduled shipyard availability work. None of the other Naval Shipyards face a similar challenge, and the Department of Defense recognized this distinction during its BRAC 2005 deliberations when it acknowledged the frequent realignment of workload priorities at Pearl Harbor Naval Shipyard resulting from operational decisions affecting the Pacific theater.

Importantly, performing this work at Pearl Harbor Naval Shipyard means that the 17 Attack Submarines and 12 Surface Combatant Ships homeported at Naval Station Pearl Harbor will not incur the operational, maintenance and family quality of life costs that would otherwise be generated if they had to deploy to mainland shipyards for availabilities. In light of the current personnel tempo of operations for shipboard Sailors and Officers, known as "PERSTEMPO", this is no small consideration.

THE 2005 BRAC COMMISSION'S INQUIRY

The 2005 BRAC Commission's inquiry, as set forth in the attachment to the Chairman's letter to the Secretary of Defense dated July 1, 2005, suggests that the Department of Defense made a choice between two similar industrial activities when it recommended the closure of Portsmouth Naval Shipyard, but that is not the case. Pearl Harbor Naval Shipyard and Portsmouth Naval Shipyard are very different activities that are not comparable to each other.

Pearl Harbor Naval Shipyard and Portsmouth Naval Shipyard

are situated in very different places, separated by nearly six thousand miles, a continent, and the world's largest ocean. As a result, these two Naval Shipyards operate in very different environments. For example, Pearl Harbor must respond to conditions that sub-tropical and tropical climates impose on Navy ships, such as the unique effects that warm water has on all Navy ships, but particularly on SSN 688 Class Attack Submarines. Warm water causes corrosion and introduces sea growth on hulls and into valves and piping systems that is not experienced by ships operating in cold waters like the Atlantic Ocean. For example, valves on ships operating in the Pacific must be opened and inspected for sea growth and corrosion, as must be the piping. Thus, the Navy explicitly prescribes an increased number of man-day's to be allotted for this work during Selected Restricted Availabilities for vessels operating in this theater.

These two Naval Shipyards have very different workloads and product lines. Pearl Harbor is a full-service shipyard that overhauls, maintains and repairs Cruisers, Destroyers, Frigates and Amphibious Ships as well as Attack Submarines, while Portsmouth's workload is restricted to Attack Submarines.

Pearl Harbor Naval Shipyard has extensive infrastructure that includes five drydocks (one of which can accommodate an Aircraft Carrier) and piers that can accommodate a nuclear-powered Aircraft Carrier. Its harbor can accommodate Aircraft Carriers. Portsmouth, by comparison, uses two drydocks for Attack Submarine work and has one other small drydock. None of Portsmouth's drydocks can easily accommodate modern large combatant ships. Additionally, its harbor cannot accommodate Aircraft Carriers.

Pearl Harbor Naval Shipyard's extensive infrastructure endows it with substantial, demonstrated and diverse surge capability to respond to an increase in national security requirements. Portsmouth Naval Shipyard's surge capability is limited to Submarines.

Pearl Harbor Naval Shipyard responds to the emergent needs of the operational Attack Submarines and Surface Combatant Ships that are homeported at Naval Station Pearl Harbor and at Naval

Activities Guam as well as performing depot-level work on ships assigned to the Shipyard for scheduled maintenance and overhaul periods. There are no Navy ships homeported at Portsmouth Naval Shipyard.

Pearl Harbor Naval Shipyard is co-located in a natural, deep-water harbor with a Naval Station that is of paramount importance to the national security of the United States, reflected in the 17 Attack Submarines and 12 Cruisers, Destroyers and Frigates that are homeported at Naval Station Pearl Harbor. This harbor, the Naval Station, and the Shipyard's facilities can accommodate a nuclear-powered Aircraft Carrier. Portsmouth has neither a harbor nor a pier capable of receiving an Aircraft Carrier; its drydock capabilities are limited; and Portsmouth is not co-located with a Naval Station.

Pearl Harbor Naval Shipyard's geographic location places it squarely in the center of the region that presents the most likely threats to America's security for the foreseeable future. Thus, its strategic importance to the Pacific Fleet and the Nation is crucial.

Pearl Harbor Naval Shipyard's location in the middle of the Pacific Ocean does guarantee that, economically, some of its costs will be higher than those typically encountered in Maine and New Hampshire, such as the cost of fuel, the cost of housing, and similar cost of living indicators. This has always been the case, but America's national security has always justified these marginal costs. Moreover, these costs are offset by the cost savings effects of the Shipyard's mid-ocean location, because moving ships around is an expensive proposition. With Pearl Harbor Naval Shipyard available, Navy ships operating in the Pacific are not required to transit to Naval Shipyards on the West Coast or the East Coast for overhaul and repairs; they can conveniently accomplish this work in their Pacific operating area.

These distinctions are not intended to be critical of the excellent work that Portsmouth Naval Shipyard performs for the Navy or to minimize its contribution to the national security of the United States. Rather, they are intended to point out the

very different missions, operations and capabilities of the two shipyards.

Portsmouth Naval Shipyard is not a substitute for Pearl Harbor Naval Shipyard, nor is a combination of Portsmouth, Puget Sound and Norfolk Naval Shipyards a substitute for Pearl Harbor Naval Shipyard. None of these Naval Shipyards is strategically located in the middle of the Pacific Ocean, able to sustain and maintain America's forward-deployed Pacific Fleet in the vast region that presents the greatest threats to our national security for the foreseeable future.

The United States Government Accountability Office summarized parts of DoD's rationale for recommending the closure of Portsmouth Naval Shipyard rather than Pearl Harbor Naval Shipyard at page 107 of its Analysis of DOD's 2005 Selection Process and Recommendations for Base Closures and Realignments:

> "In selecting Portsmouth over Pearl Harbor for closure, the Navy noted that Pearl Harbor is in a fleet concentration area in the Pacific theater and is the homeport for many ships, while Portsmouth is not in a fleet concentration area or a homeport for any ships. In addition, closing Pearl Harbor would require the ships that are homeported there to transit back to the east coast, in some cases, for maintenance, which the Navy would essentially view as a deployment and, for quality of life reasons, would want to avoid if possible. Another strategic objective was to maintain dry docks for aircraft carriers on both coasts and in the Central Pacific. Pearl Harbor has aircraft dry-docking capability, but Portsmouth does not."

Quality of life costs are not incorporated in the commodity-based calculation of capacity, but they are very important considerations for the Fleet, because they directly affect the personal lives of the men and women who choose to serve in the United States Navy.

CONCLUSION

DCN 4737
Executive Correspondence

America's most militarily capable adversaries for the foreseeable future will be in the Pacific region, where maritime presence, operations and engagement dominate. As a result, Hawaii and Guam will play increasingly important roles in America's national strategy by responding to national security requirements that demand the projection, sustainment and repair of Naval forces engaged in the Pacific region. The only Naval Ship Repair Facility west of Hawaii is located in Yokosuka, Japan, a sixteen-day ship transit time from the West Coast of the United States. Thus, for all the reasons discussed in this memorandum, it is clear beyond any doubt that Pearl Harbor Naval Shipyard is vital to our national security now and will be even more crucial in the increasingly dangerous future.

The Department of Defense faithfully applied the Criteria set forth in DBCRA and properly considered the Force Structure Plan in its analysis of Naval Shipyards. The 2005 Defense Base Closure and Realignment Commission should accept these recommendations of the Secretary of Defense and maintain Pearl Harbor Naval Shipyard as the vital, full-service, nuclear-capable Naval Shipyard it is today, to allow our Nation to face the military challenges of the future in the Pacific region.

LINDA LINGLE

Executive Correspondence

COMMANDER, FOURTEENTH COAST GUARD DISTRICT
HONOLULU, HAWAII 96850

14 July 2005

Dear Governor Lingle,

Thank you for soliciting my thoughts concerning the value of Pearl Harbor Naval Shipyard. As the Commander of U.S. Coast Guard forces in the Central Pacific, I wholeheartedly support the continued operation of the Shipyard at Pearl Harbor. This is consistent with the official Department of Defense submittal to the Base Realignment and Closure Commission.

Pearl Harbor Naval Shipyard is a strategically located national asset that has proven its worth over many decades. In addition to its value to the Defense Department, it has demonstrated important value to the Department of Homeland Security and particularly to the Coast Guard.

As one of the nation's five armed services, the Coast Guard needs the capabilities and support of Pearl Harbor Naval Shipyard to maintain our readiness to carry out our homeland security mission. Recently the Coast Guard Cutter KUKUI received emergency dry-docking services at Pearl Harbor Naval Shipyard. The cutter was promptly returned to service, at great benefit to the Coast Guard, and the public we serve.

I appreciate the opportunity to provide you with this perspective. If I can be of further assistance to you or your staff, please call upon me.

Very respectfully,

C. D. WURSTER
Rear Admiral, U.S. Coast Guard

The Honorable Linda Lingle
Executive Chamber
Hawaii State Capitol
Honolulu, HI 96813