



DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
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The Honorable Anthony J. Principi
Chairman, Defense Base Closure and
Realignment Commission
2521 South Clark Street, Suite 600
Arlington, VA

BRAC Commission

AUG 23 2005

Received

Dear Chairman Principi:

I appreciated the opportunity to testify before the Commission on Saturday, 20 August, to reaffirm the rationale behind the Department of Navy recommendations. I am taking this opportunity to provide additional clarification on particular issues raised at the hearing.

Submarine Base New London

One of the issues raised at the hearing was the input from GAO (attached) on the SUBASE New London cost savings. To clarify, GAO did not address the accuracy of the costs used by Navy. Rather, they ran a sensitivity analysis to determine the impact of the increased costs identified during the Commission staff analysis on the 20-year NPV savings. Their input indicates that if these increases in cost were accurate and included in the analysis, the 20-year NPV savings would reduce from \$1.6B to \$1.2B, still a considerable savings. We have separately responded back to the Commission on 19 August with details of our review of the cost to close SUBASE New London submitted by the State of Connecticut. We continue to believe the recommendation to close SUBASE New London is fully supported by the underlying data and analysis, consequently, the DoN's recommendation should be sustained.

Navy Presence in the Northeast United States

Additionally, during discussion at the hearing, it appeared there was concern that our current recommendations were stripping Navy presence from the Northeast United States. During Navy's formulation of our BRAC recommendations, we carefully evaluated our remaining presence in the Northeast and determined that the creation of a Naval Air Facility (NAF) at Brunswick both achieves savings, by single siting the Maritime Patrol airframes for operational, maintenance and training efficiencies, while retaining a strategic presence in the Northeast. Additionally, the Navy's recommendations bring into the Northeast a number of new functions, specifically at Naval Station (NS) Newport. DON recommendations include the creation of an educational "Center of Excellence" for officer training as well as expanded use of the Naval Undersea Warfare Center. The net effect of our recommendations is to increase the presence of the Navy at Newport as well as fully utilize its existing capacity. In addition, NAF Brunswick retains operational capability that we can utilize for surge presence as required. I strongly urge the Commission to support these recommendations.

Oceana Analysis

The discussions on Oceana have been intense and we appreciate the level of effort that the Commission is putting into the question of the proper siting of the Navy's East Coast Master Jet Base. Valid arguments have been put forth on both sides of the issue. Having said that, we remain unconvinced that any alternative to the current operation at Oceana would provide a better option for the Navy for the next several decades and possibly beyond. An investment of this magnitude requires certainty such an option exists and we do not believe that has been demonstrated.

DON did not choose to pursue an alternative to Oceana in our review process because we were not able to determine, with certainty that a better alternative to Oceana existed. We were afforded the opportunity to use existing Air Force assets. However, after full analysis, in our Infrastructure Executive Group discussions on 27 January 2005 we determined that a recommendation for an alternative to Oceana could not be provided to leadership because, "significant investment would result in unknown benefits for future flexibility." This concern holds true with the proposals being reviewed by the Commission today, particularly Cecil Field.

We can debate the anticipated costs of a move to Cecil Field, however, we believe those costs are well in excess of \$500M. While I agree Cecil Field does present some advantages presently, I simply do not feel there is sufficient potential benefit from a relocation to Cecil Field that justifies the associated costs and reduction of net BRAC savings the Navy so badly needs to recapitalize our force structure.

Additionally, the ability to accommodate the current op tempo, as well as that op tempo resulting from future aviation platforms (e.g., JSF) has never been fully analyzed. DON did not analyze this capability in its review and, to our knowledge, no such review has been conducted by either the proponents for Cecil Field or the Commission. Finally, neither the Navy nor the Commission have analyzed the intangibles from this move such as moving Sailors from the Norfolk area where they have already established residency and where multiple tour opportunities abound and the disruption of relocating all East Coast TACAIR to a "new" location.

We recognize the issues at Oceana that impact our training effectiveness and have plans in work to deal with those of concern. As has been stated, we are able to produce units at Oceana that are operationally ready and will be able to do so well into the future with plans currently in place. We do not agree that Cecil Field provides sufficient operational advantage to justify a closure of Oceana. It provides different operational characteristics, but not a net improvement over Oceana's operational characteristics. This is not a decision that should be made after a month of review with data that has not been subjected to the same level of analysis as that provided in the rest of the BRAC process. It is too important for the nation's defense that we get it right.

Again, thank you for the opportunity to present the Department's case before you on 20 August 2005 and to offer you these thoughts.

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