



## UNITED STATES TRANSPORTATION COMMAND

OFFICE OF THE COMMANDER  
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20 February 2020

Honorable Adam Smith  
Chairman  
Committee on Armed Services  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman

Thank you for the opportunity to address Fiscal Year 2021 (FY21) unfunded priorities as required by Title 10, United States Code, Section 222a. To project and sustain the Joint Force at our time and place of choosing, United States Transportation Command's (USTRANSCOM) two highest priorities to fulfill National Defense Strategy's mission requirements are capacity of the United States Air Force's (USAF) aerial refueling platforms and the readiness of the United States Navy's aging sealift fleet.

Aerial refueling is USTRANSCOM's number one unfunded priority. USAF PB21 Program Balance Decision imposes additional KC-10/KC-135 cuts in FY21 (10 x KC-10 and 13 x KC-135) and further reductions in FY22 and beyond, prior to the projected availability of operational KC-46 aircraft. This creates a capacity gap with significant impacts to Combatant Command daily competition and wartime missions, and negatively impacts senior leader decision space for mobilization when confronted with a crisis.

The United States Navy's Surge Sealift Fleet remains a significant readiness concern. Due to the age of Department of Defense vessels and the level of maintenance funding in prior years, the overall health of the Surge Sealift Fleet has deteriorated. Ship maintenance and repair has a Navy \$85.1M funding shortage resulting in certificate of inspection losses to four vessels. The funding will improve sealift readiness and allow USTRANSCOM to project the Joint Force at a time and place of our Nation's choosing.

I appreciate your continued support of our Armed Forces.

Sincerely

Stephen R. Lyons  
General, U.S. Army  
Commanding

Attachment:  
USTC FY21 UPL Enclosure, 14 February 2020

cc:  
The Honorable William M. "Mac" Thornberry  
Ranking Member

## USTRANSCOM Fiscal Year 2021 Unfunded Priorities List

Priority	USTRANSCOM FY21 Unfunded Priorities	Appn	BLI	PE	TY\$M
<b>1</b>	<b>Aerial Refueling</b>				
	KC-135	3400	1F-011M	0401218F	18.4
	KC-135	3740	1F-011M	0501421F	6.6
	KC-135	3840	1F-011M	0501411F	15.0
	<b>Subtotal: KC-135</b>				<b>40.0</b>
	KC-10	3400	1F-011M	0401219F	54.4
	KC-10	3740	1F-011M	0502721F	15.6
	<b>Subtotal: KC-10</b>				<b>70.0</b>
	<b>TOTAL Aerial Refueling Capacity</b>				<b>110.0</b>

### USTRANSCOM Fiscal Year 2021 Unfunded Priorities List Description

#### **1. Aerial Refueling - \$110.0M**

**SUBJECT:** USTRANSCOM #1 Unfunded Priority List: Aerial Refueling (AR)

**DISCUSSION:** USAF PB21 Program Balance Decision imposes additional KC-10/KC-135 cuts in FY21 (10 x KC-10 and 13 x KC-135) and further reductions in FY22 and beyond, prior to the projected availability of operational KC-46 aircraft. This creates a capacity bathtub with significant impacts to Combatant Command wartime and daily competition missions and negatively impacts senior leader decision space for mobilization if confronted with a crisis. USTRANSCOM seeks to reverse this outcome for FY21 and buy back the 10 x KC-10 and 13 x KC-135 aircraft. For FY22 and beyond, any further AR aircraft reductions would be on a “year-by-year review,” based on KC-46 progress. The expected cost of buying back this critical capability is approximately \$110M.

**RECOMMENDATION:** For FY21, buy back 10 x KC-10 and 13 x KC-135 aircraft at a cost of approximately \$110M.

## USTRANSCOM Fiscal Year 2021 Unfunded Priorities List

Priority	USTRANSCOM FY21 Unfunded Priorities	Appn	BLI	PE	TY\$M
2	Surge Ship Readiness	1804	02-2A1F	0408042N	\$85.1

### USTRANSCOM Fiscal Year 2021 Unfunded Priorities List Description

#### **2. Surge Sealift - Readiness - \$85.1M**

Provides funding to address maintenance backlog for 15 Military Sealift Command operated sealift ships. Includes full funding of (4) 5-year regulatory drydocking overhauls for SHUGHART, YANO, GORDON and KOCAK and class maintenance, spare parts and obsolescence prevention for all ships.