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**Statement of
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(Energy, Installations & Environment)**

**Before the Senate Committee on Appropriations
Subcommittee on Military Construction, Veterans Affairs, and Related Agencies**

**A Review of the Fiscal Year 2026 Budget Request for
Military Construction and Family Housing**

June 17, 2025

INTRODUCTION

Chairman Boozman, Ranking Member Ossoff, and distinguished members of the Subcommittee: Thank you for the opportunity to provide a program update for the Department of Defense's (DoD) energy, installations, and environment portfolio. As the newly confirmed Assistant Secretary of Defense for Energy, Installations & Environment, I am grateful for this opportunity to continue serving this Nation and its men and women in uniform. I am committed to providing our Armed Forces with the capabilities needed to defend and protect our Homeland and I look forward to working with this Committee in the coming months to ensure our installations are postured to support the President's and Secretary of Defense's focus on ensuring the U.S. military remains the most lethal and effective fighting force in the world.

OVERARCHING OBJECTIVES

The President and Secretary of Defense have laid out a clear objective for the Department: restore peace through strength by reviving the warrior ethos and restoring trust in our military, rebuilding our military by matching threats to capabilities, and reestablishing deterrence by defending our homeland. To achieve these objectives, we must ensure our power projection platforms are postured to maximize our Service members' lethality and defend the homeland while remaining secure against a wide range of threats. We must be singularly focused on developing the readiness of our forces.

At the same time, we know that America is a target. Our adversaries are targeting our critical defense, government, and economic infrastructure, both inside and outside our fencelines. Every domain is contested—air, land, sea, space, and cyber.

Our approach to installation resilience focuses squarely on military readiness and operational capability. When we evaluate infrastructure improvements or assess environmental impacts, we apply one clear standard: how does this strengthen our warfighting capability? This mission-focused strategy ensures our resources directly support what matters most – maintaining ready forces and resilient installations that can operate effectively under any conditions. We will continue to assess weather-related impacts on our operations, mitigate weather-related risks, conduct environmental assessments as appropriate, and improve the resilience of our installations, but always through the lens of enhancing military effectiveness and operational resilience.

SUPPORTING LETHALITY

Our installations are a critical force enabler, providing our warfighters with a distinct advantage over our adversaries. They serve as initial maneuver platforms from where the Department deploys troops around the globe, and where it coordinates and controls various mission-related functions for units once deployed. As such, we must ensure that the supporting infrastructure is postured—in terms of quality, condition, and laydown—to support the entire spectrum of military operations.

The hard truth is that our installations are under threat, not just from our adversaries, but from aging infrastructure, extreme weather, and increasingly complex operational demands. In the past decade alone, weather-related damages have cost the Department over \$15 billion. Just last year, Hurricane Helene shut down one of our major installations for 11 days – no power, no water, no mission capability.

Our adversaries understand these vulnerabilities. They actively seek to exploit our dependencies on energy and water infrastructure, attempting to degrade our ability to deploy forces and undermine our deterrent capabilities.

These disruptions directly impact service member health and safety, training, testing, equipment reliability and performance, critical infrastructure functionality and overall force readiness and lethality. To address these challenges, the Department is focusing on three interconnected priorities: energy resilience and infrastructure modernization, operational energy security, and investing in our innovation and research programs.

To enhance energy resilience and modernize energy infrastructure, the Department is prioritizing investments in multiple and diverse sources of energy for on-site generation, microgrids, energy storage, energy efficiency upgrades, and the pursuit of innovative and resilient technologies like small modular nuclear reactors. Continued investments in energy efficiency through Energy Saving Performance Contracts (ESPCs) and Utility Energy Services Contracts (UESCs) with DoD's industry partners bolsters installation energy resilience by reducing the installation energy demand and need for backup resources during commercial grid disruptions.

One of the Department's most significant energy infrastructure investment initiatives is the Energy Resilience and Conservation Investment Program (ERCIP). Through ERCIP, we are deploying cutting-edge technologies, including advanced energy storage systems, next-generation geothermal and nuclear capabilities, and sophisticated microgrid networks – all essential to maintaining the military's operational readiness.

The Department must also improve its operational energy security. In FY24 alone, the Department consumed 68 million barrels of fuel, with a total cost of \$10.7 billion and nearly half of that fuel coming from foreign sources. The Department also invested over \$3.7 billion in FY24 to enhance Operational Energy resilience, focusing on three critical areas: modernizing our aircraft, fleets, and weapons systems for better fuel efficiency, strengthening energy resilience at our forward operating bases, and running sophisticated wargames to identify and fix vulnerabilities in energy logistics and sustainment.

The Department is revolutionizing how we plan for energy needs in combat. Our new Resilient Logistics Operations & Analytics Demonstrator (RELOAD) project, developed in partnership with the Defense Advanced Research Projects Agency (DARPA) and other defense partners, is a data analysis tool helping us understand exactly how energy constraints could impact operations in contested environments. RELOAD will deliver two products to DoD leadership: FY27 technology investment recommendations that help mitigate operational risks in contested environments and a transition decision for development of the demonstrator prototype into an enterprise utility.

We are also transforming our acquisition process and equipment requirements. Every new weapon system must now meet strict energy efficiency standards, while U.S. Transportation Command has taken charge as our single manager for worldwide fuel distribution. These are not just administrative changes—reducing fuel consumption extends operational reach, and every improvement in how we use and manage operational energy translates directly to increased combat capability.

These efforts are underpinned by several critical innovation programs which set the technical direction for the DoD by funding the development and demonstration of mission-critical energy and environment capabilities and helping them through the acquisition process. These include the Strategic Environmental Research and Development Program (SERDP) and the Environmental Security Technology Certification Program (ESTCP), which function as the Department's installation innovation programs that develop, demonstrate, and validate technologies to enhance military readiness and strengthen defense infrastructure. These programs address critical resilience challenges, including energy security, water resource management, extreme weather vulnerabilities, and environmental cleanup. SERDP and ESTCP investments include cybersecure microgrids, decision support tools, cost-effective remediation technologies, and alternatives that reduce regulatory burdens of defense-critical chemicals. These investments protect DoD's operational capabilities while reducing costs across installations. Through collaboration with industry and academia, SERDP and ESTCP ensure rapid transition of innovations from laboratories to military installations to address both immediate threats and long-term resilience needs for servicemembers and their families.

On the operational energy front, the Operational Energy Capability Improvement Fund and the Operational Energy Prototype Fund deliver game-changing technologies focusing on Energy Dominance (through advanced command and control), Energy and Power Projection (through revolutionary endurance and propulsion systems) and Energy Surety (through next-generation storage solutions). These programs have delivered remarkable successes, including advances in nuclear fuel technology, wireless power transmission, and unmanned aircraft endurance. Looking ahead, the Department is focusing on critical capabilities like airborne energy delivery in contested environments, improved power managements and enhancing energy storage.

As the nation's largest energy consumer, the DoD plays a unique and critical role in our nation's energy landscape. While our military operations depend heavily on energy infrastructure, much of that infrastructure lies outside our fence lines. The most powerful military in the world relies on civilian infrastructure to train our forces, power our bases and project power globally.

With this vulnerability in mind, we are conducting comprehensive assessments of our nation's power and fuel infrastructure, focusing particularly on coastal vulnerabilities, while simultaneously evaluating strategic projects like the Alaska natural gas pipeline and partnerships in artificial intelligence and data center development. These initiatives not only align with the President's vision of American energy dominance but ensure our military maintains the power it needs to defend our nation's interests at home and abroad.

Supporting Defense Communities and Promoting Compatible Development

The Department recognizes that the resilience of our installations is enhanced by partnering with, not competing against, our defense communities. Our defense communities are critical enablers

that support our defense installations and ensure our Service members have the resources they need to carry out their missions. At the same time, they face many of the same threats our installations face. We know our adversaries are targeting supporting infrastructure like electrical grids and water systems, and our communities are just as, if not more, exposed to natural hazards than our installations. As such, we are making a concerted effort to work with our defense communities on mutually beneficial initiatives via direct support or planning while also ensuring military operations, mission support, and warfighter capabilities remain unimpeded and to prevent risk to national security by incompatible development.

Key to these efforts is the Office of Local Defense Community Cooperation (OLDCC). OLDCC provides technical and financial assistance to states, counties, municipalities, regions, and other communities to foster cooperation with military installations to enhance the military mission; achieve facility and infrastructure savings and reduced operating costs; address encroachment and compatible land use issues; increase military, civilian, and industrial readiness; and support military families. OLDCC works with defense communities to further the Secretary's priorities, ensuring their efforts help to enhance the readiness and lethality of military installations, ranges, and test facilities.

To date, OLDCC has awarded eleven grants in FY25, to include:

- A grant to the University of Alaska Fairbanks to work with Eielson Air Force Base, Fort Wainwright, the State of Alaska, and local utility on permitting for a natural gas pipeline, respond to other energy requirements, and address housing affordability issues.
- A grant to County of McMullen, Texas to design a single access road to the ROTH-RX (Relocatable Over the Horizon Radar) location and to obtain funding to carry out improvements. These efforts will enhance the readiness of the McMullen Range, the only United States-based radar system in USSOUTHCOM's surveillance architecture, including enhancing detection and surveillance capabilities along the southern border, and strengthen mission readiness and lethality at Naval Air Station Kingsville.
- A grant to the City of Virginia Beach Department of Public Utilities to plan and design ~1.5 miles of a new 30-inch diameter water transmission main to support potable water and water suppression needs at Naval Air Station Oceana and Joint Expeditionary Base Little Creek-Fort Story, ensuring the installations' readiness and lethality.
- A grant to Belle Chasse Academy, Inc., a charter school in Louisiana, to design, renovate, and expand current facilities. This project provides expanded capacity for 30-year student use and supports learning for the more than 650 military-connected students (90% of the enrollment), military families and warfighters, enhancing lethality and readiness by improving recruitment and retention.

OLDCC recently posted a notice forecasting its upcoming competition for the FY25 Defense Community Infrastructure Program and looks forward to reviewing applications from interested defense communities.

In addition to directly supporting our defense communities, the Department recognizes that the condition of the lands and waters on- and off-installation affects our ability to conduct weapons system testing, realistic live-fire training, and essential operations that are vital to preparing a more lethal and resilient combat force. Ensuring that the land and waters surrounding our installations are compatible with military mission requirements is critical to ensuring

unencumbered warfighter access to lands and ranges that replicate the operational environment in which they fight. The Readiness and Environmental Protection Integration (REPI) Program provides this assurance. REPI funds cost-sharing agreements between the Military Services, other Federal agencies, state and local governments, and private partners to avoid or remove land use conflicts near military installations, minimize environmental restrictions that limit military activities, and improve the resilience of military installations, while addressing mission-essential considerations, including flight hazards, wildland fire resilience, drought resilience, flooding, and water quality and quantity.

DoD manages and maintains nearly 27 million acres of land, water, and airspace across the United States and its territories that have the principal purpose of supporting mission-related activities and furthering the national defense strategy. Realistic environments are essential to field testing new technologies and for the military to train, which requires access to deserts, grasslands, rainforests, tundra permafrost, coastlines, and other ecosystems. Training and testing in varied ecosystems prepare our warfighters for any of the challenges they may face while conducting global operations. These lands also contain significant resources supporting our nation's natural and cultural heritage, including resources important to American Indian, Alaskan Native, Native Hawaiian Organizations, and other Indigenous Peoples. DoD lands provide habitats for over 550 plant and animal species that are federally protected under the Endangered Species Act, contain over 130,000 recorded archaeological sites, and 41 National Historic Landmarks. Without sustained strategic investment and management, DoD lands can be degraded or eliminated, resulting in a net loss in the ability of these military installation lands and waters to sustain a combat-ready and lethal military force. Through programs such as REPI, the Military Aviation and Installation Assurance Siting Clearinghouse, and DoD Legacy Resource Management Program, the Department can stimulate mutually beneficial and cost-effective partnerships between local communities, Federal and state agencies, and non-governmental organizations to support DoD's ability to operate seamlessly across domains and maintain its strong record as a steward of our Nation's natural, cultural, and historical heritage.

IMPROVING EFFICIENCY

The Secretary of Defense has issued a clear directive to focus on eliminating waste and duplication to enable the Department to focus on its core mission of defending the Nation. In support of this directive, EI&E is coordinating several efforts to review current processes and regulations to create efficiencies and reduce costs.

MILCON and FSRM Review

Given the size and scope of the Department's infrastructure footprint, the Military Construction (MILCON) and Facilities Sustainment, Restoration & Modernization (FSRM) investment portfolios represent a significant opportunity to maximize the effectiveness of the taxpayer dollars while improving the readiness and lethality of our warfighters.

Under current processes, a military construction or large-scale FSRM project can take five years to be incorporated in a budget request to Congress and once funded, can take potentially another four years to obtain beneficial use. The Department must develop more timely and flexible processes and organizational structures to enable more agile delivery of infrastructure needs.

As such, the Deputy Secretary of Defense has directed a 60-day review of the Department's MILCON and FSRM portfolios. My office is coordinating with Military Departments and Office of General Counsel to conduct this review and develop recommendations for proposed regulatory or statutory changes, updates to DoD policy, and process improvements that improve cost structure, efficiency of execution, and lifecycle sustainment.

The Department appreciates the authorities Congress has provided in recent National Defense Authorization Acts (NDAA's) to make our processes more efficient, including increases to the unspecified minor military construction (UMMC) threshold in the FY23 NDAA, the pilot program permitting replacement of failing barracks in the FY24 NDAA, and the increase in the threshold for acquisition of low cost interests in land and a pilot program to optimize our footprint using UMMC in the FY25 NDAA. We look forward to working with Congress at all levels to further our common goal of making efficient and effective investments in DoD infrastructure.

The Department also shares Congress' interest in ensuring that the current DoD construction agent model maximizes efficiency, is responsive to the needs of the Department, and minimizes redundancy and unnecessary costs. Consistent with Section 2877 of the FY25 NDAA, my office has entered into a contract with the RAND Corporation to review the roles and responsibilities for executing construction projects. We will work closely with the Military Departments to ensure the Department collectively provides a timely objective report on this critical issue.

Real Property Efficiencies

As part of EO 14222, Implementing the President's "Department of Government Efficiency" Cost Efficiency Initiative, and as required in Section 2850 of the FY25 NDAA, the Department is working to reduce its leased space inventory. The Secretary of Defense has directed us to reduce our leased costs by 30 percent within the next 18 months. To achieve this reduction, we have implemented regular building occupancy reporting that enables us to identify existing spaces with capacity and focus our personnel laydown within our installations. The reduction is a critical step in enabling the Department to focus on its core mission of defending the Nation by eliminating waste and duplication to maximize the value of our real estate portfolio.

Reviewing Processes for Complying with Environmental Regulations

Another area of opportunity to improve efficiency and improve our delivery of capability to our warfighters is to eliminate delays within the environmental permitting process. As part of its response to Executive Order 14154, Unleashing American Energy, the Department is working with other key stakeholders in the Administration to streamline how DoD implements the National Environmental Policy Act. The Department recognizes that we have an immense responsibility to the natural resources entrusted to us and we are working to ensure we are maximizing our readiness and resilience while also fulfilling our environmental stewardship obligations.

QUALITY OF LIFE

Our Service members' readiness starts at home. They should be able focus on their missions without having to worry about issues with their housing or about the health and safety of their family members back home. The Department remains committed to ensuring that these issues are addressed so that our Soldiers, Sailors, Airmen, Marines, and Guardians can bring 100% of themselves to their missions.

Housing

Our Service members' housing is both a crucial quality of life issue and a critical mission-enabling asset. They and their families expect and deserve safe and secure places to live in return for the sacrifices they make for our nation. The Department remains committed to ensuring that all Service member housing—whether it is government-owned, government-controlled, or privatized—meets appropriate life, health, and safety requirements and provides a positive living experience for military personnel and their families.

Over the past year, the Department has made significant strides in reforming its oversight of its Unaccompanied Housing (UH) portfolio and implementing the FY24 NDAA requirements. The Department published UH guidance on civilian oversight, issuances of waivers for privacy and configuration standards, updated design standards, and standardized requirements and procedures for maintenance work orders. The Department also engaged quickly with the Government Accountability Office (GAO) to resolve open recommendations under their review of Military Barracks; as of today, the GAO closed 8 of the 31 recommendations for the Department and is considering the Department's requests to close 5 additional recommendations.

Resident feedback is a key indicator of the Department's progress in providing safe and secure housing to all Service members and as such, updated its housing tenant satisfaction survey to be applicable to all housing, including unaccompanied. Most of the military services are executing their housing satisfaction survey now and we look forward to sharing the results with Congress later this year.

The Department also continues to explore leveraging privatization as a tool to improve UH by evaluating the results of the Services' pilot projects and incorporating the lessons learned from the broader Military Housing Privatization Initiative (MHPI). The Department currently has eight existing UH privatization agreements—six within the Department of the Army portfolio and two within the Department of the Navy.

These privatized UH projects offer apartment-style accommodations rather than the dormitory-style accommodations of traditional government-owned UH and provide authorized Service members with high-quality, cost-effective options for on-installation residences in high-cost or challenged housing markets, to include remote and isolated installations. While these residences are generally reserved for more senior enlisted personnel who have already lived in traditional UH, the Navy's pilot authority under 10 USC § 2881a allows them to issue a higher rate of partial basic allowance for housing to enlisted Service members, ship or shore based, in the ranks of E4 and below who may otherwise be mandatorily assigned to permanent party UH. The

Department will continue to seek innovative ways to provide high-quality UH to Service members required to live on-base at cost-savings to the government.

Military Housing Privatization Initiative

The Department continues to enhance the MHPI program and improve our oversight of the private sector MHPI companies that own and operate MHPI housing projects. As a result of our collaboration with the MHPI companies, all 18 rights set out in the MHPI Tenant Bill of Rights (TBoR) are fully available at all but one of the nearly 200 installations with privatized housing, representing approximately 99 percent of military families residing in MHPI housing. We will continue our efforts to educate and engage Service Members and their families to ensure they are aware of and take full advantage of the TBoR.

The Department continues to work on full implementation of other MHPI reforms. In August 2024, the Department deployed the housing complaints database and has received 38 responses, 32 of which are available to the public while the remaining six are being processed for publication. In addition, the Department is over 85% complete on its mandatory, one-time inspections of government-owned and controlled family and privatized housing. The Departments of the Navy and Air Force are both 100% complete and we will be submitting an interim report on their behalf to annotating their closure and reporting their findings.

The Department is committed to working closely with you and the committee staff to ensure the long-term success of the MHPI program and we will remain diligent in our oversight to ensure DoD's privatized housing projects deliver quality housing and a positive living experience for military personnel and their families.

Defense Environmental Restoration

The Department must take deliberate and sustained action to address risks to human health and the environment resulting from past DoD activities and enhance mission readiness by completing cleanups and restoring DoD lands for effective use. Our environmental cleanup program includes the Installation Restoration Program (IRP) and Military Munitions Response Program (MMRP). The IRP is focused on cleanup of hazardous substances, pollutants, and contaminants, while the MMRP is focused on responding to unexploded ordnance and munition constituents at former military ranges. These programs encompass active installations, Formerly Used Defense Sites (FUDS – sites that DoD transferred to other Federal agencies, states, local governments, or private landowners before October 17, 1986), and sites DoD transferred to other entities as part of its Base Realignment and Closure (BRAC) activities.

To date, the Department, in cooperation with state agencies and the U.S. Environmental Protection Agency (EPA), has completed cleanup activities at 86 percent of Active and BRAC IRP and MMRP sites, and FUDS IRP sites, and is now monitoring the results. During FY 2024 alone, the Department completed cleanup at 121 sites. Of the roughly 40,900 restoration sites, 34,379 are now in monitoring status or have completed cleanup.

Our focus remains on continuous improvement initiatives in the restoration program: minimizing overhead, adopting new technologies to reduce cost and accelerate cleanup, updating criteria used to prioritize sites for cleanup, and improving our relationships with state regulators and

affected communities through increased dialogue and public engagement. These initiatives help ensure that we maximize our available resources to complete cleanups.

While the Department continues to make progress on completing cleanups, the remaining sites are some of the most complex cleanup sites. Chemicals of Emerging Concern and others like per- and polyfluoroalkyl substances (PFAS) continue to pose challenges for DoD's cleanup programs as new science requires reconsideration of previous decisions and more expensive solutions to protect our Service members, their families, communities, and the environment. Additionally, some complex sites have either no feasible or only inefficient solutions for cleanup and, as a result, the Department is making significant investments in environmental technology to identify new potential remediation methods.

In particular, the recent EPA drinking water standards for certain PFAS are extremely low and present a significant challenge for the Department. DoD is committed to prioritizing and responding to locations where known levels of PFAS in private drinking water wells are the highest, while also focusing on installing sustainable treatment solutions, but this effort will take time and substantial future resources.

In addition to our cleanup activities, the Department continues to prioritize efforts to eliminate the use of Aqueous Film Forming Foam (AFFF) at military installations. Over the past few years, the Department has undertaken an aggressive initiative to develop and demonstrate fluorine-free alternatives to AFFF. As of April 2025, five products have passed the DoD qualification process. These products are now available for purchase, and the Military Departments have used them to make significant progress in their efforts to transition away from AFFF use in more than 6,000 mobile assets and approximately 1,000 facilities.

INDO-PACIFIC PRIORITIES

Hawaii

The relationship between the U.S. Military and Hawai'i has been a critical piece of U.S. military and diplomatic strategy for over 125 years. Hawai'i's strategic location in the Pacific, unique training and port areas, and support for critical defense missions make it a cornerstone of our posture in the Indo-Pacific region. In support of this indispensable defense mission, the Military Departments have jurisdiction over approximately 222,000 acres of land in Hawai'i, roughly four percent of Hawai'i's land base. This includes approximately 45,300 in lands leases from the State of Hawaii which are going to expire between 2029-2032. These lands provide ideal locations for specialized defense capabilities, multi-domain operating areas to generate future force readiness, and training ranges that our Joint Force leverages with allies and partners. Retaining these mission critical training lands is a top priority to support the U.S. Indo-Pacific Command (USINDOPACOM) warfighter.

The Department recognizes that past incidents, particularly the fuel and concentrated AFFF spills at the Red Hill Bulk Fuel Storage Facility and the diesel spill at the Maui Space Surveillance Complex, have resulted in a loss of public trust between the DoD and Hawai'i residents. The

situation has underscored the importance of working collaboratively with stakeholders to address DoD's use of lands and natural resources in Hawai'i.

Military personnel in Hawai'i are working to engage consistently, respectfully, and transparently to strengthen relationships in support of the shared goals of national security, economic prosperity, and a healthy environment. The Hawaii Coordination Cell (HCC), established last year within EI&E, is working closely with the Military Departments, USINDOPACOM, and OSD counterparts to support a comprehensive and coordinated approach to support these efforts. The HCC serves as a primary point of contact for state and local officials, businesses, community organizations, and interested stakeholders to connect with military personnel, engage in dialogue about key issues of concern and create opportunities for collaboration. These activities are essential to enable the continuation of the critical military missions in Hawai'i.

Construction on Guam

The Department is preparing to execute several critical posture initiatives in Guam that will help to ensure a free and open Indo-Pacific. These initiatives will require unprecedented levels of military construction to ensure our forces have the right infrastructure to organize, train, equip and, if necessary, deliver lethal combat power. These efforts include the relocation of Marines from Okinawa, the deployment of the Integrated Air and Missile Defense of Guam capability, and Polaris Point expansion. Additionally, this surge in military construction activity will address damages caused by Typhoon Mawar. The increasing demand for military construction, compounded by labor and material shortages posed by Guam's remote location, prompted the Department to pursue a comprehensive approach to supporting delivering the right capabilities to USINDOPACOM and the warfighter.

To address these challenges, the Department is undertaking a holistic master planning effort to effectively sequence development, prioritize infrastructure needs, and align support functions with mission growth. This plan will consolidate all construction activities across Guam, offering a cohesive and forward-looking vision for the island's development. Furthermore, the Department is working to integrate and synchronize military construction efforts the Military Departments, Defense Agencies, and DoD Field Activities. This approach is designed to ensure the timely delivery of critical capabilities and quality-of-life improvements for warfighters. The master planning initiative will serve as a dynamic tool, accounting for mission timelines, dependencies, programming and design needs, environmental factors, extreme weather considerations, and other essential requirements to guide future infrastructure investments.

CONCLUSION

Thank you for the opportunity to provide this energy, installations, and environment program update. We appreciate Congress' continued support for our enterprise and look forward to working with you.