Good morning, Chairman Begich. It is great to be in Alaska and outside of Washington D.C.! I want to thank you, once again –for your continuing support for our Coast Guard – especially our hard working Coast Guard men and women. As I’ve stated previously, it is my highest honor to lead and represent them.

The Coast Guard is no stranger to Alaskan waters. We have patrolled here since 1867 when Alaska was just a territory. During the 19th century, we ensured stewardship of the seal herds and salmon fisheries, we introduced reindeer to provide a more dependable food source for native tribes, we treated the sick, and we literally were the law of both the sea and land, as our cutters cruised with embarked federal judges to dispense justice.

Today, we’re no longer the law of the land, but we continue to patrol Alaskan waters, safeguard the public, protect the environment and its resources, and maintain a sovereign presence in the Alaskan and Arctic maritime.

For the past several days, as I did last year, I have been visiting our bases, observing our operations, and most importantly meeting with our Coast Guard men and women to see and hear first hand, what it is like to serve and live in our most extreme area of operations. Having travelled from Kodiak to Anchorage, and on to Valdez, Sitka, and even up to the North Slope in Barrow and flying out to visit our ice breaker Healy, I can report that our Coast Guard is ready to meet mission demands, but we are also facing many challenges.

These challenges include:

1. Completing the acquisition of at least 8 National Security Cutters to conduct high-seas missions like fisheries enforcement patrols in the Bering Sea;

2. Outlining our present and future infrastructure and surface requirements to operate and respond in the Bering Sea and an increasingly ice-diminished Arctic; and,
3. Adequately providing for the needs of the 1,600 Coast Guard active duty families stationed throughout Alaska.

First, completion of the National Security Cutter fleet – our newest and most capable high-endurance cutter – is critical to our ability to continue our Bering Sea fisheries patrols – as well as other high-seas missions like drug interdiction in the Eastern Pacific Ocean. NSC #1, Cutter Bertholf, just finished her first Alaska patrol, exhibiting remarkable sea keeping ability that enabled her to launch and recover her boats, boarding teams and helicopters in sea states that would challenge our legacy cutters. NSCs 2 and 3 are complete, we are cutting steel on NSC 4, and we are completing purchase negotiations on NSC 5. We definitely need at least 8 NSCs to preserve our future ability to protect our fish stocks, our fisherman and our fishing industry – this is, as you know, a $4.6 billion dollar industry that is responsible for thousands of jobs.

Second, we need to enhance our Bering Sea and Arctic response capabilities. Every year, we respond to search and rescue cases along the Aleutian Chain and in the Bering Sea.

These are never simple requests for assistance. Rather, extreme weather conditions and great distances make these missions epic challenges with life or death consequences. In order to reduce our response times, we follow the fishing fleet and forward deploy our helicopters and flight crews. For instance, during the winter crabbing season, our helicopter crews forward deploy to Cold Bay and St. Paul Island.

However, conditions for our crews in these locations can be austere. Cold Bay in particular is a challenge. The hangar is in disrepair, has no heat, and there is only limited berthing which is graciously provided by the Alaska State Troopers. Our crews do not complain, because they know that being forward deployed saves lives.

However, it is vital that we invest in upgrading Cold Bay because it lies at the crossroads of the Bering Sea. Even when our crews are not seasonally deployed here, numerous helicopter missions stop in Cold Bay to refuel as the fly missions out along the Aleutian Chain and into the Bering Sea.

Up in the Arctic Circle, as you know, the ice continues to diminish, and an entire new ocean is emerging. These new waters are spurring an increase in human activities such as natural resource exploration, shipping, and ecotourism.

Oil companies are seeking and obtaining permits to conduct exploratory drilling. Increased vessel traffic, including large foreign tankers, are using Russia’s ice-free northern sea route, which exits through the Bering Sea – into our richest fishing grounds. And small cruise ships are calling on Barrow and pressing ever further into the Arctic Circle.
However, we have extremely limited Arctic response capabilities. We do not have any infrastructure on the North Slope to hangar our aircraft, moor our boats or sustain our crews. And we have only 1 operational ice breaker.

We need to be about the business of finalizing our capability requirements to meet our responsibilities in these new Arctic waters—which still remain frozen and dark for much of the year. Our recently released high latitude study provides us with an excellent first strategic look at our Arctic risks and needs.

I remain very concerned that our Nation currently has only one operational ice breaker. Having ice-capable surface assets is vitally important – both for science, sovereignty and our many other missions. Indeed, for most search and rescue missions, or even an environmental response, you need a surface ship to carry out the response. Surface assets can break out and tow a ship, and they can clean up oil. Planes cannot.

Going forward, as Arctic oil exploration starts, and advances towards production – we need to decide what Arctic pollution response capability we want our Coast Guard and Nation to have. While oil companies can assert that they have sufficient assets on scene to respond to a worst-case discharge scenario, prudence dictates that we also acquire an appropriate level of Arctic pollution response capability. Presently we have none.

We also need the Senate to accede to the Law of the Sea treaty. All other Arctic Nations and most other nations worldwide have already done so. U.S. accession would secure important rights that ensure Coast Guard mobility, freedom of navigation, and provide us with greater influence to shape desired national outcomes for maritime safety, security, and environmental protection.

With that said, I want to assure you we remain committed to Alaska. Following the loss of Air Station Sitka helicopter, we immediately re-racked missions at other Air Stations to bring in a back-fill helicopter. Operations in Sitka are too important to allow them to go below three helicopters. We are pleased that Congress has since appropriated funding to replace this helicopter.

Additionally, I am temporarily assigning a fifth HH-60 helicopter in Kodiak to support the Opilio Crab season, and in 2013 I will permanently assign an HH60 – pending appropriation of the FY 2012 budget request.

I also plan to station two of our Sentinel Class Fast Response patrol boats – in Ketchikan. The timeline is not as quick as I would like – 5 to 7 years – however, in the interim, I am moving one of our 110-ft patrol boats from Miami to Ketchikan until the FRCs arrive.

Finally, I cannot forget our hard working Coast Guardsmen and families who serve here – many in remote locations. We appreciate your continued support in enabling us to properly provide for these families.
In the Coast Guard, we work as a crew – but we serve as a family – there’s nothing more important than ensuring the needs of our Coast Guard families are being met.

Thank you for the opportunity to testify today, and I look forward to your questions.

Semper Paratus.