

Department of the Navy
Operation and Maintenance, Navy
2A1F Ship Prepositioning and Surge
FY 2005 President's Budget Submission
Exhibit OP-5

I. Description of Operations Financed:

The Navy's Sealift Program provides the worldwide capability to deploy combat forces and/or supporting material that may be required to meet national contingency objectives. The program is divided into two functional areas: (1) Prepositioned assets and (2) Surge assets.

The Maritime Prepositioning Force is the foundation of the Navy's prepositioned assets. Three squadrons of Maritime Prepositioning Ships (MPS) are forward deployed in support of Commander, Pacific Command, Commander, Central Command and Commander, European Command. Each squadron is able to provide 30 days of over-the-shore support to a Marine Air-Ground Task Force or Brigade equivalent. Causeway/ferry units (Naval Support Elements) are essential components of MPS squadrons since a developed/undamaged port facility may not always be available (or tactically located). The flexibility and comprehensive logistical support these ships provide is vital to the Marine Corps' ability to sustain a presence ashore in the early days of emergency/combat operations.

Surge assets are maintained in a high state of readiness at U.S. ports. These ships can be manned, loaded, and underway within days of being called into service. The eight Fast Sealift Ships (FSS) are high-speed container ships converted to roll-on/roll-off capability for transport of combat equipment. Two Hospital Ships (T-AH) have the capability to conduct medical casualty treatment afloat, each providing 12 operating rooms and 1,000 beds. Two Aviation Maintenance and Support Ships (T-AVB) carry intermediate maintenance activity assets and spare parts for USMC airplanes and helicopters. Three Maritime Prepositioned Force (Enhanced) (MPF(E)) ships provide increased capability by carrying a fleet hospital, expeditionary airfield, naval mobile construction battalion support, and additional sustainment cargo. The Merchant Ship Naval Augmentation Program (MSNAP) ensures full inter-operability between naval forces and commercial carriers, when called into service.

The National Defense Sealift Fund (NDSF) provides funding to maintain the Reduced Operating Status (ROS) readiness of the FSSs, T-AHs, and T-AVBs and fund maintenance and repair costs. Department of the Navy O&M appropriations reimburse the biennial exercise costs of the T-AHs and the T-AVBs, and will continue to fund the daily operating costs of the Maritime Prepositioning Ships (MPS).

This program also provides support for various sea lift programs, including Sealift Enhancement Feature (SEF) upgrades, Naval Control of Shipping Command Post exercises, Merchant Cargo Delivery System training and exercises, Force Protection for delivery ships against chemical, biological, and radiological threats, Cargo Afloat Rig Team training, and alternating coast exercises. SEF consists of the Underway Replenishment Consolidation (UNREPCONSOL) system, the Modular Cargo Delivery Station (MCDS) system, the Modular Fuel Delivery System (MFDS), and the Offshore Petroleum Discharge System (OPDS).

II. Force Structure Summary:

The Maritime Prepositioning Force (MPF) currently consists of thirteen Maritime Prepositioning Ships (MPS).

Eight Fast Sealift Ships, two Hospital Ships, and two Aviation Maintenance and Support Ships comprise the Navy's Sealift Surge inventory located at various U.S. ports.

UNREPCONSOL systems are installed on 9 ships. There are 14 MCDS units installed on seven ships and 1 unit in storage and 1 unit for training. There are four MFDS sets installed on two ships and six additional sets in storage at Naval Surface Weapons Center, Port Hueneme, California. There are five OPDS sets installed on five ships. This program also supports the OPDS training barge, Single Anchor Leg Mooring (SALM), and training conducted at Coronado, California and Norfolk, Virginia.

Department of the Navy
 Operation and Maintenance, Navy
 2A1F Ship Prepositioning and Surge
 FY 2005 President's Budget Submission
 Exhibit OP-5

III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

	FY 2003	Budget	FY 2004	Current	FY 2005
	<u>Actuals</u>	<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>
	519,521	506,690	492,948	508,248	548,199

B. Reconciliation Summary

	<u>Change</u>	
	<u>FY 2004/2004</u>	<u>FY 2004/2005</u>
Baseline Funding	506,690	508,248
Congressional Adjustments - Distributed	-9,700	0
Congressional Adjustments - Undistributed	0	0
Adjustments to Meet Congressional Intent	0	0
Congressional Adjustments - General Provisions	-4,042	0
Subtotal Appropriation Amount	492,948	0
Across-the-board Reduction (Rescission)	0	0
Emergency Supplemental Carryover	0	0
Program Changes (Current Year to Current Year)	15,300	0
Subtotal Baseline Funding	508,248	0
Anticipated Supplemental	0	0
Reprogrammings	0	0
Price Change	0	30,989
Functional Transfers	0	0
Program Changes	0	8,962
Normalized Current Estimate	508,248	0
Current Estimate	0	548,199

Department of the Navy
 Operation and Maintenance, Navy
 2A1F Ship Prepositioning and Surge
 FY 2005 President's Budget Submission
 Exhibit OP-5

C. Reconciliation of Increases and Decreases

1. FY 2004 President Budget Request.		506,690
2. Congressional Adjustment (Distributed).		-9,700
a) Deployment/Mobilization Hub Study New Orleans	300	
b) Ship Prepositioning and Surge Unjustified Growth	-10,000	
3. Congressional Adjustment (General Provision).		-4,042
a) Sec. 8094: Management Improvements	-1,559	
b) Sec. 8126: Economic Assumptions	-2,483	
4. FY 2004 Appropriated Amount.		492,948
5. Program Increases FY 2004 (Emergent Requirements).		15,300
a) Increase to properly price Military Sealift Command (MSC) FY2004 hull rates, to correct improper composite rate.	15,300	
6. Baseline Funding (subtotal).		508,248
7. Revised FY 2004 Current Estimate.		508,248
8. Normalized Current Estimate for FY 2004.		508,248
9. FY 2005 Price Change.		30,989
10. Program Growth in FY 2005.		10,239
a) Increase for Medical Treatment Facility purchases and replacement of medical equipment.	7,209	
b) Sealift support increase is due to additional funds required to support the Elevated Causeway System (ELCAS) disposal and delivery of Improved Navy Lighterage System.	3,030	
11. Program Decrease in FY 2005.		-1,277
a) Decrease in one per diem day for Military Sealift Command (MSC) hull rates.	-1,277	
12. FY 2005 Budget Request.		548,199

Department of the Navy
 Operation and Maintenance, Navy
 2A1F Ship Prepositioning and Surge
 FY 2005 President's Budget Submission
 Exhibit OP-5

IV. Performance Criteria and Evaluation Summary :

		FY 2003	FY 2004	FY2005
Maritime Prepositioned Ships	(# ships / # op months)	13/156	13/156	13/156
Maritime Prepositioned Ships (Enhanced)	(# ships / # op months)	3/36	3/36	3/36
USCENTCOM Ammunition Ship	(# ships / # op months)	1/12	1/12	1/12
Naval Support Element (NSE) - MPS maintenance availabilities		6	6	6
NSE - Causeways/Tugs in inventory		332	332	332
 Sealift Surge (O&M,N)				
T-AVB - Aviation Maintenance Ships	(# of exercises funded)	1	1	1
T-AH - Hospital Ships	(# of exercises funded)	1	1	1
 Merchant Ship Naval Augmentation Program (MSNAP)				
MCDS - Modular Cargo Delivery Station	(# sets)	8	8	8
MFDS - Modular Fuel Delivery Station	(# sets)	10	10	10
OPDS - Offshore Petroleum Discharge System	(# sets)	5	5	5
At-sea Operational Demonstrations		1	1	1
Chemical Biological and Radiological Sets obtained		3	3	3
Cargo Afloat Rig Teams trained		9	9	9
Alternating Coast MCDS Exercises		1	1	1

Department of the Navy
 Operation and Maintenance, Navy
 2A1F Ship Prepositioning and Surge
 FY 2005 President's Budget Submission
 Exhibit OP-5

V. Personnel Summary :

	FY 2003	FY 2004	Change FY 2004 to FY 2005	FY 2005
	ES	ES		ES
End Strength				
Direct Hire, U.S.	15	11	-1	10
TOTAL CIVPERS	15	11	-1	10
Active Military				
Officers (USN)	13	13	0	13
Enlisted (USN)	104	104	0	104
Reservists on Full-Time Active Duty				
Officers	0	0	0	0
Enlisted	0	0	0	0
TOTAL MILPERS	117	117	0	117
	FY 2003	FY 2004	Change FY 2004 to FY 2005	FY 2005
	WY	WY		WY
Workyears				
Direct Hire, U.S.	15	11	-1	10
TOTAL CIVPERS	15	11	-1	10
Officers (USN)	14	13	0	13
Enlisted (USN)	105	104	0	104
TOTAL MILPERS	119	117	0	117

Department of the Navy
 Operation and Maintenance, Navy
 2A1F Ship Prepositioning and Surge
 FY 2005 President's Budget Submission
 Exhibit OP-5

VI. Summary of Price and Program Growth (OP-32):

	FY-03 Program Total	FY-04 Price Growth	FY-04 Program Growth	FY-04 Program Total	FY-05 Price Growth	FY-05 Program Growth	FY-05 Program Total
2A1F							
01 Civilian Personnel Compensation							
0101 Exec Gen & Spec Schedules	1,460	32	-402	1,090	28	-78	1,040
TOTAL 01 Civilian Personnel Compensation	1,460	32	-402	1,090	28	-78	1,040
03 Travel							
0308 Travel of Persons	2,144	28	-1,029	1,143	17	2	1,162
TOTAL 03 Travel	2,144	28	-1,029	1,143	17	2	1,162
04 WCF Supplies & Materials Purchases							
0401 DFSC Fuel	2	0	0	2	0	0	2
0412 Navy Managed Purchases	342	5	-23	324	8	23	355
0415 DLA Managed Purchases	475	-13	213	675	7	-25	657
0416 GSA Managed Supplies and Materials	630	9	-182	457	7	17	481
TOTAL 04 WCF Supplies & Materials Purchases	1,449	1	8	1,458	22	15	1,495
05 STOCK FUND EQUIPMENT							
0503 Navy WCF Equipment	1,534	24	-1,555	3	0	0	3
0506 DLA WCF Equipment	29	-1	-20	8	0	0	8
0507 GSA Managed Equipment	4,110	53	-4,114	49	1	0	50
TOTAL 05 STOCK FUND EQUIPMENT	5,673	76	-5,689	60	1	0	61

Department of the Navy
 Operation and Maintenance, Navy
 2A1F Ship Prepositioning and Surge
 FY 2005 President's Budget Submission
 Exhibit OP-5

VI. Summary of Price and Program Growth (OP-32):

	FY-03 Program Total	FY-04 Price Growth	FY-04 Program Growth	FY-04 Program Total	FY-05 Price Growth	FY-05 Program Growth	FY-05 Program Total
06 Other WCF Purchases (Excl Transportation)							
0615 Navy Information Services	59	0	0	59	0	0	59
0621 Military Sealift Cmd - AP/FSS	400,986	65,220	1,277	467,483	30,091	-1,277	496,297
0623 Military Sealift Cmd - Special Mission Support	20,300	0	-20,300	0	0	0	0
0631 Naval Facilities Engineering Svc Center	1,312	20	248	1,580	82	-11	1,651
0635 Naval Public Works Ctr (Other)	46	-1	31	76	2	-1	77
0679 Cost Reimbursable Purchases	6,498	85	-6,583	0	229	6,774	7,003
TOTAL 06 Other WCF Purchases (Excl Transportation)	429,201	65,324	-25,327	469,198	30,404	5,485	505,087
07 Transportation							
0771 Commercial Transportation	20	0	5	25	0	0	25
TOTAL 07 Transportation	20	0	5	25	0	0	25
09 OTHER PURCHASES							
0914 Purchased Communications (Non WCF)	2	0	28	30	0	0	30
0915 Rents	533	7	-23	517	7	0	524
0920 Supplies & Materials (Non WCF)	971	13	-303	681	10	20	711
0922 Equip Maintenance by Contract	8,478	110	2,934	11,522	161	2,544	14,227
0925 Equipment Purchases	1,562	21	183	1,766	25	-11	1,780
0926 Other Overseas Purchases	1,066	14	1,867	2,947	66	51	3,064
0932 Mgt & Prof Support Services	75	1	-1	75	1	-1	75

Department of the Navy
 Operation and Maintenance, Navy
 2A1F Ship Prepositioning and Surge
 FY 2005 President's Budget Submission
 Exhibit OP-5

VI. Summary of Price and Program Growth (OP-32):

	FY-03 Program Total	FY-04 Price Growth	FY-04 Program Growth	FY-04 Program Total	FY-05 Price Growth	FY-05 Program Growth	FY-05 Program Total
0934 Engineering & Tech Svcs	356	5	64	425	6	-6	425
0987 Other Intragovernmental Purchases	63,455	824	-47,952	16,327	227	830	17,384
0989 Other Contracts	3,076	40	-2,132	984	14	111	1,109
TOTAL 09 OTHER PURCHASES	79,574	1,035	-45,335	35,274	517	3,538	39,329
Total 2A1F Ship Prepositioning and Surge	519,521	66,496	-77,769	508,248	30,989	8,962	548,199