

Remarks by Secretary of the Navy Ray Mabus
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I'm glad to be with you. Kateri, I'm going to correct you on a couple numbers. I just got back Sunday from another trip so we're at 715,000 miles and 97 separate countries, Afghanistan 11 times now, and all in support of the Navy and Marine Corps. I want to tell you how much I appreciate the invitation last year, and how glad I am that I got to fulfill it this year to come to EE Global. I want to thank our hosts the "Alliance to Save Energy" for your work toward a healthier economy, a cleaner environment, and energy security.

As the Secretary of the Navy I am responsible for recruiting, training, and equipping almost 900,000 Sailors, Marines, and civilians who spend every day working to defend the American people and our national interests. Every day Navy ships, and subs, aircraft and Marine Corps units are deployed worldwide to protect and defend America. They are there around the clock, far from our shores, far from their families, far from home. They are in every single sense of the word America's Away Team.

In this job I also oversee the purchase and maintenance of all our ships and our bases. As I try to figure out how to carry out those responsibilities, what kind of fuel we use and how we use that power are strategic and tactical questions and they can be big vulnerability. Our ability to get power, our ability to pay for it, and how we use it impacts our national security and our ability to be there to provide for our national defense.

Being there matters. In Pentagon speak, being there means presence. Presence matters. When North Korea threatens missile launches, our ships with Ballistic Missile Defense technology are already there. When a Marine needs air support in Afghanistan, Marine pilots from ground based units and pilots from our Carriers are there. When the earthquake struck Haiti in 2010 and the tsunami hit Japan in 2011, we had naval ships delivering aid within hours because they were already there.

Being there requires the right people, with the right tools, in the right place at the right time. To accomplish those four things, I focused on 4 priorities. In a building that I work in that is obsessed with alliteration and using just letters instead of words, it's the Four P's: People, Platforms, Power, and Partnerships. Now some people wonder why Power is in there, why is energy part of that list? Well it ought to be pretty obvious: Without the energy to power those platforms, we might not be there when we're needed. We might not be there when it matters.

The vast majority of fuel in the Navy comes from fossil fuels, from oil specifically. Oil is the ultimate global commodity. It trades a lot of the time on speculation and rumor. Price shocks in our oil markets of the world occur far too often. They are caused by anything from pronouncements by hardliners, national or trans-national instability, or threats to disrupt supply lines or close maritime choke points.

Because we purchase our fuel on the open market the price of oil has a dramatic effect on our budget. Every time the price of oil goes up a dollar a barrel, it costs the Navy and Marine Corps \$30 million in additional fuel costs. That translated in Fiscal Years 11 and 12 to the Department

of the Navy having almost a billion dollars in unbudgeted fuel costs that we had to pay. There aren't many places to go to get that sort of money, even in the Pentagon. So it comes out of operations, we steam less, we fly less, we train less, Marines spend less time in the field.

In 2009 I established energy goals for the Department. These goals drive the Navy and Marine Corps to strengthen our combat capability by using energy more efficiently and by diversifying our sources of power. We have done a lot of work developing alternative energy sources. At the President's direction we partnered with the Departments of Energy and Agriculture on the Advanced Drop-in Biofuels Initiative. Last year we sailed the Great Green Fleet during Rim of the Pacific, the biggest naval exercise in the world. The USS NIMITZ and her Strike Group, every single ship and every type of aircraft flew on a 50/50 blend of biofuel and fossil fuels.

We've developed solar chargers and generators for our Marines fighting today in Afghanistan to make them less dependent on battery resupply, to lighten their equipment, making them safer. These programs cut down on fuel convoys and they have saved lives. We're also pursuing things like solar, and wind, and geothermal, and hydrothermal and other energy sources at our bases ashore.

As important as alternative fuels are, increased efficiency is also key to changing the way we use energy. Since this is a conference on efficiency I'll talk about some of those things. It has the added benefit of saving money for the taxpayer. We are working on a number of energy efficiency initiatives for our ships at sea, for our Marines in the field, and for our bases. To put it simply: we need to be able to the job, do exactly the same missions, using less fuel.

Our fleet's newest big deck amphibious assault ship, USS MAKIN ISLAND, is a great example. Big-Deck Amphibs are 40,000-ton ships with about 3000 Sailors and Marines aboard. They carry dozens of helicopters, landing craft, and a Marine Expeditionary Unit. MAKIN ISLAND is unique in that it has a hybrid propulsion system with an electric power plant that drives the ship when it is going less than 12 knots.

We sent MAKIN ISLAND on its first deployment and they came back last summer. When they went out they had a \$33 million fuel budget for that 7 month deployment. Between the conservation training for their crew and the high efficiency energy systems they only spent \$18 million. For those of you who don't want to do math in public, that's a \$15 million savings on their first deployment. Plans for our next two big-deck amphibs, USS AMERICA and USS TRIPOLI, include hybrid systems like MAKIN ISLAND. We're working on an electric drive system for our DDG-1000s and studying the possibility of back-fitting some of these systems onto our current ships.

All the technology, all the engineering, all these advances, are terrific but I think the best part is watching how quickly our Sailors and Marines have adapted to this new technology and have embraced this sort of change. There is a culture change that's going on in the Navy and Marine Corps. It is happening "on the deckplates" as we say in the Navy, as Sailors and Marines come to grips with the fact that these programs help them become better warfighters. That's the reason, in the end, that we are doing this.

Getting locked into things just because it's "the way we've always done it" or "we're not going to do that because we've never done it that way before" is not a rationale, it's an excuse. If you joined the Navy or Marine Corps it usually means that you already have a pretty adventurous spirit, you want to see what is out over the horizon; you want to see what comes next. You want to be part of whatever comes next and part of the change. That same spirit creates Sailors and Marines who look for new and innovative solutions, who want to do better things in different ways.

I visited MAKIN ISLAND on her last deployment and one of the places I always try to go on a ship is the Engineering Department, because nobody every goes to Engineering Department. Those folks rarely see the sun, the might as well become submariners. It's usually hot and it's usually loud. But once you're down there you can talk to a Third Class Petty Officer or a Lieutenant Junior Grade standing watch and you can find out what is happening on that ship and how it operates. I talked with an Engineering Officer on MAKIN ISLAND. He was, in Navy parlance, a Mustang. He had enlisted service before he became an officer. He said that he was very proud of MAKIN ISLAND, he was proud of the new technology, he was proud of how it operated, but he said it wasn't just the new systems. The main reason he was proud of MAKIN ISLAND was watching the junior Sailors in those engineering spaces innovate and compete to find who could save the most fuel. These Sailors, who live and work in the engine rooms every single day, understand their ship better than anyone else and they were coming to him saying "Boss, I've got a way we can do this better." Those Sailors were making that ship a better warfighting platform.

To encourage this efficiency and new energy saving ideas every year I award the Secretary of the Navy Energy and Water Management Awards. All sorts of people, ships, and shore installations are nominated from around the world for their new and innovative ideas. Last year MAKIN ISLAND won the large ship category, but USS PHILIPPINE SEA and USS KLAKRING in the medium and small ship categories combined to save almost 40,000 barrels of fuel just through planning and conservation methods.

As we as a country transition from two land wars in Central Asia to a very maritime-centric defense strategy announced by the President sixteen months ago, our Naval Forces will be absolutely critical in the years ahead. This strategy which focuses on the Western Pacific, the Arabian Gulf and on continuing to build partnerships around the world requires a forward deployed, flexible, multi-mission force. That is a definition of the United States Navy and Marine Corps.

Today's complex fiscal and security issues require us to balance our missions with our resources. We're going to have to make tough decisions and be strategic in our thinking and our planning. Occasionally, not very often anymore, occasionally I get asked "is this the right time to be investing in stuff like energy? When money is tight? When you have to make hard decisions?" My response is that this is exactly the time that we have to be doing it, we can't afford not to. If we don't do it now, with these spikes that come with price shocks, we may not have the money to conduct our operations. We may not have the money to build the new platforms that we need. So, this is absolutely imperative to do it now. Energy efficiency and the type of fuel that we use

is a central challenge of our future, just as it has been in our past. It helps guarantee our presence and our ability to respond to crises anywhere around the globe.

The spirit of adventure that I talked about and the spirit of innovation in our Sailors and Marines, that willingness and wanting to know what is next, is the reason that our Navy and Marine Corps remain on the cutting edge of innovative ideas. Those are also the characteristics that are going to ensure that the Navy and Marine Corps can continue to protect the American people and advance our national interests around the world. It is those characteristics that make the Navy and Marine Corps the most formidable expeditionary fighting force the world has ever known.

As President George Washington said at the end of the American Revolution, those of you know American history know that George Washington was not a Navy guy, he was in the Army I believe, but he said at the end of the Revolution: “It follows then as certain that as night succeeds the day, that without a decisive naval force we can do nothing definitive, and with it, everything honorable and glorious.”

Thank you.