

Remarks by the Honorable Ray Mabus
Secretary of the Navy
Navy Energy Day Forum
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I see a lot of familiar faces in the audience and I want to recognize one of them. One of the most distinguished predecessors in this job, retired Secretary of the Navy and United States Senator from Virginia, John Warner, thank you so much for being here.

And thank all of you for being here today, for continuing the discussion on how the Navy and the Marine Corps are moving toward a new energy future; one that we outlined a year ago in this same forum.

As you know, today is the Navy's 235th birthday. I had my own birthday on Monday; I trail the Navy by a couple of years. But very seriously, on this occasion of the 235th anniversary of the Navy, I'd like to take just a moment to pause and recognize all Sailors and Marines on station around the world and all of those who have served in the Navy and the Marine Corps, who have ensured that this country remains strong and brave and who have sacrificed for all of us.

Last year I stood in the same place and announced five energy goals for the Navy and for the Marine Corps, the most important of which will drive us to get half of all of our energy needs from alternative sources by the year 2020.

These goals, and some of them are stretch goals, are ambitious goals. And these goals and the reasons that I outlined a year ago for achieving them remain the same. And if anything, the case for this change has become even more clear over the past year. And the strategic and tactical implication of failing to do these things has become even more stark.

First and foremost, energy reform is about the lives of our troops. Gasoline is the single thing we import most into Afghanistan. To get a gallon of gas to a Marine frontline unit in a FOB [Forward Operating Base] in a Helmand province we either have to move it north across the Hindu Kush or from ships docked on the coast of Pakistan or south across the Amu Darya River from logistics hubs in Central Asia.

Both are dangerous, both are costly, and moving that gallon of gasoline is the cause of too many casualties. In the last three months, six Marines in one unit were wounded while guarding fuel convoys. The Army has studied and quantified the loss, and they found that for every 24 fuel convoys that are sent into Afghanistan, we lose a Soldier or a Marine – killed or wounded. That is simply too high of a human price to pay for importing energy.

We've got to figure this out. We've got to change how we produce energy. We've got to change how we use it. We've got to consume less. We've got to make the equipment we use more energy efficient. And we've got to get the people that we send into theater, into

Afghanistan, back to doing what we sent them there to do - which was to fight, which is to build capacity with the Afghan National Security Forces and to engage with local Afghans.

We've also seen the human cost to our society as a result of our oil dependency, and the tragedy of what happens when things go wrong. I spent a lot of this summer, at the request of the President, working on the long-term effects, the recovery aspects of the Deep Water Horizon oil spill.

When that drilling rig exploded and sank in the Gulf of Mexico, it not only released a torrent of oil into the Gulf that blackened its waters, tarred its beaches, and closed its fisheries for months, it also started a chain reaction of events that dramatically affected the lives and income of millions of Americans living on the Gulf.

For months I saw this impact firsthand. Both I and the group, the team, did essential work to develop recommendations for the President, for the Congress – to create mechanisms to get the coast back its livelihood - to get the coast back economically.

And we're seeing that energy security isn't just an American issue either. I just got back from a trip to Europe, and while I was there I was at NATO [North Atlantic Treaty Organization] Headquarters and SHAPE [Supreme Headquarters Allied Powers Europe] in Belgium. And I visited the state and military leaders of the three Baltic States: Estonia, Latvia and Lithuania. And what was plainly reinforced to me on that trip was that energy or perhaps, more appropriate, the denial of energy, is a weapon, and one that may be just as effective as tanks and airplanes.

These arguments – Deepwater Horizon and our allies - only strengthen the case for change and only strengthen our resolve to bring about a new-energy future. The Navy and Marine Corps have done much in the last year to impact that change and to support these developments.

I'm really excited about what we've done with biofuel because I think it's got the potential to make a long-term dent in our fossil-fuel usage. As everybody here knows, we've done a supersonic flight of an F-18 this spring, the Green Hornet, on a 50/50 blend of Camelina-based biofuel and JP-5.

Biofuel testing is continuing and only last week the first operational test of an algae-based biofuel was conducted on a Riverine Combat Boat – an RCB-X – in Hampton Roads. In both cases - the Green Hornet and the Riverine Boat - the engines didn't notice a difference. They kept running the way they've always run.

Later this month, on October 22, we'll complete operational testing across the entire spectrum of capabilities for the RCB-X. And we're going to continue to expand our biofuels platforms when we start testing on an SH-60 helicopter this month.

And I'm happy that the cost of these fuels is beginning to decrease. Although, it's still too high for normal operational uses, the second large lot of fuel we required for testing was 20 percent cheaper than the first. And as more is produced these prices will continue to decrease

like that until we get to the point where it's fiscally not only possible, but advantageous to provide these advanced biofuels at scale.

Now, we have some people that say, "it's just too hard. Don't do this. We're going to be stuck with fossil fuels for the next 10 years, 20 years or 30 years." Well, if we buy those arguments, it's going to become a self-fulfilling prophecy and it's exactly what's going to happen. And I've learned an expression in the military - It's going to become a self-licking ice-cream cone. But it could be one that we can avoid.

The Department of the Navy has made a concerted effort to tap into a lot of expertise in these past years - industry, states, other governmental agencies, universities and academia - to advance alternative energy development and target small businesses and venture-capital firms that are working in the areas of alternative energy.

We've signed a memorandum of understanding with the Department of Agriculture. We're working closely with the Department of Energy. And along with Agriculture we have started a cooperative partnership with the State of Hawaii, which imports almost all of its energy, to develop biofuels that for one thing help farmers, and for the second, that can be used in most civilian and military purposes.

And today I signed another memorandum of understanding. Administrator Karen Mills, of the Small Business Administration, and I agreed to provide contract opportunities for small businesses on sustainable-energy programs, pilots and initiatives.

This builds upon the really good work that the Navy Small Business Office has done with Small Business Innovative Research Opportunities and the conversations that I personally conducted with venture capital and small-business owners from across the country. A lot of them had said that they would love to participate but - now, this will come as a surprise to all of you - working on military procurement can be time consuming and painfully confusing.

To make it a little less so, the Assistant Secretary for Research, Development and Acquisition, Sean Stackley, is today launching the SECNAV Green Biz Ops website, posted on his webpage. It's designed to be the single Department of the Navy source for listing alternative products and services, energy-conservation products and energy technology. I think that this Green Biz Ops website is the first of its kind across the federal government to focus solely on clean-energy acquisition opportunities.

Ashore, we're continuing to add alternative products all over the country. Over the past year, I've talked a lot about the pioneering solar multiple award contract that created options for 40 megawatts of power. Well, that project has been a success and it's leading another three multiple-award contracts that together have the potential to add another 100 megawatts of energy generating capacity across vast distances of the Southwest and in Hawaii.

At Miramar we're working on a 20 year power-purchasing agreement to pay and use landfill gas for power. It will generate up to 25 megawatts and it will meet about half of that base's energy needs.

And most importantly, we are going to continue the strict building standards for new construction that we've established. DON buildings meet a higher standard than buildings built in California, which has the most stringent requirements of any state. In fact, all our new buildings meet LEED [Leadership in Energy and Environmental Design] standards, and I am confident that the 75 percent of buildings that met LEED Gold standards, on their own, will continue to rise.

Last year, I ended my speech by asking you to let the reach of your imagination match the reach of the United States Navy and the United States Marine Corps. That hasn't changed. I am still asking you to do that this year even with all that we've done over the past couple months. I'm asking you to do some more. Go farther. Make the Navy and the Marine Corps better and more energy efficient.

Today on the Navy's birthday it's important to remember this lesson, for 235 years the Navy and the Marine Corps have been in absolute, constant motion just like the oceans that we sail. For 235 years we have led the United States and we have led the world in technological innovation and in the ability to meet and overcome any challenge, any obstacle and every problem that has confronted us.

For 235 years we've grown, we've adapted. And we have changed as we have needed to change to meet the ever-shifting requirements of both a fluid and ever more increasingly complex world. That's what we've got to do with energy - adapt, overcome and then merge victorious on the other side. Thank you all. Godspeed.