

# Continued Rebalance



Marines work with MV-22B Osprey tiltrotor aircrafts during air delivery ground refueling training at Marine Corps Air Station Iwakuni, Japan, Aug. 20. Fuel positioning in support of U.S. Pacific Command operations like this throughout the Pacific is an area of interest for the Defense Logistics Agency Energy as it rebalances fuel infrastructure in the region. Photo by Marine Cpl. Carlos Cruz Jr.

By Christopher Goulait

Efforts to rebalance fuel and its infrastructure in the Pacific theater have momentum with the Defense Logistics Agency Energy after years of planning and focus set the stage for action.

From a 2009 study to today's changes in storage capabilities, DLA Energy has been enhancing fuel support in the Asia-Pacific region.

"The rebalance has been happening for a while now and it's been happening in a couple of different ways," said DLA Energy Commander Air Force Brig. Gen. Mark McLeod. "From a logistics standpoint, we've been working for several years to rebalance assets in the Pacific."

In 2009, U.S. Pacific Command, DLA Energy, U.S. Trans-

portation Command, military service components and the Air Force's Space Applications Program offices took part in a study assessing PACOM's operations. Results of the study led to a business case analysis to optimize PACOM bulk petroleum support and recommended DLA Energy turn to commercial alternatives to rebalance war reserve petroleum stocks in the Pacific.

"Rebalancing assets in the Pacific means positioning supplies of fuel in the correct locations in the area of responsibility to support warfighter requirements, and also having a plan to move assets from other locations as necessary to meet those requirements as conditions change," said DLA Energy Pacific Commander Navy Capt. Christopher Bower.

Fuel may also be physically relocated, as in the case of a contractor-owned, contractor-operated facility in the

Philippines, or a mechanism to exchange fuel stocks on the open market to meet requirements may be used, Bower said.

Adding to efforts from the 2009 study, was a wargame under DLA's leadership for PACOM in the fall of 2014.

Does PACOM have the capacity to do the job? Is there enough fuel? Is the fuel in the right locations? Are our strategic reserves and infrastructure enough to support the Pacific rebalance? Questions like these were central to the wargame, McLeod said.

"We found some interesting things through that process, but to answer those questions in a nutshell: Yes, but we can definitely do better," he said. "Going through these wargame scenarios and taking a look at other locations or capabilities, can help enable us to make the warfighter be

more resilient."

"The wargame taught us that we have plenty of fuel all around the world, and through our commercial contracts we can take advantage of that fuel very quickly. As for where the fuel is, it is mostly in the right places," McLeod said.

However, some fuel could be repositioned forward in the theater, and DLA Energy personnel are also seeing if there are any locations where existing capabilities can be pushed forward to be closer to where they're needed, McLeod said.

To achieve these goals, DLA Energy focused on five defense fuel support points throughout the Pacific theater serving as commercial bulk fuel storage facilities under contract in support of PACOM.



Maintainers remove a fuel hose from a C-130 Hercules during Red Flag-Alaska at Joint Base Elmendorf-Richardson, Alaska, Aug. 11, 2015. Defense Fuel Support Point Anchorage is a commercial fuel support point under contract through the Defense Logistics Agency Energy supporting operations in the area. Photo by Air Force Staff Sgt. Cody H. Ramirez

“What’s good about this economically is that we can create contracts where we need them and not have government infrastructure,” McLeod explained. “They tend to be very flexible and very affordable. If we need it, we can use it.”

DFSP Anchorage, Alaska; DFSP Guam II; DFSP Subic Bay I, Philippines; DFSP BP Singapore and DFSP Hachinohe II, Japan, have jet fuel storage and a distribution capability by pier and/or pipeline facilities. Between these five DFSPs, DLA Energy has more than 4.6 million barrels of commercial bulk fuel supporting operations in the Pacific.

The new facility in the Philippines is a good example of support to PACOM, Bower said.

“Combined Task Force-73 has sent multiple combat logistics force ships into Subic I already, as has the Military Sealift Command,” he explained. “The ability to refuel these replenishment ships in the Philippines means they can service many more customers in the area of operation as they now don’t have to go all the way to Japan or Singapore to load their bunker cargoes, and so can meet operating forces at sea much more regularly.”

“If we can refuel them at sea, then they don’t have to pull into port themselves and can stay on station doing the mission they are assigned for a much longer period. It becomes a force multiplier as we need fewer warships to perform a specific mission,” Bower added.

Well-placed locations are important, but adapting for resiliency and redundancy is also a priority for the rebalance, McLeod said.

“DLA Energy uses a combination of setting up major nodes and making sure they’re strong but redundant in

case the situation calls for it,” McLeod said.

Storage in the Pacific, including the commercial storage, is made up of 850 million gallons of prepositioned war reserve stock in 66 DFSPs and facilities with a storage capacity of 1.2 billion gallons of fuel. Fuel is split between the storage tanks located in Hawaii, Alaska, Korea, Japan, Guam, Singapore, Diego Garcia, the Philippines and many other locations.

Use of the commercial fuel supply chain in the region also assists with resiliency.

“DLA Energy can rely on the commercial supply chain since so much of our business revolves around having great relationships with our suppliers around the world,” McLeod said. “A solid relationship is important as a foundation for working to expand the availability of military and commercial-specification fuels to new locations in the region. We are diversifying our requirements and growing our capabilities in the Pacific.”

Good supplier relationships provide support to the organization’s ultimate customer, the warfighter. DLA Energy works with the military services to ensure fuel support to the PACOM area of responsibility.

“Working with our customers to determine what their requirements are will allow us to develop multiple support options,” Bower said. “While our customers would like us to store all their requirements in the AOR, we don’t currently have enough storage to do so. That means we will need to look at other strategies, such as swing stocks and pulling product forward from other locations to meet customer demand.”

As well as working with U.S. forces, DLA Energy Pacific works with a number of nations in the region since the PACOM AOR contains 36 nations, 51 percent of the earth’s surface and 50 percent of world’s population, Bower said.

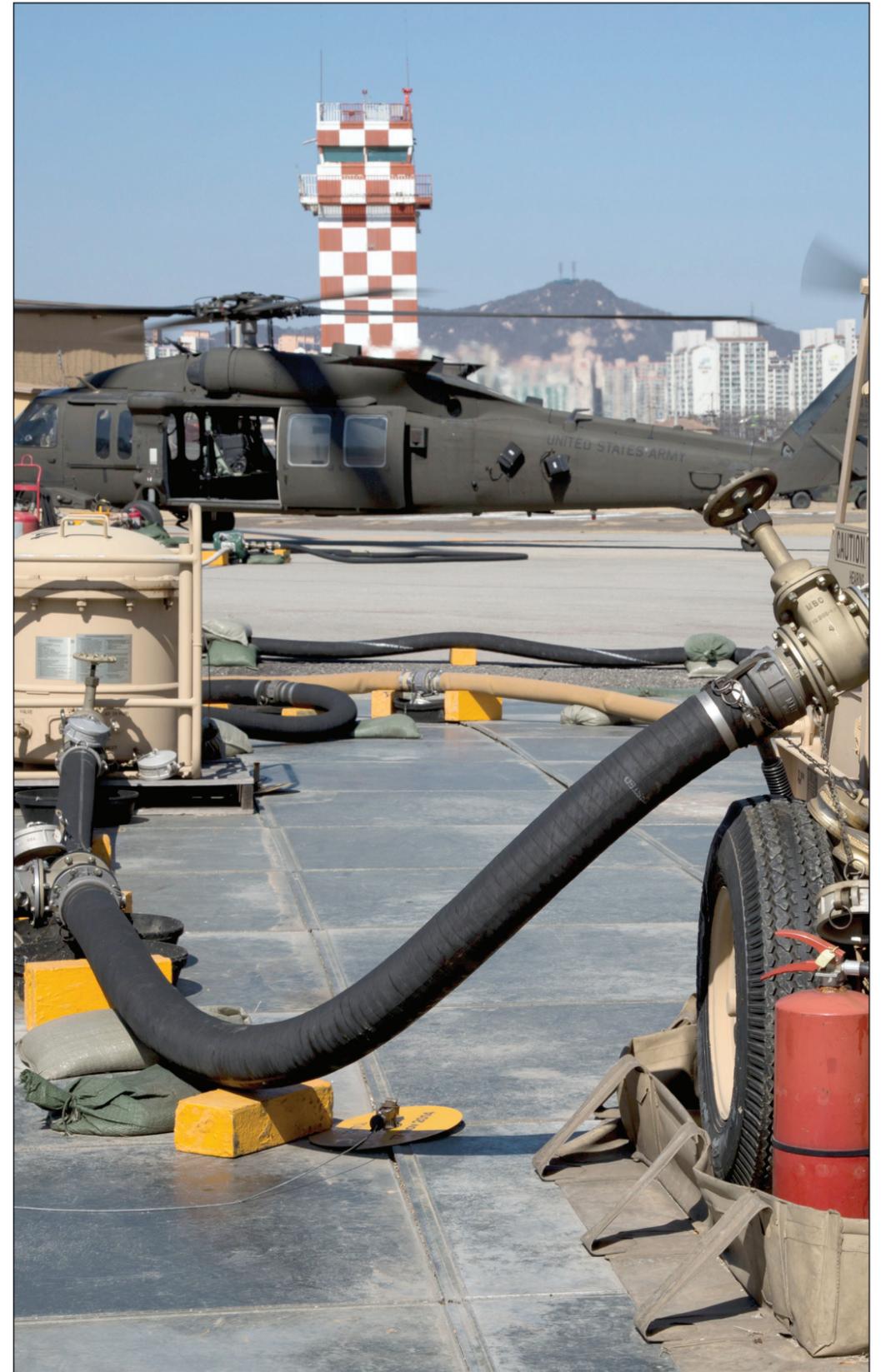
“DLA Energy is talking with our counterparts in other nations in the Pacific to see how we can address factors that are important to all of us, like lowering costs, increasing cooperation with the commercial supply chain, efficiently sharing fuel and fixing aging infrastructure,” McLeod said. “For example, we’re discussing a fuel exchange agreement and increasing storage with Australia. Working with our partner nations not only has military benefits for the U.S., but also builds the nation’s homeland defense and provides economic benefits to the areas supported by contracts we put in place.”

“Cooperation with our partner nations will continue as we reposition fuel and take advantage of everything the commercial supply chain has to offer so we can build capacity,” he added.

Capacity has the power to build capability, and with that comes partnerships between companies, nations, products and global supply chains, McLeod said.

“Rebalancing the Pacific this way can build confidence and collective security to ensure that the nations in the region and the commerce between them can be protected,” he said. 

*Terry Shawn contributed to this article.*



Soldiers refuel after taking flight in a UH-60 Black Hawk in South Korea for exercise Foal Eagle 2015. Exercises like Foal Eagle across the Pacific are supported by the DLA Energy and strategically positioned fuel around the region. Photo by Army Pfc. Samantha Van Winkle