



**CIVIL RESERVE AIR FLEET (CRAF)
EXECUTIVE WORKING GROUP (EWG)
MEETING MINUTES
20 August 2015**

NOTICE

The purpose of the CRAF EWG is to provide a forum for the Department of Defense (DoD) to regularly interact with the commercial carriers to evaluate issues and discuss possible changes for improving the CRAF program. The CRAF EWG is not a decision making body and decisions about the CRAF program are reserved for Government officials. CRAF EWG meetings occur twice a year. Regular membership of the CRAF EWG will normally include: Deputy Commander, USTRANSCOM (TCDC); Vice Commander, Air Mobility Command (AMC/CV); Enterprise Readiness Center (TCERC); Acquisitions (TCAQ); Operations (TCJ3); Strategy, Capability, Policy, and Logistics (TCJ5/J4); Joint Distribution Process Analysis Center (TCAC); Judge Advocate (TCJA); AMC Director of Operations, (AMC/A3); Joint Staff/Logistics (JS/J4) as well as representatives from CRAF air carriers. In addition, representatives from the Office of the Secretary of Defense for Transportation Policy, National Air Carrier Association (NACA), Air Transport Association, Department of Transportation (DoT), General Services Administration (GSA), Federal Aviation Administration (FAA), and the National Defense Transportation Association (NDTA) may be invited. Other guests may be included on an as-needed basis.

MEMBERS

Carrier	Phone Number
AAR Corp	800-422-2213
ABX Air	937-382-5591
Air Transport Int.	937-382-5591
American	480-693-5757
Atlas	914-701-8000
Delta	800-241-4141
Everts Air	907-450-2321
FedEx	901-434-3366
Jet Blue	800-538-2583
Kalitta Air	800-521-1590
Lynden Air	907-243-6150
Miami Air	877-535-9624
National Air Cargo	800-451-3174
NDTA President	703-751-5011
Northern Air Cargo	800-727-2141
Omni Air International	918-836-5393
Polar	888-380-3400
Southwest Airlines	800-435-9792
Sun Country Airlines	651-681-3900
United	800-864-8331
UPS	800-742-5877



TASK

The updated list of “due-outs” from the EWG is at Attachment 1.

MEETING SUMMARY

1. Opening Remarks – Opening Remarks were delivered by TCDC, VADM Brown and AMC/A3, Maj Gen Martinez. Both welcomed all new and recurring members and emphasizing the desire for a highly productive meeting. VADM Brown highlighted the fact that the majority of the agenda deals with forecast business and new processes. Both VADM Brown and Maj Gen Martinez discussed the following changes in senior leadership in both USTRANSCOM and AMC:
 - a. General Selva, Commander, USTRANSCOM, was confirmed to be the Vice Chairman, Joint Chiefs of Staff and General McDew, Commander, Air Mobility Command, was confirmed as the next USTRANSCOM Commander.
 - b. General Carlton Everhart II has become the new Commander of Air Mobility Command (AMC/CC).
 - c. Major General Lyons will become the next TCDC and EWG Chair. VADM Brown will be moving in September to become the next Joint Staff Director of Logistics (JS J4).
 - d. Major General Giovanni Tuck is the new Director of Operations and Plans (TCJ3) replacing Major General Rowayne Schatz who has become the new Air Mobility Command Vice commander (AMC/CV).
 - e. Maj Gen Jerry Martinez is the new AMC/A3 replacing Maj Gen Scott Hansen.
 - f. Colonel Kris Rogers is the new Chief of TCERC replacing Col Edward Koharik who retired on 21 Aug.
2. Administrative and Review of Last EWG Due-outs – Mr. Sclarici (TCERC-IA).
 - a. Mr. Sclarici briefed some general administrative concerns and reviewed for the group the status of the last EWGs three “Due-outs:” 1) Increase the accuracy of the expansion buy forecast; 2) Incorporating commercial cargo capacity earlier in planning; and 3) Exploring a Defense Transportation System (DTS) “hook” in Defense Federal Acquisition Regulation Supplement(DFARS), would largely be answered by the briefings that were to be presented during the course of the meeting.
 - b. Also introduced was the concept of changing the format of the EWG to include more commercial carrier participation in the briefings by making the NACA and NDTA responsible for an hour of content each for the next EWG in February 2016.
3. Forecasted Commercial Workload Requirements – Lt Col Larry Nance (TCAC).
 - a. Lt Col Nance briefed the updated forecast as well as the Joint Distribution Process Analysis Center’s (TCAC) new Analytic Methodology that will combine seven different statistics resulting in a forecast that will account for seasonality. This new methodology



- will be implemented in the FY17 budget cycle.
- b. The first two “due-outs” were captured during this briefing and are listed in Attachment 1. “Due-out” one was the result of a question as to whether the fuel rate was incorporated in the forecast numbers. The second was for more detailed reasons for the change in the passenger numbers. Both were assigned to TCAC for response and those responses are found in attachment 1.
4. Operations Update – Maj Jason Evans (TCJ3).
 - a. Maj Evans presented an overview of ongoing USTRANSCOM operations as well as a look at historic passenger and cargo movements from 618 Air Operations Center (aka TACC) as well as worldwide forecast requirements as found in the Joint Operational Planning and Execution System (JOPES) and TCJ4 channel forecast. Maj Evans also presented the percentage of strategic airlift missions flown by CRAF carriers over the last 16 months. He discussed the potential impact of current initiatives to increase commercial utilization, including a spike in July where CRAF carriers flew 48% of all strategic airlift missions.
 5. CRAF Cyber Security Update – Col Kevin Bennett (USTRANSCOM Command, Control, Communication & Cyber Systems).
 - a. Col Bennett presented an overarching view of the Cyber Defense Challenges being faced by both industry and DoD. Attacks occurring every day making the task of defending our IT systems very difficult. Two factors complicate the DoD/Industry collaboration on cyber defense: 1) Data throughput, both DoD and commercial industry, at some point travel through unsecured systems. 2) Different language and cyber security protocols between DoD and Industry. Col Bennett reviewed the most recent aviation related Cyber issues. Also discussed was the Defense Industrial Base Collaborative Information Sharing Environment (DCISE).
 - b. The third “due-out” was recorded during this session as a request for contact information for carriers so they might participate in the DCISE. Contact information will be included in Attachment 1. The fourth “due-out” as a result of this presentation is to socialize the definition and intent of the term “cyber intrusion” as well as others between industry and USTRANSCOM. Assignment of this “due-out” is listed in Attachment 1.
 6. Warfighting Requirements for Strategic Lift – Mr. Bruce Busler (TCAC).
 - a. Mr. Busler’s first brief of the day gave the attendees an overview as to the methodology used to size and shape the forces necessary to support the “Defeat and Deny” National Defense Strategy. The Mobility Capabilities and Requirements Study 2016 (MCRS-16) and the Mobility Capabilities Assessment (MCA) done in 2013 provided a comprehensive assessment of the capability of programmed mobility forces to project and sustain U.S. forces in support of the National Defense Strategy.
 - b. These assessments were used to support the Secretary of Defense Strategic Choices and Management Review (SCMR) process and the 2014 Quadrennial Defense Review (QDR) resulting in lower numbers of Wide Body Equivalents being required in the CRAF program to meet an acceptable level of risk.



7. Integrated Airlift Management – Mr. Bruce Busler (TCAC).
 - a. This briefing introduced the concept that USTRANSCOM and AMC have been working toward over the last 18 months that consists of an integrated set of processes to allocate airlift capacity to predicted/actual demand.
 - b. The processes discussed include: 1) Demand shaping to increase commercially compatible loads. 2) Apportionment and allocation processes that will balance aircrew training and seasoning requirements with the need to utilize commercial capacity. 3) Securing forecasted capacity against notional requirements well in advance to increase commercial utilization.
8. War Risk Insurance Update – COL Michael Benjamin (TCJA).
 - a. COL Benjamin updated the attendees on efforts to renew the non-premium war risk insurance policy. According to his update, the last comments have been received and many of the issues have been resolved to industry's satisfaction. No apparent show-stoppers remaining and should be able to complete this in time for FY16 contract start.
9. Legislative Update – Mr. Kurt “Viva” LaFrance (USTRANSCOM Legislative Affairs).
 - a. Mr. LaFrance discussed there are many issues competing for attention of Congress that could significantly delay approval of the National Defense Authorization Act (NDAA). These issues include the Iran nuclear deal, Planned Parenthood funding, and Debt Ceiling to name a few.
 - b. NDAA funding differences for DoD base funding and Overseas Contingency Operations between the House/Senate versions and that of the president's request are major sticking points was also discussed.
10. Resource Driven Allocation Board – Mr. Michael Zuber (TCJ3).
 - a. Mr. Zuber delivered the J3 briefing on the Resource Driven Allocation Board (RDAB). USTRANSCOM must balance cost effective options with operational and strategic viability for the Joint Force Commander; future transportation solutions will consider readiness and strive to provide an optimum mix of organic/commercial options, ensuring transportation capability (personnel and equipment) across the enterprise remains proficient and viable.
 - b. Output from this process allows TCJ3 to examine commercial and organic readiness and monitor workload allocations to support USTRANSCOM Component Command (TCC) readiness goals.
11. NDTA-MAAC Safety and Security Team Update – Mr. David Lange (FedEx).
 - a. This latest update delivered by Mr. Lange focused on the working group's successes. Changes implemented by the team include:
 - b. The creation and incorporation of a new checklist for planners and troop commanders that has improved communication between the units being moved and the carriers. These are being incorporated permanently into the Defense Transportation Regulations (DTR).
 - c. Curriculum changes in military training on Hazardous Cargo/Dangerous Goods emphasizing the differences between International Air Transport Association and DoD



standards.

- d. Creation of an Incident Reporting System being created within Commercial Operations Integrated System (COINS) by TCAQ which will allow both the contracting officers and the carriers to create, track, and resolve issues. The system will also be able to provide measurable data/metrics that can be used by TRASNCOM to engage units, ports, as well as carriers in discussion and correction activities.

12. Domestic Air Tender Update – Ms. Shannon Fast (AMC/A4).

- a. Ms. Fast’s updated attendees on the status of the policy change that is to go out for industry comment in September 2015. Update is scheduled to be published by Surface Deployment and Distribution Command (SDDC) in the Military Freight Traffic Unified Rules Publication (MFTURP-1) in November.
- b. Freight forwarders will have until January 2016 to partner with a CRAF partner or will be removed from the program.

13. Round Table Discussions.

- a. During the round table the floor was open to three issues.
- b. Enterprise Readiness Center Strategic Opportunities – Mr. Garth Sanginiti (TCERC-B).
 - (1) Mr. Sanginiti reviewed the latest Foreign Military Sales (FMS) and non-FMS efforts the Enterprise Readiness Center has undertaken over the last few months to increase business within the Defense Transportation System. These efforts include partnering with Defense Logistics Agency (DLA) and integration of the Defense Security Cooperation Agency (DSCA) into the Joint Deployment Distribution Enterprise. In addition, there have been extensive engagements with the United Nations (UN) and the European Defense Agency to offer DTS services to these organizations as well.
 - (2) Efforts have resulted in an estimated \$200M in new business for the DTS.
- c. Twenty Foot Container Issue – Mr. Tom Kane and Mr. Bill Flynn (Atlas).
 - (1) Atlas raised a concern on the expiration of the exemption to regulations that require 9G forward restraint of “tall rigid” cargo on B747 cargo aircraft. Atlas and other B747 operators are petitioning to stay at a 3G forward restraint requirement without having an adverse impact on safety.
 - (2) TCERC will issue this as a “due-out” staffed by AMC/A4, AMC/A3, and TCJ3 to determine operation impact and potential recommendation. Assignment of this “due-out” is listed in Attachment 1.
- d. Major Supply Contracts without DFARS Guidance – Lt Gen (Ret) Rod Bishop (NAC).
 - (1) NAC raised the issue that there is an average of approximately \$17.2B yearly in major supply contracts such as LOGCAP IV that are not specifically “contracts for airlift services” and therefore do not fall under the “Fly CRAF” act. Although these contracts include other items (i.e. dining and laundry facilities, housing, sanitation, waste management etc.) they also cover “transportation and cargo service” and therefore likely contain some airlift requirements.



- (2) According to Lt Gen (Ret) Bishop’s presentation, if only 5% of the supply contracts are for transportation, there is a potential \$860.5M per year that could contain significant airlift requirements that could be made available to CRAF carriers if there was more specific guidance in the DFARS.
- (3) A “due-out” to look at the legal and regulatory possibility of a Fly CRAF/Fly America DFARS Clause in DFARS for supply contracts will be created to address this issue. Assignment of this “due-out” is listed in Attachment 1.
- e. Mr. Sclarici thanked members for attending and reminded the assembled that the next EWG will be 17-18 Feb 2016. At this point Mr. Sclarici turned over the conference to VADM Brown for closing remarks.

14. Closing Remarks – VADM Brown (TCDC).

- a. VADM Brown closed the working group with comments on how USTRANSCOM wants to be the transportation provider of choice vs. mandated user so is constantly seeking better ways of supporting our customer and adopting best practices. Part of this improvement process has been working together through EWGs and NDTA Fall meeting to address common issues to ensure the program is capable of providing capacity when the nation needs it.
- b. He thanked all for their attendance over the last couple of years and for their continued efforts to improve the program. He was also thankful for the efforts of his directors who have pulled together as a team to make USTRANSCOM the provider of choice. VADM Brown made special point of thanking Col Ed Koharik who has run the Enterprise Readiness Center over the last two years, and welcomed his replacement, COL Kris Rogers who is taking his place.
- c. Meeting was adjourned at 1330.

UPDATES/CORRECTIONS

Please use the USTRANSCOM ERC point of contact listed for updates or corrections to these minutes.

ATTACHMENTS

- 1. Due-Outs.

Attachment 1: Due-outs

DUE-OUT	LEAD	STATUS UPDATE DUE
1. Is the fuel rate part of the forecast numbers as found in the Forecast Commercial Workload Requirements briefing?	OPR: TCAC	Completed 14 Sept (sent out by e-mail)
2. What is the reason for the 37.6% reduction the International Passenger forecast from FY15 (projected spend of \$710M) to FY16 (forecasted spend of \$443M)?	OPR: TCAC	Completed 14 Sept (sent out by e-mail)
3. Contact Information for the Defense Industrial Base Collaboration Information Sharing Environment (DCISE)	OPR: TCJ6	Completed 14 Sept (sent out by e-mail)
4. Given the volume of cyber-attacks per day, create an agreed to definition and intent of the term “cyber intrusion” as well as other terms for contractual reporting purposes.	OPR: TCAQ OCRs: TCJA, TCJ6	TCAQ Policy team has for action. Status update due by 3 Feb 2016
5. Develop process to solicit regular updates on commercial carrier cargo and passenger capacity. Amended: TCAQ to monitor carrier inputs and report compliance with data input request.	OPR: TCAQ OCR: CRAF Carriers, TCAC, TCJ3 AMC/A3	Complete, CRAF Carriers are able to update data in COINS weekly. TCAQ to provide Status update on carrier compliance with data input by 3 Feb 2016
6. Send out revised slides for Legislative Affairs Update, Strategic Opportunities Update, and Major Supply Contracts without DFARS Guidance slides	OPR: TCERC	Completed 14 Sept (sent out by e-mail)
7. Determine impact and potential process changes resulting from enforcement of “tall rigid” cargo limitations (9G or frangible cargo) on B747 aircraft and the expiring FAA exemption to policy.	OPR: TCJ3 OCRs: TCAC, TCAQ, AMC/A4, 618 AOC	TCJ3 Joint Planning Team initiated Status update due by 3 Feb 2016
8. Look at the legal and regulatory possibility of a Fly CRAF/Fly America DFARS clause for supply contracts.	OPR: TCJA OCR: TCAQ, TCERC	TCJA looking at this issue Status update due by 1 Jan 2016