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**DEPARTMENT OF DEFENSE  
FISCAL YEAR (FY) 2017  
REQUEST FOR ADDITIONAL APPROPRIATIONS**

**March 2017**



**CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE**



	(In Thousands of Dollars)
FY 2017 Estimate	\$515,609
FY 2016 Enacted	\$579,342
FY 2015 Actual	\$595,913

### Purpose and Scope

This budget activity provides resources for the development and testing of technologies for the destruction of chemical munitions that are alternatives to the baseline incineration program, and the design, acquisition and testing of prototype equipment for the recovery and treatment of recovered chemical warfare materiel.

### Justification of Funds Required

Funds are required for the Recovered Chemical Warfare Materiel (RCWM) Project in FY 2017, in support of the United States Chemical Demilitarization Program, to continue Explosive Destruction System (EDS) process improvements, decontamination studies, monitoring support, treatability studies, researching alternative treatment technologies, universal munitions storage container (UMSC) development and, Portable Isotopic Neutron Spectroscopy (PINS) and Digital Radiography and Computed Tomography (DRCT) studies.

Funds are also required for the Assembled Chemical Weapons Alternatives (ACWA) program in FY 2017 for activities at the Pueblo Chemical Agent-Destruction Pilot Plant (PCAPP) and the Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP). The ACWA program activities at PCAPP will include: continuation of main plant operations and maintenance of Explosive Destruction System (EDS) in preparation for destroying munitions that cannot be processed at the main plant. The ACWA program activities at the BGCAPP will include: continuation of main plant systemization, completion of Static Detonation Chamber (SDC) systemization, and initiation of SDC operations. The SDC will be used to destroy the mustard munitions at BGCAPP.

FY 2017 AMENDED BUDGET REQUEST JUSTIFICATION: \$127 million is required to address emergency warfighting readiness requirements. Funds are in support of the program element 0708083D/ACWA to achieve program balance at both BGCAPP and PCAPP: \$76 million will be used at BGCAPP with the goal of completing the program 9 months earlier to meet the Congressional mandate of December 31, 2023; \$51 million will be used at PCAPP to sustain the operational schedule and to address emerging issues at PCAPP as a result of ongoing destruction operations.

In addition, \$10 million of Funded Reimbursable Authority is required for evaluation and assessment of chemical warfare materiel discovered as a result of requests by other government agencies and foreign countries.

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Chemical Demilitarization Program • FY 2017 • RDT&E Program

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(Listing by Budget Activity, then Program Element Number)

**BA# 02: RDT&E**

Amended Budget

**Cost (\$ in Millions)**

<b>Line#</b>	<b>BA#</b>	<b>PE#</b>	<b>PE Title</b>	<b>Prior Years</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>
1	02	0708081D	Chemical Materials Agency	1,368.070	20.105	10.003	7.717	-	7.717
2	02	0708083D	ACWA - Assembled Chemical Weapons Alternatives	4,041.700	575.808	569.339	507.892	-	507.892
<b>Total: RDT&amp;E</b>				<b>5,409.770</b>	<b>595.913</b>	<b>579.342</b>	<b>515.609</b>	<b>-</b>	<b>515.609</b>

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<b>Exhibit R-2, RDT&amp;E Budget Item Justification:</b> Request for Additional Appropriations 2017 Chemical Demilitarization Program										<b>Date:</b> March 2017		
<b>Appropriation/Budget Activity</b> 0390D: Chem Agents & Munitions Destruction I BA 2: RDT&E					<b>R-1 Program Element (Number/Name)</b> PE 0708083D I ACWA - Assembled Chemical Weapons Alternatives							
<b>COST (\$ in Millions)</b>	<b>Prior Years</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
Total Program Element	4,041.700	575.808	569.339	507.892	-	507.892	729.603	770.710	850.461	604.746	Continuing	Continuing

**A. Mission Description and Budget Item Justification**

**B. Program Change Summary (\$ in Millions)**

	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>
Previous President's Budget	575.808	569.339	611.582	-	611.582
Current President's Budget	575.808	569.339	507.892	-	507.892
Total Adjustments	0.000	0.000	-103.650	-	-103.650
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-	-			
• Program adjustments to achieve balance, inflation	-	-	-103.650	-	-103.650

**Change Summary Explanation**

The FY2017 budget amendment is required to achieve program balance as described in Exhibit R-2, section A.



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<b>Exhibit R-2, RDT&amp;E Budget Item Justification:</b> Request for Additional Appropriations 2017 Chemical Demilitarization Program											<b>Date:</b> March 2017	
<b>Appropriation/Budget Activity</b> 0390D: Chem Agents & Munitions Destruction I BA 2: RDT&E					<b>R-1 Program Element (Number/Name)</b> PE 0708083D I ACWA - Assembled Chemical Weapons Alternatives							
<b>COST (\$ in Millions)</b>	<b>Prior Years</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
Total Program Element	4,041.700	575.808	569.339	507.892	-	507.892	729.603	770.710	850.461	604.746	Continuing	Continuing
0708083D: ACWA - Assembled Chemical Weapons Alternatives	4,041.700	575.808	569.339	507.892	-	507.892	729.603	770.710	850.461	604.746	Continuing	Continuing
<b>Note</b> Project articles are U.S. tons of agent destroyed. Total ACWA Program quantity is 3,136 tons.												
<b>A. Mission Description and Budget Item Justification</b> The Assembled Chemical Weapons Alternatives (ACWA) Program is a Category 1D Major Defense Acquisition Program responsible for destroying that portion of the U.S. inventory of lethal chemical agents and munitions stored at the Pueblo Chemical Depot in Colorado and the Blue Grass Army Depot in Kentucky. The ACWA Program is part of the Chemical Demilitarization Program, which is a congressionally-mandated program. The Chemical Demilitarization Program supports the international initiatives to rid the world of chemical weapons, as enunciated in the Chemical Weapons Convention (CWC). Consistent with Public Law 104-208 (the Omnibus Consolidated Appropriation Act for FY 1997), the Office of the Secretary of Defense has direct oversight of the ACWA Program. In 2002, Public Law 107-248 assigned the Program Manager (PM) ACWA the responsibility for the destruction of the chemical weapons stockpiles at the Pueblo Chemical Depot in Colorado and the Blue Grass Army Depot in Kentucky. In June 2011, DoD certified a restructured ACWA program pursuant to section 2433a of title 10, United States Code. In March 2012, the ACWA program received Milestone B approval and an approved Acquisition Program Baseline that reflects revised cost and schedule estimates. The restructured ACWA program and the Program Executive Office (PEO) estimates underlying the restructured program are the basis for the program milestones and funding requirements reflected in this document. In October 2012, PM ACWA was redesignated to a PEO.  Funds are required for the ACWA Program in FY 2017 to support the activities at the Pueblo Chemical Agent-Destruction Pilot Plant (PCAPP) in Colorado and the Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP) in Kentucky. The activities at PCAPP will include continuation of main plant operations and maintenance of the Explosive Destruction System (EDS) in preparation for destroying munitions that cannot be processed at the main plant. The ACWA program activities at BGCAPP will include continuation of main plant systemization, completion of Static Detonation Chamber (SDC) construction and systemization, and initiation of SDC operations. The SDC will be used to destroy the mustard munitions at BGCAPP.  FY 2017 AMENDED BUDGET REQUEST JUSTIFICATION: \$127 million is required to address emergency warfighting readiness requirements. Funds are in support of the program element 0708083D/ACWA to achieve program balance at both BGCAPP and PCAPP: \$76 million will be used at BGCAPP with the goal of completing the program 9 months earlier to meet the Congressional mandate of December 31, 2023; \$51 million will be used at PCAPP to sustain the operational schedule and to address emerging issues at PCAPP as a result of ongoing destruction operations.												

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<b>Exhibit R-2, RDT&amp;E Budget Item Justification: Request for Additional Appropriations 2017 Chemical Demilitarization Program</b>					<b>Date: March 2017</b>
<b>Appropriation/Budget Activity</b>		<b>R-1 Program Element (Number/Name)</b>			
0390D: Chem Agents & Munitions Destruction I BA 2: RDT&E		PE 0708083D I ACWA - Assembled Chemical Weapons Alternatives			
<b>B. Program Change Summary (\$ in Millions)</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>
Previous President's Budget	575.808	569.339	611.582	-	611.582
Current President's Budget	575.808	569.339	507.892	-	507.892
Total Adjustments	0.000	0.000	-103.650	-	-103.650
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-	-			
• Program adjustments to achieve balance, inflation	-	-	-103.650	-	-103.650
<b>Change Summary Explanation</b>					
The FY2017 budget amendment is required to achieve program balance as described in Exhibit R-2, section A.					
<b>C. Accomplishments/Planned Programs (\$ in Millions)</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>		
<b>Title:</b> The Assembled Chemical Weapons Alternatives (ACWA) Program	575.808	569.339	507.892		
<b>FY 2015 Accomplishments:</b> The activities in FY 2015 at PCAPP included: continuation of main plant systemization and start of the initial campaign of EDS operations. The activities in FY 2015 at BGCAPP included: completion of main plant substantial construction, completion of SDC design, and initiation of SDC site construction.					
<b>FY 2016 Plans:</b> The activities in FY 2016 at PCAPP include: completion of main plant systemization, start of main plant operations, and completion of the initial campaign of EDS operations. The activities in FY 2016 at BGCAPP include: continuation of main plant systemization and completion of SDC construction.					
<b>FY 2017 Plans:</b> The activities in FY 2017 at PCAPP will include: continuation of main plant operations and maintenance of the EDS in preparation for destroying munitions that cannot be processed at the main plant. The activities in FY 2017 at BGCAPP will include: continuation of main plant systemization, completion of SDC systemization, and initiation of SDC operations.					
<b>Accomplishments/Planned Programs Subtotals</b>	575.808	569.339	507.892		



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<b>Exhibit R-2, RDT&amp;E Budget Item Justification:</b> Request for Additional Appropriations 2017 Chemical Demilitarization Program										<b>Date:</b> March 2017	
<b>Appropriation/Budget Activity</b> 0390D: <i>Chem Agents &amp; Munitions Destruction I BA 2: RDT&amp;E</i>					<b>R-1 Program Element (Number/Name)</b> PE 0708083D / ACWA - Assembled Chemical Weapons Alternatives						
<b>D. Other Program Funding Summary (\$ in Millions)</b>											
<u>Line Item</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
• 0391: <i>Chemical Demilitarization Construction, Defense</i>	38.715	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1,359.200
<b>Remarks</b>											
<b>E. Acquisition Strategy</b>											
<p>The Assembled Chemical Weapons Alternatives (ACWA) Program is overseen by a program executive office, the PEO, Assembled Chemical Weapons Alternatives (ACWA), headquartered at the Edgewood area of Aberdeen Proving Ground, Maryland. The program is primarily executed through systems contracts to design, construct, test, and operate main plants. The main plants will use first-of-a-kind (FOAK) disassembly equipment and neutralization destruction technology for the chemical agent and the munition body followed by on-site treatment of the neutralization by-product using biotreatment at Pueblo and supercritical water oxidation (SCWO) at Blue Grass. Two systems contracts, i.e., one per site, were competitively awarded to: Bechtel National Incorporated in 2002 for Pueblo Chemical Depot, Colorado, and to Bechtel Parsons Blue Grass (a Joint Venture) in 2003 for Blue Grass Army Depot, Kentucky. These contracts were originally awarded as indefinite delivery / indefinite quantity (IDIQ) task order contracts. However, due to program delays after award of these contracts and the ten-year ordering period for IDIQ contracts, the systems contracts were restructured to life-cycle service contracts to remove the IDIQ provisions, cover the balance of the work to be performed, and retain the multi-year authorization of the National Defense Authorization Act for FY 2007. Restructuring of the systems contracts was briefed to and endorsed by the Director, Defense Procurement and Acquisition Policy in 2008, and effected in 2009. The systems contracts are cost reimbursable type (CPIF/CPAF) contracts.</p>											
<b>F. Performance Metrics</b>											
<p>The DoD uses the percentage of treaty-declared category 1 chemical weapons destroyed per year of operations, as a performance measure for the Chemical Demilitarization Program. This measure will apply to the ACWA Program when destruction operations begin.</p>											

BUDGET ACTIVITY 3: Procurement

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Department of Defense  
March Budget Amendment to the FY 2017 President's Budget Request for BASE + Overseas Contingency Operations (OCO)  
Exhibit P-1R March Budget Amendment to the FY 2017 President's Budget Request for BASE + Overseas Contingency Operations (OCO)  
Total Obligational Authority (Dollars in Thousands) 15 Mar 2017

Summary for National Guard and Reserve Equipment

Appropriation	FY 2017 PB Request Base	FY 2017 Mar Amended Request Base	FY 2017 Revised PB Request Base
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There are no Records in the Database for the Following Criteria for the Exhibit P-1R Report.  
Budget Version: 2018TRUMP  
Portfolio: 0390  
Organization: A  
Start Fiscal Year: 2017  
End Fiscal Year: 2017

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BUDGET ACTIVITY 3: Procurement

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Department of Defense  
March Budget Amendment to the FY 2017 President's Budget Request for BASE + Overseas Contingency Operations (OCO)  
Exhibit P-1R March Budget Amendment to the FY 2017 President's Budget Request for BASE + Overseas Contingency Operations (OCO)  
Total Obligational Authority (Dollars in Thousands) 15 Mar 2017

Summary for National Guard and Reserve Equipment

Appropriation	FY 2017 PB Request OCO	FY 2017 Nov Amended Request OCO	FY 2017 Mar Amended Request OCO	FY 2017 Total OCO Request
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There are no Records in the Database for the Following Criteria for the Exhibit P-1R Report.  
Budget Version: 2018TRUMP  
Portfolio: 0390  
Organization: A  
Start Fiscal Year: 2017  
End Fiscal Year: 2017

P-1RAMF: Budget Amendment to the FY 2017 President's Budget Request (Published Version), as of March 15, 2017 at 15:16:06

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BUDGET ACTIVITY 3: Procurement

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Department of Defense  
March Budget Amendment to the FY 2017 President's Budget Request for BASE + Overseas Contingency Operations (OCO)  
Exhibit P-1R March Budget Amendment to the FY 2017 President's Budget Request for BASE + Overseas Contingency Operations (OCO)  
Total Obligational Authority 15 Mar 2017  
(Dollars in Thousands)

Summary for National Guard and Reserve Equipment

	FY 2017	FY 2017
	Less Enacted	Remaining
	Div.B,P.L.	FB Request
Appropriation	114-254	OCO
-----	OCO	OCO

There are no Records in the Database for the Following Criteria for the Exhibit P-1R Report.

Budget Version: 2016TRUMP  
Portfolio: 0390  
Organization: A  
Start Fiscal Year: 2017  
End Fiscal Year: 2017

P-1RANF: Budget Amendment to the FY 2017 President's Budget Request (Published Version), as of March 15, 2017 at 15:16:06

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BUDGET ACTIVITY 3: Procurement

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Department of Defense  
 March Budget Amendment to the FY 2017 President's Budget Request for BASE + Overseas Contingency Operations (OCO)  
 Exhibit P-1R March Budget Amendment to the FY 2017 President's Budget Request for BASE + Overseas Contingency Operations (OCO)  
 Total Obligational Authority 15 Mar 2017  
 (Dollars in Thousands)

Summary for National Guard and Reserve Equipment

Appropriation	FY 2017 PB Request w/Nov Amend Less Enacted PL 114-254 Base+OCO	FY 2017 Mar Amended Request Base+OCO	FY 2017 PB Remaining Base+OCO
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There are no Records in the Database for the Following Criteria for the Exhibit P-1R Report.  
 Budget Version: 2018TRUMP  
 Portfolio: 0390  
 Organization: A  
 Start Fiscal Year: 2017  
 End Fiscal Year: 2017

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