

FISCAL YEAR 2009 BUDGET ESTIMATE SUBMISSION

February 2008



CHEMICAL AGENTS AND MUNITIONS DESTRUCTION

PROGRAM ASSESSMENT

Chemical Demilitarization

The Chemical Demilitarization Program destroys the U.S. stockpile of chemical weapons. The United States has an obligation to destroy all such weapons under the Chemical Weapons Convention (CWC), which was entered into in 1997.

PERFORMING

Adequate

- **The program has destroyed over 15,552 tons overall since entry-into-force of the CWC.** All CWC treaty milestones have been met to date, including the destruction of former production facilities in January 2007 and the CWC 45% destruction milestone in June 2007.
- **The program has an excellent safety record.** Nonetheless, community concerns had delayed construction of plants. This resulted in increased costs and delayed the destruction of the chemical stockpile.
- **The program has developed annual destruction goals to guide its progress toward destroying the entire U.S. chemical weapons stockpile as close as practicable to the CWC 100% destruction deadline of April 2012.**

We are taking the following actions to improve the performance of the program:

- Expediting disposal of secondary waste by assessing alternative technologies or using off-site treatment to reduce cost, shorten schedules, make better use of equipment, and improve processing.
- Incentivizing the contractor to meet the extended CWC 100% destruction milestone with high safety and environmental standards, complete closure sooner and collaboratively reduce program risk.
- Implementing and tracking performance measures, such as number of chemical agent exposures and releases, tons and percentage of treaty-declared chemical agent destroyed, program-wide recordable incidence rate and cost per ton of agent destroyed.
- Maintaining an Integrated Risk Management Program that stresses early risk identification, mitigation planning, and execution to minimize impacts on cost, schedule, performance, and safety.

This Chemical Demilitarization Program FY 2009 President's budget submission was formulated to achieve the long-term outcome of compliance with the Chemical Weapons Convention. Additionally, the budget request provides the necessary resources to support activities required to meet the program annual performance objectives of no chemical releases and zero exposures to ensure achieving the outcome of worker, public and environmental safety.

BUDGET ESTIMATE SUBMISSION FOR FY 2009
CHEMICAL AGENTS AND MUNITIONS DESTRUCTION

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JUSTIFICATION OF FY 2009 BUDGET ESTIMATE SUBMISSION
CHEMICAL AGENTS AND MUNITIONS DESTRUCTION

APPROPRIATION LANGUAGE

For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), and for the destruction of other chemical warfare materials that are not in the chemical weapon stockpile, \$1,485,634,000, of which (1) \$1,152,668,000 shall be for operation and maintenance, of which no less than \$103,198,000, shall be for the Chemical Stockpile Emergency Preparedness Program, consisting of \$33,411,000 for activities on military installations and \$69,787,000, to remain available until September 30, 2010, to assist State and local governments; (2) \$64,085,000 shall be for procurement, to remain available until September 30, 2011, of which no less than \$26,428,000 shall be for Chemical Stockpile Emergency Preparedness Program to assist State and local governments; and (3) \$268,881,000, to remain available until September 30, 2010, shall be for research, development, test and evaluation, of which \$263,219,000 shall only be for the Assembled Chemical Weapons Alternatives (ACWA) program.

**JUSTIFICATION OF FY 2009 BUDGET ESTIMATE SUBMISSION
CHEMICAL AGENTS AND MUNITIONS DESTRUCTION**

APPROPRIATION JUSTIFICATION

(In Thousands of Dollars)	
FY 2009 Estimate	\$1,485,634
FY 2008 Budget	\$1,512,724
FY 2007 Actual	\$1,272,394

Part I – Purpose and Scope

On December 1, 2003 the Program Manager for Chemical Demilitarization was deactivated and the Chemical Materials Agency (CMA) was formally established with the mission for safe and secure storage of the chemical stockpile and to safely and quickly destroy all chemical warfare and related material, while ensuring maximum protection for the public, the personnel involved in the destruction effort, and the environment. The Chemical Demilitarization Program is a national program of high significance to the Army, the Departments of Defense and State, the Administration, the Congress, and the world. This is a congressionally mandated program. The objective of the Chemical Demilitarization Program is to destroy the U.S. inventory of lethal chemical agents and munitions and related (non-stockpile) materiel, thus avoiding future risks and costs associated with its continued storage. The Chemical Demilitarization Program supports the international initiatives to rid the world of chemical weapons, as enunciated in the Chemical Weapons Convention (CWC).

The Chemical Demilitarization Program is based on Section 1412 of the National Defense Authorization Act for Fiscal Year 1986 (Public Law 99-145) which directs the Department of Defense to destroy the complete unitary chemical stockpile by September 30, 1994 or the date established by a U.S. ratified treaty banning the possession of chemical agents and munitions. Public Law 99-145 was subsequently amended by the National Defense Authorization Act for Fiscal Year 1989 (Public Law 100-456), the National Defense Authorization Act for Fiscal Year 1992 (Public Law 102-190), and the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102-484), which extended program completion to April 30, 1997; July 31, 1999; and December 31, 2004, respectively.

The United States ratified the Chemical Weapons Convention (CWC) on April 25, 1997. The CWC is an international treaty banning development, production, stockpiling and use of chemical weapons. More specifically, each ratifying country is prohibited, under any circumstances, from: developing, producing, acquiring, retaining or transferring chemical

weapons to anyone; using chemical weapons; engaging in any military preparations to use chemical weapons; and from assisting, encouraging or inducing, in any way, anyone engaging in any activity prohibited under the CWC. The CWC also requires each ratifying country possessing chemical weapons to destroy them in an environmentally safe manner. It specifically forbids the disposal of chemical weapons by open pit burning, land burial, or dumping in any body of water. Under the treaty, chemical weapons are to be destroyed by April 29, 2007, with a possible one-time extension until April 29, 2012. The Secretary of Defense notified Congress on April 10, 2006 that the U.S. would request an extension of the destruction deadline to April 29, 2012. The notification also stated that achieving that milestone was in doubt based on the current schedules, but that the Department of Defense would continue requesting resources needed to complete destruction as close to the 2012 deadline as practicable. A formal request for the extension was presented to the Organization for the Prohibition of Chemical Weapons (OPCW) and approved in December 2006. All nations that are party to the CWC must comply with international law and are subject to a stringent inspection regime conducted by an international agency, the Organization for the Prohibition of Chemical Weapons. The Department's policy is to safely destroy the U.S. lethal chemical stockpile as soon as possible.

On May 30, 2006, the Project Manager for Alternative Technologies and Approaches, which managed the Maryland and Indiana sites, and the Project Manager for Chemical Stockpile Disposal, which managed the Johnston Island, Utah, Alabama, Oregon, and Arkansas sites, were deactivated. The two projects merged and became the Project Manager for Chemical Stockpile Elimination. This change is reflected in the allocation of the budgeted dollars contained in this justification book.

The Chemical Demilitarization Program consists of three Acquisition Category 1D Major Defense Acquisition Programs (MDAP). The Defense Acquisition Executive is the milestone decision authority. The OSD has direct oversight of the Assembled Chemical Weapons Alternatives (ACWA) Program (neutralization facilities in Colorado and Kentucky). The Army is the executive agent for the Chemical Materials Agency MDAP (including the Chemical Stockpile Elimination (CSE) Project, Chemical Stockpile Emergency Preparedness Project (CSEPP), and Non-Stockpile Chemical Materiel Project (NSCMP)) and the Chemical Materials Agency-Newport MDAP. The Director of the Chemical Materials Agency has been delegated authority for executing the Chemical Materials Agency and Chemical Materials Agency-Newport MDAPs.

The Chemical Stockpile Elimination Project (CSE): The Project Manager (PM) for CSE is responsible for the safe and environmentally sound destruction of the United States unitary chemical stockpiles located in Utah, Alabama, Oregon, Indiana, and Arkansas. The facilities in Utah, Alabama, Oregon and Arkansas utilize baseline incineration technology to eliminate the chemical stockpile while the Indiana facility utilizes neutralization. The PM is responsible for the post closure activities regarding the Johnston Atoll

incineration facility. The Aberdeen, MD, neutralization facility has completed destruction of its stockpile, facility closure, and the close out of its operating permit from the State of Maryland.

To accomplish this mission, the PM plans, budgets, executes, measures performance and coordinates all phases of the Chemical Stockpile Elimination Project. The PM is responsible for the life cycle cost estimates of all 7 stockpile disposal sites which include design, construction, equipment acquisition and installation, and systemization, operations, and closure phases. He is responsible for the maximum safety to people and the environment during the efficient operation and closure of the 7 plants. The PM is accountable in terms of cost, schedule and performance of these plants. The PM also ensures that physical security, safety, and environmental requirements associated with the project are identified, are in compliance with all Department of Defense and Department of the Army directives and Federal, State, and local laws, and are integrated into the entire technical effort.

The Chemical Stockpile Emergency Preparedness Project (CSEPP): The CSEPP is a complementary effort to the Chemical Stockpile Elimination Project to enhance protection of the civilian population during storage and destruction of the United States' chemical weapons stockpile. The U.S. Army and the Department of Homeland Security, Federal Emergency Management Agency (DHS/FEMA) provide emergency response/preparedness capabilities to the communities surrounding seven continental United States (CONUS) storage sites, and jointly manage the CSEPP projects. CSEPP at the Maryland location has been terminated with completion of agent stockpile destruction. DHS/FEMA has total responsibility and accountability for working with State, Tribal, and local governments to enhance the required off-post emergency preparedness within established resources. The Army manages on-post emergency preparedness and provides technical support for both on-post and off-post emergency preparedness. An Integrated Process Team (IPT) concept is the primary management tool used by the Army, DHS/FEMA, State, Tribal, and local governments to address their concerns and meet Defense Acquisition Program requirements.

The Non-Stockpile Chemical Materiel Project (NSCMP): In 1991, the Deputy Secretary of Defense directed that the Department of the Army be fully accountable for all Department of Defense chemical warfare related materiel destruction and designated the Secretary of the Army as Defense Executive Agent. The Project Manager for NSCMP provides centralized technical expertise and project management of non-stockpile chemical materiel disposal in a safe, environmentally sound, and cost effective manner. The Non-Stockpile Chemical Materiel Project includes four broad categories of effort: binary chemical weapons, recovered chemical material/weapons, miscellaneous chemical warfare materiel, and destruction of the former US chemical weapons production facilities. The Project Manager

for NSCMP completed destruction of the former U.S. chemical weapons production facilities and the binary chemical weapons in 2006 and 2007, respectively.

Major NSCMP functions include: developing and implementing transportation, characterization, destruction equipment and procedures for non-stockpile chemical materiel; supporting ratified treaties; providing for the destruction of environmentally sensitive and contaminated materiel not covered by treaty but identified as part of the funded baseline; and developing and implementing schedule and cost estimates associated with these functions.

The Assembled Chemical Weapons Alternatives Program: The Omnibus Consolidated Appropriation Act for FY 1997 (Public Law 104-208) directed that the Under Secretary of Defense for Acquisition, Technology and Logistics (USD AT&L), conduct a program to identify and demonstrate not less than two alternatives to the baseline incineration process for the demilitarization of assembled chemical munitions. In compliance with Public Law 104-208, a Program Manager for the Assembled Chemical Weapons Alternatives Program (PM ACWA) was selected. Public Law 105-261 authorized PM ACWA to continue to manage the development and testing (including demonstration and pilot-scale testing) of technologies for the destruction of lethal chemical munitions that are potential or demonstrated alternatives to the baseline incineration program. In 2002, Public Law 107-248 assigned the 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.

Part II – Justification of Funds Required

The funds requested in this budget submission are required to carry out the Congressional mandate of Public Law 99-145 and support the commitments of this nation under the Chemical Weapons Convention. This document provides justification for FY 2009 financial requirements in support of the Chemical Demilitarization Program, which is budgeted in the Chemical Agents and Munitions Destruction appropriation. The following paragraphs provide a top level summary of the activities planned for FY 2009.

Chemical Stockpile Elimination Project activities will include the following items: continue post-closure activities at the Johnston Atoll Chemical Agent Disposal System (JACADS); continue agent destruction operations at Tooele Chemical Agent Disposal Facility (TOCDF) in Utah, Anniston Chemical Agent Disposal Facility (ANCDF) in Alabama, Umatilla Chemical Agent Disposal Facility (UMCDF) in Oregon, Pine Bluff Chemical Agent Disposal Facility (PBCDF) in Arkansas, and Newport Chemical Agent Disposal Facility (NECDF) in

Indiana; and continue closure activities at the Chemical Agent Munitions Disposal System (CAMDS), Utah.

The Chemical Stockpile Emergency Preparedness Project will continue to support chemical stockpile emergency preparedness activities on the chemical demilitarization facility depots and in the off-post communities surrounding those facilities where chemical stockpiles are stored and/or continue to be destroyed.

The Assembled Chemical Weapons Alternatives (ACWA) program will continue construction activities for key facilities required for disassembly and treatment of assembled chemical weapons at Pueblo Chemical Depot, CO and Blue Grass Army Depot, KY. Acquisition and testing of first-of-a-kind and long-lead equipment will also continue during FY 2009. Additionally, for Pueblo, systemization planning will begin during FY 2009.

Non-Stockpile Chemical Materiel Project (NSCMP) activities will include the following items: continue ton container thermal treatment operations; continue destruction of recovered CWM; and provide crew sustainment, training, and emergency response capability for the assessment and disposal of non-stockpile chemical materiel. In addition, NSCMP will maintain an overarching research program for the evaluation and demonstration of process chemistries and emerging technologies for emergency response support.

Part III Milestones

Milestones for the Chemical Stockpile Elimination Project are as follows:

Johnston Atoll Chemical Agent Disposal System (JACADS):

Contract Closeout Activities January 2004 to 4th Qtr FY 2009

Tooele Chemical Agent Disposal Facility (TOCDF):

Process Mustard-filled ton containers August 2006 to 4th Qtr FY 2015
Process Mustard-filled munitions 1st Qtr FY 2008 to 2nd Qtr FY 2014

Anniston Chemical Agent Disposal Facility:

Process VX-filled munitions June 2007 to 2nd Qtr FY 2010

Umatilla Chemical Agent Disposal Facility:

Process VX-filled munitions 1st Qtr FY 2008 to 4th Qtr FY 2010

Pine Bluff Chemical Agent Disposal Facility:

Process VX-filled munitions 1st Qtr FY 2008 to 2nd Qtr FY 2009
Complete VX to Mustard agent changeover 2nd Qtr FY 2009 to 4th Qtr FY 2009

Newport Chemical Agent Neutralization Facility:

Completion of Operations June 2005 to 2nd Qtr FY 2012

Major Milestones for Chemical Stockpile Emergency Preparedness Project are as follows:

Essential emergency preparedness systems in place and operational September 2004

Close out of response capabilities following the completion of demilitarization operations at:

Aberdeen Proving Ground, Maryland 4th Qtr FY 2005

Major Milestones for the Non-Stockpile Chemical Materiel Project are as follows:

Explosive Destruction System (EDS):

EDS Phase 2 System delivered to PMNSCM 3rd Qtr FY 2008

Mobile Munitions Assessment System (MMAS):

MMAS Phase 2 Unit 2 delivered to PMNSCM 1st Qtr FY 2008

MMAS Phase 2 Unit 3 delivered to PMNSCM 1st Qtr FY 2009

MMAS Phase 2 Unit 4 delivered to PMNSCM 4th Qtr FY 2009

Chemical Samples (CS):

Chemical Samples will be destroyed within CSE and ACWA campaign schedules.

Wet Air Oxidation (WAO):

Fabrication/Installation October 2004 to January 2007

Operations March 2007 to November 2007

Recovered CWM (RCWM):

RCWM Operations at PBA (PBEDS)* June 2006 to 3rd Qtr FY 2008

*NOTE: Pine Bluff Explosive Destruction System (PBEDS) deployment of multiple EDS units to destroy RCWM located at PBA.

Empty Ton Containers (TC):

Operations October 2007 to 3rd Qtr FY 2010

Recovered Chemical Agent Identification Sets (CAIS):

Destruction of Recovered CAIS at:

Pine Bluff Arsenal August 2005 to February 2007

Major Milestones for Assembled Chemical Weapons Alternatives Program are as follows:

Program Inception 1997

Criteria Development, Assessment, Demonstration of Alternatives 1997 to 2002

Received Pueblo Record of Decision and Technology Selection	July 2002
Received Blue Grass Record of Decision and Technology Selection	February 2003
Path Forward Redesign Concepts Approved	July 2005
10 USC Sec. 2433 Program Certification	January 2007
Revised Acquisition Program Baseline Approved	April 2007

Pueblo Chemical Agent-Destruction Pilot Plant (PCAPP):

Systems Contract Award	September 2002
RCRA RD&D Permit Approval, Stage I	July 2004
RCRA RD&D Permit Approval, Stage II	June 2005
Trade Studies (Cost Reduction)	October 2004 to July 2005
Intermediate Re-Design Completion	February 2006
Stage 1B Permit Modification Approval	June 2006
Stage 2 Permit Modification Submittal and Approval	June 2006 to September 2006
Stage 3 Permit Modification Submittal and Approval	November 2006 to 4th Qtr FY 2008
Stage 1A Construction, Field Activities	October 2005 to June 2007
Stage 1B Construction Activities	August 2006 to October 2007
Stage 2 Construction, Field Activities Start	May 2007
Final Design, Government Acceptance	May 2007
Temporary Authorization Approval (TAA, for Stage 3 Construction) ¹	1st Qtr FY 2008
Stage 3 and Balance of Construction, Field Activities ²	2nd Qtr FY 2008 to FY 2013
Systemization Planning, Start	3rd Qtr FY 2009

¹ The Colorado Department of Public Health and Environment (CDPHE), the approving authority for the TAA has indicated its willingness to approve a temporary authorization request to allow Stage 3 construction to begin prior to approval of the Stage 3 permit modification request.

² During FY 2009 construction activity will continue on the Agent Processing Building (APB), Energetics Processing Building (ERB), and Control and Support Building (CSB). These are the key facilities required for disassembly and treatment of assembled chemical weapons at Pueblo Chemical Depot, CO.

Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP):

Systems Contract Award	June 2003
RCRA RD&D Permit Application Approval	September 2005
Begin Intermediate Design Effort	October 2004
Design Considerations (Cost Reduction)	January 2005 to December 2005
Intermediate Re-Design Completion	May 2006
Access Road & Earthwork Construction	May 2006 to May 2007
Final Process and Main Facilities Design, Government Acceptance	3rd Qtr FY 2008
Site Fencing (Channelization)	September 2006 to April 2007
Main Plant and Balance of Construction, Field Activities ³	FY 2008 to FY 2015

³ Horizontal construction of the Main Demilitarization Building (MDB) is scheduled for 2nd Qtr FY 2008 to 3rd Qtr FY 2009. Construction of the Control and Support Building (CSB) and MDB vertical construction are scheduled to start during 3rd Qtr FY 2009. The MDB and CSB along with the Supercritical Water Process Building (SPB) are the key facilities required for disassembly and treatment of assembled chemical weapons at Blue Grass Army Depot, KY.

BUDGET ACTIVITY 1: Operations and Maintenance

(In Thousands of Dollars)
FY 2009 Estimate \$1,152,668
FY 2008 Budget \$1,181,500
FY 2007 Actual \$1,042,268

Purpose and Scope

This budget activity provides for the management, technical and operational support required for chemical demilitarization under the Chemical Stockpile Elimination (CSE) Project, and emergency response activities under the Chemical Stockpile Emergency Preparedness Project (CSEPP). It also provides for the support required for remediation of other chemical warfare materiel under the Non-Stockpile Chemical Materiel Project (NSCMP).

Justification of Funds Required

Funds requested in FY 2009 are necessary to maintain current operations. Operations financed by this budget activity in FY 2009 include: program management for the Chemical Material Agency (CMA) and Chemical Stockpile Elimination Project (CSE); program and integration support including public affairs, safety and quality assurance; program oversight, environmental and engineering services; continuation of post-closure activities for the Johnston Atoll Chemical Agent Disposal System (JACADS); facility closure activities at Chemical Agent Munitions Disposal System (CAMDS); continuation of training activities at the Chemical Demilitarization Training Facility (CDTF); and continuation of disposal operations at Tooele Chemical Agent Disposal Facility (TOCDF), Anniston Chemical Agent Disposal Facility (ANCDF), Umatilla Chemical Agent Disposal Facility (UMCDF), Pine Bluff Chemical Agent Disposal Facility (PBCDF) and Newport Chemical Agent Disposal Facility (NECDF). In addition, the FY 2009 budget supports emergency response capabilities at the state, tribal, and local levels of government, and at the chemical stockpile storage installations. It also provides for Non-Stockpile Chemical Materiel requirements for program management; continued disposal of Recovered Chemical Warfare Materiel (CWM); emergency response capability; and programmatic support activities which include regulatory requirements, public affairs, program integration, support equipment, and logistics support.

BUDGET ACTIVITY 1: Operations and Maintenance

Funded Financial Summary			
(In Thousands of Dollars)			
O&M	FY 2007	FY 2008	FY 2009
	Actual	Budget	Estimate
Director, CMA (formerly PM ECW) - Program Management	14,170	14,130	14,413
Director CMA (formerly PM ECW) - Support Activities	15,364	20,373	20,781
PM CSE - Program Management	13,428	19,541	22,273
PM CSE - Support Activities	33,221	35,159	27,627
Johnston Atoll Chemical Agent Disposal System	6,965	1,500	1,500
Chemical Agent Munitions Disposal System	28,349	29,200	22,053
Chemical Demilitarization Training Facility	6,826	7,000	7,100
Tooele Chemical Agent Disposal Facility	146,724	179,340	191,777
Anniston Chemical Agent Disposal Facility	137,614	171,242	186,700
Umatilla Chemical Agent Disposal Facility	153,084	176,942	186,300
Pine Bluff Chemical Agent Disposal Facility	147,624	160,428	173,873
Aberdeen Chemical Agent Disposal Facility	3,243	1,500	0
Subtotal Chemical Stockpile Elimination	677,078	781,852	819,203
Newport Chemical Agent Disposal Facility	125,967	170,448	143,100
Cml Stockpile Emergency Preparedness Project On-Post-- Prgm Mgmt	2,640	1,645	3,097
Cml Stockpile Emergency Preparedness Project On-Post--Mission	38,276	34,728	30,314
Cml Stockpile Emergency Preparedness Project Off-Post--Mission	69,939	74,219	69,787
Subtotal Chemical Stockpile Emergency Preparedness Proj	110,855	110,592	103,198
Non-Stockpile Chemical Materiel--Program Management	4,966	6,014	5,485
Recovered Chemical Warfare Materiel (CWM)	43,002	44,911	21,883
Miscellaneous CWM	23,432	21,093	12,833
Binary CWM	150	0	0
Former Production Facility	17,529	3,211	0
Programmatic Support Activities	9,755	8,876	11,773
Mission Subtotal	93,868	78,091	46,489
Subtotal Non-Stockpile Chemical Materiel Product	98,834	84,105	51,974
Total Funded	1,042,268	1,181,500	1,152,668

BUDGET ACTIVITY 1: Operations and Maintenance

Justification by Program

Director, Chemical Materials Agency (CMA) (formerly P MECW) - Program Management: This area provides for total management of the demilitarization and disposal of the U.S. chemical weapons stockpile and non-stockpile materiel. In addition, this activity provides the programmatic direction required by the two project managers who execute the program. The FY 2009 planned activities include labor, training, awards and overtime; base support; other support and contractual costs, which include travel, transportation, materials and supplies, equipment and rentals; and matrix support from U.S. Army Research Development & Engineering Command for labor.

Director, Chemical Materials Agency (CMA) (formerly P MECW) - Support Activities: This element will fund programmatic management integration activities by contractor and support activities, and oversight and technical efforts by government performers or contractors, which will benefit the entire CMA elimination mission. Performers will conduct programmatic studies and evaluations; collect, organize, format and maintain data; consolidate and prepare acquisition, technical and management reports; provide contract support; and provide information management. This element also includes other programmatic costs of the program. The FY 2009 planned activities include safety and quality functions; program integration efforts such as acquisition program reporting, project monitoring, decision support, life-cycle-cost database support, and information management and support; system engineering support; material management, litigation support, facility management training program, and contracting support from U.S. Army Materiel Command; and program oversight, studies and evaluations.

Project Manager for Chemical Stockpile Elimination (PM CSE) - Program Management: The Chemical Stockpile Elimination (CSE) Project includes the deactivated Chemical Stockpile Disposal Project (CSDP) and the Alternative Technologies and Approaches Project (ATAP). Activities to be funded include oversight of implementation and execution, as well as management of the design, development, and acquisition of equipment and facilities, on-site movement of chemical munitions and agents for disposal, demilitarization operations, disposal of waste products, post-operational cleanup activities, and plant closure. The FY 2009 planned activities include labor, awards and overtime; other support and contractual costs which include travel, transportation, materials and supplies, equipment and rentals; and for matrix support from U.S. Army Research Development & Engineering Command for labor.

Project Manager for Chemical Stockpile Elimination (PM CSE) - Support Activities: This element will fund programmatic technical and management integration activities by contractors. Contractors will conduct programmatic studies and evaluations; collect,

BUDGET ACTIVITY 1: Operations and Maintenance

organize, format and maintain data; conduct technical services such as medical support; and consolidate and prepare technical and management reports. This element will also fund oversight and technical efforts by government performers or contractors inclusive of the deactivated CSDP and ATAP. Activities include oversight by the Department of Health and Human Services and the National Academy of Sciences; acquisition of substitute munitions for use in equipment prove-out, pre-operational testing and training exercises; administrative and technical support to design efforts; and other programmatic costs of the program. The FY 2009 planned activities include safety and quality functions; program integration efforts such as acquisition program reporting, project monitoring, decision support, life-cycle-cost database support, and information management and support; and public outreach offices and public affairs initiatives such as videos, newsletters, publicity and exhibits. The budget request also includes engineering services in support of design, modeling and simulation, agent monitoring, environmental support, and litigation support; National Environmental Policy Act documentation; contracting support from the U.S. Army Field Support Command and the U.S. Army Materiel Command; substitute munitions; program oversight, studies, and evaluations; and demilitarization support.

Johnston Atoll Chemical Agent Disposal System (JACADS): FY 2009 budget request includes the continuation of environmental monitoring, workmen's compensation and contract post closeout activities.

Chemical Agent Munitions Disposal System (CAMDS): This prototype facility supported the stockpile program with test and evaluation of chemical demilitarization processes including incineration and neutralization, secondary waste destruction and closure activities. The FY 2009 budget request supports ongoing closure requirements.

Chemical Demilitarization Training Facility (CDTF): This item includes funding required to continue operation of the CDTF located at Edgewood Area, Aberdeen Proving Ground, Maryland. The FY 2009 budget request includes funding the systems contract that supports labor and other non-labor items, depot support/base operations, and contracting and site support.

Tooele Chemical Agent Disposal Facility (TOCDF): The FY 2009 budget request will fund the systems contract that includes labor, waste disposal, mitigation fees, materials and supplies, equipment rental, spare parts and refractory; training; and other non-labor items. It will fund environmental support/fees and cooperative agreements; depot support/base operations; and contracting and site support.

Anniston Chemical Agent Disposal Facility (ANCDF): The FY 2009 budget request will fund the systems contract that includes labor, waste disposal, materials and supplies,

BUDGET ACTIVITY 1: Operations and Maintenance

equipment rental, spare parts and refractory; training; and other non-labor items. It will fund environmental support/fees and cooperative agreements; depot support/base operations; and contracting and site support.

Umatilla Chemical Agent Disposal Facility (UMCDF): The FY 2009 budget request will fund the systems contract that includes labor, waste disposal, materials and supplies, equipment rental, spare parts and refractory; training; and other non-labor items. It will fund environmental support/fees and cooperative agreements; depot support/base operations; and contracting and site support.

Pine Bluff Chemical Agent Disposal Facility (PBCDF): The FY 2009 budget request will fund the systems contract that includes labor, waste disposal, materials and supplies, equipment rental, spare parts and refractory; training; and other non-labor items. It will fund environmental support/fees and cooperative agreements; depot support/base operations; and contracting and site support.

Newport Chemical Agent Neutralization Facility (NECDF): The FY 2009 budget request will fund the systems contract that includes labor, waste disposal, materials and supplies, equipment rental, spare parts; training; and other non-labor items. It will fund environmental support/fees and cooperative agreements; depot support/base operations; contracting and site support; and shipment of Hydrolysate for off-site processing. Programmatic costs are under CSE Program Management.

Chemical Stockpile Emergency Preparedness Project (CSEPP) On-Post Program Management: The FY 2009 budget requests include funding for labor, awards, overtime, program support and oversight, travel, training, supplies and contractual services. The increase in the FY09 request is due to the transfer of Headquarters administrative cost requirements from the mission to program management budget requests beginning in FY09.

Chemical Stockpile Emergency Preparedness Project (CSEPP) On-Post Mission: The FY 2009 budget request includes funding for the following requirements: Emergency planner/response personnel for the seven chemical stockpile storage installations; Army administration including base operations support, travel, and transportation; on-post training and annual joint exercises; Army public education and awareness projects; technical planning support; and operations and maintenance of on-post alert and notification systems, data automation systems, communications systems, Emergency Operation Centers, Joint Information Centers, and emergency response capabilities. This budget request also provides funding for Army managed technical support for sustaining both on-post and off-post emergency response capabilities.

BUDGET ACTIVITY 1: Operations and Maintenance

Chemical Stockpile Emergency Preparedness Project (CSEPP) Off-post Mission: The FY 2009 budget request includes funding for the following requirements: Emergency planner/response personnel for DHS/FEMA, State, Tribal, and local governments; DHS/FEMA, State, Tribal, and local administration including travel and transportation; off-post training, local exercises, and annual joint exercises; DHS/FEMA, State, Tribal, and local public outreach/education projects; and operations and maintenance of off-post alert and notification systems, automation systems, communications systems, Emergency Operations Centers, Joint Information Centers, coordinated plans, medical support capabilities, and protective action capabilities including emergency response. This budget request also provides funding for DHS/FEMA-managed technical support for off-post emergency response capabilities and joint on-post/off-post exercises.

Non-Stockpile Chemical Materiel Project (NSCMP):

Program Management: The FY 2009 budget request includes labor, awards and overtime; base support; other support and contractual costs which include travel, transportation, materials and supplies, training, equipment rentals; and matrix labor support from U.S. Army Research, Development and Engineering Command.

Recovered Chemical Warfare Materiel: The FY 2009 budget request consists of Mobile Munitions Assessment System (MMAS) and Explosive Destruction System (EDS) crew sustainment and training; deployment of mobile systems in response to recoveries; and purchasing replacement equipment in support of MMAS and EDS.

Miscellaneous Chemical Warfare Materiel: The FY 2009 budget request consists of continuing empty ton container treatment operations at Pine Bluff Arsenal (PBA).

Programmatic Support Activities: The FY 2009 budget requests consist of project management activities such as: public outreach; program integration; engineering support; information management; configuration management; procurement and contract evaluation support; logistics, treaty, knowledge management and medical support; regulatory requirements; state regulatory review agencies; programmatic training; and programmatic support equipment such as multiple round containers for recovered chemical munitions.

BUDGET ACTIVITY 1: Operations and Maintenance

**OPERATION AND MAINTENANCE
CHEMICAL AGENTS AND MUNITIONS DESTRUCTION
SUMMARY OF PRICE AND PROGRAM CHANGES
Exhibit OP5**

I. Description of Operations Financed: See attached Fiscal Year 2009 President's Budget Submission Justification Book, dated January 2008, Budget Activity 1, Operation and Maintenance, Justification of Funds Required.

Narrative Description (Statement of Requirements and Mission): See attached Fiscal Year 2009 President's Budget Submission Justification Book, dated January 2008, Appropriation Justification, Part I, Purpose and Scope.

Financial Summary (O&M: \$ in Thousands):

Sub Activity Breakout:

(See Next Page)

BUDGET ACTIVITY 1: Operations and Maintenance

Funded Financial Summary (In Thousands of Dollars)			
O&M	FY 2007	FY 2008	FY 2009
	Actual	Budget	Estimate
Director, CMA (formerly PM ECW) - Program Management	14,170	14,130	14,413
Director CMA (formerly PM ECW) - Support Activities	15,364	20,373	20,781
PM CSE - Program Management	13,428	19,541	22,273
PM CSE - Support Activities	33,221	35,159	27,627
Johnston Atoll Chemical Agent Disposal System	6,965	1,500	1,500
Chemical Agent Munitions Disposal System	28,349	29,200	22,053
Chemical Demilitarization Training Facility	6,826	7,000	7,100
Tooele Chemical Agent Disposal Facility	146,724	179,340	191,777
Anniston Chemical Agent Disposal Facility	137,614	171,242	186,700
Umatilla Chemical Agent Disposal Facility	153,084	176,942	186,300
Pine Bluff Chemical Agent Disposal Facility	147,624	160,428	173,873
Aberdeen Chemical Agent Disposal Facility	3,243	1,500	0
Subtotal Chemical Stockpile Elimination	677,078	781,852	819,203
Newport Chemical Agent Disposal Facility	125,967	170,448	143,100
Cml Stockpile Emergency Preparedness Project On-Post-- Prgm Mgmt	2,640	1,645	3,097
Cml Stockpile Emergency Preparedness Project On-Post--Mission	38,276	34,728	30,314
Cml Stockpile Emergency Preparedness Project Off-Post--Mission	69,939	74,219	69,787
Subtotal Chemical Stockpile Emergency Preparedness Proj	110,855	110,592	103,198
Non-Stockpile Chemical Materiel--Program Management	4,966	6,014	5,485
Recovered Chemical Warfare Materiel (CWM)	43,002	44,911	21,883
Miscellaneous CWM	23,432	21,093	12,833
Binary CWM	150	0	0
Former Production Facility	17,529	3,211	0
Programmatic Support Activities	9,755	8,876	11,773
Mission Subtotal	93,868	78,091	46,489
Subtotal Non-Stockpile Chemical Materiel Product	98,834	84,105	51,974
Total Funded	1,042,268	1,181,500	1,152,668

BUDGET ACTIVITY 1: Operations and Maintenance

A. Reconciliation Summary:

	Change	Change
	FY 2007/2008	FY 2008/2009
Baseline Funding	1,042,269	1,181,500
Congressional Adjustments	0	N/A
Facts of Life Changes	0	0
Supplemental Request	0	0
Price Change	25,744	27,529
Functional Transfer	0	0
Program Changes	113,487	-56,361
Current Estimate	1,181,500	1,152,668

III. Financial Summary (O&M in Thousands) (Cont'd):

B. Summary of Price and Program Changes (O&M \$ in Thousands) (Cont'd):

(See Next Page)

BUDGET ACTIVITY 1: Operations and Maintenance

Funded Financial Summary				
(In Thousands of Dollars)				
	FY 2007	Price	Program	FY 2008
	Actual	Growth	Growth	Budget
O&M				
Director, CMA (formerly PM ECW) - Program Management	14,170	350	(390)	14,130
Director, CMA (formerly PM ECW) - Support Activities	15,364	379	4,630	20,373
PM CSE - Program Management	13,428	332	5,781	19,541
PM CSE - Support Activities	33,221	821	1,117	35,159
Johnston Atoll Chemical Agent Disposal System	6,965	172	(5,637)	1,500
Chemical Agent Munitions Disposal System	28,349	700	151	29,200
Chemical Demilitarization Training Facility	6,826	169	5	7,000
Tooele Chemical Agent Disposal Facility	146,724	3,624	28,992	179,340
Anniston Chemical Agent Disposal Facility	137,614	3,399	30,229	171,242
Umatilla Chemical Agent Disposal Facility	153,084	3,781	20,077	176,942
Pine Bluff Chemical Agent Disposal Facility	147,624	3,646	9,158	160,428
Aberdeen Chemical Agent Disposal Facility	3,243	80	(1,823)	1,500
Subtotal Chemical Stockpile Elimination	677,078	16,724	88,050	781,852
Newport Chemical Agent Disposal Facility	125,967	3,111	41,370	170,448
Cml Stockpile Emergency Preparedness Project On-Post-- Prgm Mgmt	2,640	65	(1,060)	1,645
Cml Stockpile Emergency Preparedness Project On-Post--Mission	38,276	945	(4,493)	34,728
Cml Stockpile Emergency Preparedness Project Off-Post--Mission	69,939	1,727	2,553	74,219
Subtotal Chemical Stockpile Emergency Preparedness Proj	110,855	2,738	(3,001)	110,592
Non-Stockpile Chemical Materiel--Program Management	4,966	123	925	6,014
Recovered Chemical Warfare Materiel (CWM)	43,002	1,062	847	44,911
Miscellaneous CWM	23,432	579	(2,918)	21,093
Binary CWM	150	4	(154)	-
Former Production Facility	17,529	433	(14,751)	3,211
Programmatic Support Activities	9,755	241	(1,120)	8,876
Mission Subtotal	93,868	2,319	(18,096)	78,091
Subtotal Non-Stockpile Chemical Materiel Product	98,834	2,441	(17,170)	84,105
		-	-	
Total Funded	1,042,268	25,744	113,489	1,181,500

BUDGET ACTIVITY 1: Operations and Maintenance

Funded Financial Summary				
(In Thousands of Dollars)				
	FY 2008	Price	Program	FY 2009
	Budget	Growth	Growth	Estimate
O&M				
Director, CMA (formerly PM ECW) - Program Management	14,130	329	(47)	14,413
Director, CMA (formerly PM ECW) - Support Activities	20,373	475	(67)	20,781
PM CSE - Program Management	19,541	455	2,277	22,273
PM CSE - Support Activities	35,159	819	(8,351)	27,627
Johnston Atoll Chemical Agent Disposal System	1,500	35	(35)	1,500
Chemical Agent Munitions Disposal System	29,200	680	(7,827)	22,053
Chemical Demilitarization Training Facility	7,000	163	(63)	7,100
Tooele Chemical Agent Disposal Facility	179,340	4,179	8,258	191,777
Anniston Chemical Agent Disposal Facility	171,242	3,990	11,468	186,700
Umatilla Chemical Agent Disposal Facility	176,942	4,123	5,235	186,300
Pine Bluff Chemical Agent Disposal Facility	160,428	3,738	9,707	173,873
Aberdeen Chemical Agent Disposal Facility	1,500	35	(1,535)	-
Subtotal Chemical Stockpile Elimination	781,852	18,217	19,134	819,203
Newport Chemical Agent Disposal Facility	170,448	3,971	(31,319)	143,100
Cml Stockpile Emergency Preparedness Project On-Post-- Prgm Mgmt	1,645	38	1,414	3,097
Cml Stockpile Emergency Preparedness Project On-Post--Mission	34,728	809	(5,223)	30,314
Cml Stockpile Emergency Preparedness Project Off-Post--Mission	74,219	1,729	(6,161)	69,787
Subtotal Chemical Stockpile Emergency Preparedness Proj	110,592	2,577	(9,971)	103,198
Non-Stockpile Chemical Materiel--Program Management	6,014	140	(669)	5,485
Recovered Chemical Warfare Materiel (CWM)	44,911	1,046	(24,074)	21,883
Miscellaneous CWM	21,093	491	(8,751)	12,833
Binary CWM	-	-	-	-
Former Production Facility	3,211	75	(3,286)	-
Programmatic Support Activities	8,876	207	2,690	11,773
Mission Subtotal	78,091	1,820	(33,422)	46,489
Subtotal Non-Stockpile Chemical Materiel Product	84,105	1,960	(34,091)	51,974
		-	-	
Total Funded	1,181,500	27,529	(56,361)	1,152,668

BUDGET ACTIVITY 1: Operations and Maintenance

D. Reconciliation of Increases and Decreases:

Appropriation: Chemical Agents and Munitions Destruction

- 1. TOTAL FY 2007 ACTUAL \$1,042,268
- 2. TOTAL FY 2008 BUDGET \$1,181,500
- 3. Price Growth from FY 2007 to FY 2008: **(rounded to 000, may not add to total)**

a. Stock Fund Fuel Rates:	N/A	
b. Other Stock Fund Rates:	N/A	
c. Industrial Fund Rates:	N/A	
d. Civilian Personnel Related Pricing Changes:	N/A	
e. Foreign Currency Fluctuation:	N/A	
f. Other Price Growth:		
(1) Director, CMA (formerly PM ECW) - Program Management		\$350
(2) Director, CMA (formerly PM ECW) - Support Activities		\$379
(3) PM CSE - Program Management		\$332
(4) PM CSE - Support Activities		\$821
(5) Johnston Atoll Chemical Agent Disposal System		\$172
(6) Chemical Agent Munitions Disposal System		\$700
(7) Chemical Demilitarization Training Facility		\$169
(8) Tooele Chemical Agent Disposal Facility		\$3,624
(9) Anniston Chemical Agent Disposal Facility		\$3,399
(10) Umatilla Chemical Agent Disposal Facility		\$3,781
(11) Pine Bluff Chemical Agent Disposal Facility		\$3,646
(12) Aberdeen Chemical Agent Disposal Facility		\$80
(13) Newport Chemical Agent Disposal Facility		\$3,111
(14) Program Management - PM CSEP On-Post		\$65
(15) Mission - PM CSEP On-Post		\$945
(16) Mission - PM CSEP Off-Post		\$1,727
(17) Program Management - PM NSCM		\$123
(18) Non-Stockpile Chemical Materiel Project-Mission		\$2,319
Total Price Growth from FY 2007 to FY 2008		\$25,744

- 4. Program Increases from FY 2007: **(rounded to 000, may not add to total)**

BUDGET ACTIVITY 1: Operations and Maintenance

Note: FY07 is not representative of CMA'S total annual operating requirement. FY07 O&M was decremented \$204M to fully utilize prior year funds. FY08 O&M reflects full funding of current year requirements.

a. Director, CMA- Support Activities (FY 2007 Base: \$15,364) Increase due to full funding of current requirements in FY 2008, funding of Closure contract.	+\$4,630
b. PM CSE - Program Management (FY 2007 Base: \$13,428) Increase represents the full execution of prior year funds in FY07 and full funding of current requirements in FY08.	+\$5,781
c. PM CSE - Support Activities (FY 2007 Base: \$33,221) Increase represents the full execution of prior year funds in FY07 and full funding of current requirements in FY08.	+\$1,117
d. Chemical Agent Munitions Disposal System (FY 2007 Base: \$28,349) Increase represents the full execution of prior year funds in FY07 and full funding of current requirements in FY08.	+\$151
e. Chemical Demilitarization Training Facility (FY 2007 Base: \$6,826)	+\$5
f. Tooele Chemical Disposal Facility (FY 2007 Base: \$146,724) Increase represents the full execution of prior year funds in FY07 and full funding of current requirements in FY08.	+\$28,992
g. Anniston Chemical Disposal Facility (FY 2007 Base: \$137,614) Increase represents the full execution of prior year funds in FY07 and full funding of current requirements in FY08.	+\$30,229
h. Umatilla Chemical Disposal Facility (FY 2007 Base: \$153,084) Increase represents the full execution of prior year funds in FY07 and full funding of current requirements in FY08.	+\$20,077

BUDGET ACTIVITY 1: Operations and Maintenance

i. Pine Bluff Chemical Disposal Facility (FY 2007 Base: \$147,624) Increase represents the full execution of prior year funds in FY07 and full funding of current requirements in FY08.	+\$9,158
j. Newport Chemical Disposal Facility (FY 2007 Base: \$125,967) Increase represents the full execution of prior year funds in FY07 and full funding of current requirements in FY08 to include shipping of hydrolysate and fee for achieving operations milestones.	+\$41,370
k. Chemical Stockpile Emergency Prep Project Off-Post Mission (FY 2007 Base: \$69,939) The project increase is due to increased requirements in the States of Indiana and Illinois and increased personnel costs.	+\$2,553
l. Non-Stockpile Program Management (FY 2007 Base:\$4,966) Increase due to filling of vacant positions.	+\$925
m. Non-Stockpile Chemical Materiel Project - RCWM (FY 2007 Base: \$23,432) Increase due to transfer in the charge of ILS support from programatics to RCWM.	+\$847
Total Program Increases	+\$145,835

5. Program Decreases from FY 2007: (rounded to 000, may not add to total)

a. Director CMA (formerly PM ECW) - Program Management (FY 2007 Base: \$14,170) Continued consolidation within CMA headquarters resulted in decreased requirements	-\$390
b. Johnston Atoll Chemical Agent Disposal Facility (FY 2007 Base: \$6,965) Decrease associated with reduced requirements for Workmen's Compensation.	-\$5,637

BUDGET ACTIVITY 1: Operations and Maintenance

c. Aberdeen Chemical Agent Disposal Facility (FY 2007 Base: \$3,244) Decrease associated with revised scope as facility is closed and supporting administrative closeout of contract.	- \$1,824
d. Chemical Stockpile Emergency Prep Project On-Post Pgm Mgmt (FY 2007 Base: \$2,640) The decrease is due to Headquarters administrative costs not being included in the FY08 budget request as it was in the FY07 actual and will be in the FY09 and future year requests.	- \$1,060
e. Chemical Stockpile Emergency Prep Project On-Post Mission (FY 2007 Base: \$38,276) The project decrease is driven by a one time reduction in the FY08 budget in anticipation of executing prior year funds and a reduction in Army technical support requirements.	- \$4,493
f. Non-Stockpile Chemical Materiel Project - Misc CWM (FY 2007 Base: \$23,432) Decrease associated with cancellation of Cut and Clean operations and switching to Thermal Treatment.	- \$2,918
g. Non-Stockpile Chemical Materiel Project - Binary CWM (FY 2007 Base: \$150) Decrease associated with the completion of the treaty declared missions by April 2007. The FY 2008 funding requirements are therefore less as compared to the prior year.	- \$154
h. Non-Stockpile Chemical Materiel Project - FPF (FY 2007 Base: \$17,529) Decrease associated with the completion of the treaty declared missions by April 2007. The FY 2008 funding requirements are therefore less as compared to the prior year.	- \$14,751
i. Non-Stockpile Chemical Materiel Project - Programmatic Support Activities (FY 2007 Base: \$11,731) Decrease due to transfer of ILS support from programmatic to RCWM.	- \$1,120
Total Program Decreases	- \$32,347

6. TOTAL FY 2009 BUDGET REQUEST

\$1,152,668

BUDGET ACTIVITY 1: Operations and Maintenance

7. Price Growth from FY 2008 to FY 2009: (rounded to 000, may not add to total)

a. Stock Fund Fuel Rates:	N/A	
b. Other Stock Fund Rates:	N/A	
c. Industrial Fund Rates:	N/A	
d. Civilian Personnel Related Pricing Changes:	N/A	
e. Foreign Currency Fluctuation:	N/A	
f. Other Price Growth:		
(1) Director, CMA (formerly PM ECW) - Program Management		\$329
(2) Director, CMA (formerly PM ECW) - Support Activities		\$475
(3) PM CSE - Program Management		\$455
(4) PM CSE - Support Activities		\$819
(5) Johnston Atoll Chemical Agent Disposal System		\$35
(6) Chemical Agent Munitions Disposal System		\$680
(7) Chemical Demilitarization Training Facility		\$163
(8) Tooele Chemical Agent Disposal Facility		\$4,179
(9) Anniston Chemical Agent Disposal Facility		\$3,990
(10) Umatilla Chemical Agent Disposal Facility		\$4,123
(11) Pine Bluff Chemical Agent Disposal Facility		\$3,738
(12) Aberdeen Chemical Agent Disposal Facility		\$35
(13) Newport Chemical Agent Disposal Facility		\$3,971
(14) Program Management - PM CSEP On-Post		\$38
(15) Mission - PM CSEP On-Post		\$809
(16) Mission - PM CSEP Off-Post		\$1,729
(17) Program Management - PM NSCM		\$140
(18) Non-Stockpile Chemical Materiel Project-Mission		\$1,820
Total Price Growth from FY 2008 to FY 2009		\$27,529

BUDGET ACTIVITY 1: Operations and Maintenance

8. Program Increases from FY 2008: (rounded to 000, may not add to total)

<p>a. PM CSE - Program Management (FY 2008 Base: \$19,541) The change is attributable to an increase in matrix and core personnel from internal realignments of personnel from the closed Aberdeen site and technical personnel previously funded at the CMA Director level. This includes travel and transportation requirements.</p>	<p style="text-align: right;">+\$2,277</p>
<p>b. Tooele Chemical Agent Disposal Facility (FY 2008 Base: \$179,340) Increase due to negotiated closure and Mustard Heel Transfer System costs with system contractor and SETH requirements transferred from headquarters to sites for execution.</p>	<p style="text-align: right;">+8,258</p>
<p>c. Anniston Chemical Disposal Facility (FY 2008 Base: \$171,242) Increases associated with System Contractor achieving authorized staffing level, utility rate increase, increase in waste disposal costs, implementation of Stay and Perform incentives and SETH requirements transferred from headquarters to sites for execution.</p>	<p style="text-align: right;">+\$11,468</p>
<p>d. Umatilla Chemical Agent Disposal Facility FY 2008 Base: \$176,942) Increases associated with utility rate increase, increase in waste disposal costs, implementation of Stay and Perform incentives and SETH requirements transferred from headquarters to sites for execution.</p>	<p style="text-align: right;">+5,235</p>
<p>e. Pine Bluff Chemical Disposal Facility (FY 2008 Base: \$160,428) Increases associated with System Contractor achieving authorized staffing level, utility rate increase, increase in waste disposal costs, implementation of Stay and Perform incentives and SETH requirements transferred from headquarters to sites for execution.</p>	<p style="text-align: right;">+\$9,707</p>
<p>f. Chemical Stockpile Emergency Prep Project On-Pgm Management (FY 2008 Base: \$1,645) Increase due to transfer of Headquarters administrative cost requirements from the Mission to the Program Management budget request beginning in FY09.</p>	<p style="text-align: right;">+\$1,414</p>

BUDGET ACTIVITY 1: Operations and Maintenance

e. Non-Stockpile Programmatic Support Activities (FY 2008 Base: \$8,876) During CWE process, ILS support estimated in programmatic. Should be appropriately charged to RCWM.	+\$2,690
Total Program Increases	+\$41,049

9. Program Decreases from FY 2008: (rounded to 000, may not add to total)

a. Director, CMA (formerly PM ECW) - Program Management (FY 2008 Base: \$14,130)	-\$47
b. Director, CMA (formerly PM ECW) - Support Activities (FY 2008 Base: \$20,373)	-\$67
c. PM CSE - Support Activities (FY 2008 Base: \$35,159) Reduction in the requirements for special studies associated with Risk Mitigation and Realignment of SETH Support to sites.	-\$8,351
d. Johnston Atoll Chemical Agent Disposal Facility (FY 2008 Base: \$1,500) Decrease associated with completion of EPA RCRA permit.	-\$35
e. Chemical Agent Munitions Disposal Facility (FY 2008 Base: \$29,200) Decreases associated with revised scope as facility is progressing through Closure activities.	-\$7,827
f. Chemical Demilitarization Training Facility (FY 2008 Base: \$7,000) Decreases associated with reduced requirements for training due to Closure of ABCDF.	-\$63
g. Aberdeen Chemical Disposal Facility (FY 2008 Base: \$1,500) Decreases associated with revised scope as facility is closed and supporting administrative closeout of contract.	-\$1,535
h. Newport Chemical Agent Disposal Facility (FY 2008 Base: \$170,448) Decrease due to payment of incentive fees in FY08 and reduced shipment of Hydrolysate.	-\$31,319

BUDGET ACTIVITY 1: Operations and Maintenance

<p>i. Chemical Stockpile Emergency Prep Project On-Post Mission (FY 2008 Base: \$34,728) Decrease due to transfer of Headquarters administrative cost requirements from the Mission to the Program Management budget request beginning in FY09, a reduction in installations' base operations costs, and a reduction of installation requirements in anticipation of reduced CSEPP operations.</p>	<p align="right">-\$5,223</p>
<p>j. Chemical Stockpile Emergency Prep Project Off-Post Mission (FY 2008 Base: \$74,219) The project decrease is due to a reduction in FEMA technical support requirements and a reduction of requirements in anticipation of reduced CSEPP operations.</p>	<p align="right">-\$6,161</p>
<p>k. Non-Stockpile Chemical Materiel Program Management (FY 2008 Base: \$6,014) Decrease associated with the NSCMP transition to emergency response mode after major mission areas have been completed.</p>	<p align="right">-\$669</p>
<p>l. Non-Stockpile Chemical Materiel Project - RCWM (FY 2008 Base: \$44,911) Decrease associated with the completion of the RCWM missions at Pine Bluff Arsenal in FY 2008. The FY 2009 funding requirements are therefore less as compared to the prior year.</p>	<p align="right">-\$24,074</p>
<p>m. Non-Stockpile Chemical Materiel Project - Misc CWM (FY 2008 Base: \$21,093) Decrease associated with cancellation of Cut and Clean operations and switching to Thermal Treatment.</p>	<p align="right">-\$8,751</p>
<p>n. Non-Stockpile Chemical Materiel Project - FPF (FY 2008 Base: \$3,211) Decrease associated with the completion of FPF NECD. There are no FY 2009 funding requirements as compared to the prior year.</p>	<p align="right">-\$3,286</p>
<p>Total Program Decreases</p>	<p align="right">-\$97,410</p>

E. Performance Criteria and Evaluation Summary: Workload data not applicable.

F. Personnel Summary

BUDGET ACTIVITY 1: Operations and Maintenance

V. Personnel Summary A. Sub Activity	Budget Request	FY 2007		FY 2008 Estimate	FY 2009 Estimate
		Appn	Actual		
1. Dir, CMA (PM ECW)	6,864	6,864	6,864	7,166	7,481
2. PM CSE	8,603	8,603	8,603	8,982	9,377
3. PM CSEPP	136	136	136	142	148
4. PM NSCMP	2,696	2,696	2,696	2,815	2,938
Total	18,299	18,299	18,299	19,104	19,945

B. Reconciliation Summary:				
	Change		Change	
	FY 2007/FY 2008		FY 2008/FY 2009	
Baseline Funding		17,866		18,652
Congressional Adjustments		N/A		N/A
Supplemental Request		-0-		-0-
Price Change		441		435
Functional Transfer		-0-		-0-
Program Changes		345		386
Current Estimate		18,652		19,473

C. Summary of Price and Program Growth Changes:								
	Change FY 2007/FY 2008				Change FY 2008/FY 2009			
	2007	Price	Program	2008	Price	Program	2009	
	Budget	Growth	Growth	Estimate	Growth	Growth	Estimate	
PM ECW	5,039	124	97	5,261	123	109	5,492	
PM CSE	10,231	253	197	10,681	249	221	11,151	
PM CSEPP	153	4	3	159	4	3	166	
PM NSCM	2,443	60	47	2,551	59	53	2,663	
Total	17,866	441	345	18,652	435	386	19,473	

BUDGET ACTIVITY 1: Operations and Maintenance

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2006/ FY 2007	Change FY 2007/ FY 2008	Change FY 2008/ FY 2009
Active Military End Strength (Total)	7	6	0	0	(1)	-6	0
Officer	7	6	0	0	(1)	-6	0
Civilian End Strength (Total)	117	117	117	117	0	0	0
U.S. Direct Hire	117	117	117	117	0	0	0
Foreign National Direct Hire	0	0	0	0	0	0	0
Total Direct Hire	117	117	117	117	0	0	0
Military Workyears (Total)	7	6	0	0	(1)	-6	0
Officer	7	6	0	0	(1)	-6	0
Civilian Workyears (Total)	117	117	117	117	0	0	0
U.S. Direct Hire	117	117	117	117	0	0	0
Foreign National Direct Hire	0	0	0	0	0	0	0
Total Direct Hire	117	117	117	117	0	0	0
	FY 2008	FY 2009					
O&M (\$ Thousands)	18,612	19,431					
Military End Strength	0	0					
Civilian End Strength	117	117					

BUDGET ACTIVITY 1: Operations and Maintenance

OPERATION AND MAINTENANCE
 CHEMICAL AGENTS AND MUNITIONS DESTRUCTION
 SUMMARY OF PRICE AND PROGRAM CHANGES
 EXHIBIT OP-32
 FY 2007 (\$'S IN THOUSANDS)

		FY2007	PRICE	GROWTH	PROGRA	FY2008
		Actual	PERCENT	AMOUNT	M	Budget
			T	T	GROWTH	
CIV PERS COMPENSATION						
101	EXEC. GEN & SPEC SCHED	17,828	2.47%	440	344	18,612
103	WAGE BOARD	0	2.47%	0	0	0
199	TOTAL CIV PERS COMPENSATION	17,828	2.47%	440	344	18,612
TRAVEL						
308	TRAVEL OF PERSONS	917	2.47%	23	514	1,454
399	TOTAL TRAVEL	917	2.47%	23	514	1,454
DEF BUS OPNS SUPP & MAT'L PURCHASES						
411	ARMY MANAGED SUPP & MAT'L	48,369	2.47%	1,195	4,315	53,879
499	TOTAL STOCK FUND SUPP & MAT'L	48,369	2.47%	1,195	4,315	53,879
DEF BUS OPNS EQUIPMENT PURCHASES						
502	ARMY STOCK FUND EQUIPMENT	0	2.47%	0	0	0
507	GSA MANAGED EQUIPMENT	0	2.47%	0	0	0
599	TOTAL STOCK FUND EQUIPMENT PURCHASE	0	2.47%	0	0	0
OTHER PURCHASES						
602	ARMY DEP MAINT	0	2.47%	0	0	0
603	ARMY DEP OTHER	0	2.47%	0	0	0
615	DATA AUTO	0	2.47%	0	0	0
633	PRINT/PUBL	0	2.47%	0	0	0
634	BASE SPT UTIL	26,748	2.47%	661	91	27,500
635	PUBLIC WORKS	0	2.47%	0	0	0
671	COMM SVC	0	2.47%	0	0	0
673	FIN OPER	0	2.47%	0	0	0
679	COST REIMBURSABLE PURCHASES	2	2.47%	0	1	3
699	TOTAL PURCHASES	26,750	2.47%	661	92	27,503

BUDGET ACTIVITY 1: Operations and Maintenance

TRANSPORTATION

771	COMMERCIAL TRANSP	44	2.47%	1	(0)	45
799	TOTAL TRANSPORTATION	44	2.47%	1	(0)	45
OTHER PURCHASES						
914	PURCHASE COMMUNICATION	52	2.47%	1	(2)	52
915	RENTS (NON-GSA)	0	2.47%	0	0	0
920	SUPP & MAT'L (NON-FUND)	305	2.47%	8	2	315
921	PRINTING AND REPRODUCTION	22	2.47%	1	2	25
922	EQUIPMENT MAINTENANCE BY CONTRACT	289	2.47%	7	2	298
923	FACILITY MAINT BY CONTRACT	0	2.47%	0	0	0
925	EQUIPMENT (NON-FUND)	8,805	2.47%	217	(22)	9,000
932	MGT & PROFESSIONAL SUPPORT SVCS	84,597	2.47%	2,090	(12,888)	73,798
933	STUDIES, ANALYSIS & EVALUATIONS	10,968	2.47%	271	761	12,000
934	ENGINEERING & TECHNICAL SERVICES	0	2.47%	0	3,300	3,300
987	OTHER INTRA-GOVERNMENT PURCHASES	213,305	2.47%	5,269	(51,843)	166,731
988	GRANTS - ENVIRONMENTAL FEES TO STATES	3,885	2.47%	96	(31)	3,950
989	OTHER CONTRACTS	624,456	2.47%	15,424	168,957	808,837
998	OTHER COSTS	1,675	2.47%	41	(16)	1,700
						1,080,00
999	TOTAL OTHER PURCHASES	948,359	2.47%	23,424	108,223	6
		1,042,26				1,181,50
9999	TOTAL	7		25,744	113,489	0

NOTE: May not add due to rounding.

BUDGET ACTIVITY 1: Operations and Maintenance

OPERATION AND MAINTENANCE
 CHEMICAL AGENTS AND MUNITIONS DESTRUCTION
 SUMMARY OF PRICE AND PROGRAM CHANGES
 EXHIBIT OP-32
 FY 2008 (\$'S IN THOUSANDS)

		FY2008	PRICE GROWTH	PROGRA	FY2009
		ESTIMATE	PERCENT	M	ESTIMATE
			T	GROWTH	
				T	
CIV PERS COMPENSATION					
101	EXEC. GEN & SPEC SCHED	18,612	2.33%	434	19,431
103	WAGE BOARD	0	2.33%	0	0
199	TOTAL CIV PERS COMPENSATION	18,612	2.33%	434	19,431
TRAVEL					
308	TRAVEL OF PERSONS	1,454	2.33%	34	1,486
399	TOTAL TRAVEL	1,454	2.33%	34	1,486
DEF BUS OPNS SUPP & MAT'L PURCHASES					
411	ARMY MANAGED SUPP & MAT'L	53,879	2.33%	1,255	55,118
499	TOTAL STOCK FUND SUPP & MAT'L	53,879	2.33%	1,255	55,118
DEF BUS OPNS EQUIPMENT PURCHASES					
502	ARMY STOCK FUND EQUIPMENT	0	2.33%	0	0
507	GSA MANAGED EQUIPMENT	0	2.33%	0	0
599	TOTAL STOCK FUND EQUIPMENT PURCHASE	0	2.33%	0	0
OTHER PURCHASES					
602	ARMY DEP MAINT	0	2.33%	0	0
603	ARMY DEP OTHER	0	2.33%	0	0
615	DATA AUTO	0	2.33%	0	0
633	PRINT/PUBL	0	2.33%	0	28
634	BASE SPT UTIL	27,500	2.33%	641	27,826
635	PUBLIC WORKS	0	2.33%	0	0
671	COMM SVC	0	2.33%	0	239
673	FIN OPER	0	2.33%	0	0
679	COST REIMBURSABLE PURCHASES	3	2.33%	0	4
699	TOTAL PURCHASES	27,503	2.33%	641	28,097

BUDGET ACTIVITY 1: Operations and Maintenance

TRANSPORTATION

771	COMMERCIAL TRANSP	45	2.33%	1	1	47
799	TOTAL TRANSPORTATION	45	2.33%	1	1	47

OTHER PURCHASES

914	PURCHASE COMMUNICATION	52	2.33%	1	(0)	53
915	RENTS (NON-GSA)	0	2.33%	0	0	0
920	SUPP & MAT'L (NON-FUND)	315	2.33%	7	(220)	102
921	PRINTING AND REPRODUCTION	25	2.33%	1	(4)	22
922	EQUIPMENT MAINTENANCE BY CONTRACT	298	2.33%	7	(10)	295
923	FACILITY MAINT BY CONTRACT	0	2.33%	0	0	0
925	EQUIPMENT (NON-FUND)	9,000	2.33%	210	(8,991)	219
932	MGT & PROFESSIONAL SUPPORT SVCS	73,798	2.33%	1,720	(7,958)	67,560
933	STUDIES, ANALYSIS & EVALUATIONS	12,000	2.33%	280	(280)	12,000
934	ENGINEERING & TECHNICAL SERVICES	3,300	2.33%	77	623	4,000
987	OTHER INTRA-GOVERNMENT PURCHASES	166,731	2.33%	3,885	(33,781)	136,835
988	GRANTS - ENVIRONMENTAL FEES TO STATES	3,950	2.33%	92	(142)	3,900
989	OTHER CONTRACTS	808,837	2.33%	18,846	(4,193)	823,490
998	OTHER COSTS	1,700	2.33%	40	(1,727)	13
999	TOTAL OTHER PURCHASES	1,080,006	2.33%	25,164	(56,682)	1,048,489
9999	TOTAL	1,181,500		27,529	(56,360)	1,152,668

NOTE: May not add due to rounding.

BUDGET ACTIVITY 2: Research and Development

(In Thousands of Dollars)	
FY 2009 Estimate	\$268,881
FY 2008 Budget	\$312,800
FY 2007 Actual	\$230,126

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 the non-stockpile chemical materiel.

Justification of Funds Required

Funds are required for the Non-Stockpile Chemical Materiel Project (NSCMP) in FY 2009 to continue research and development efforts for assessment technologies, process chemistry development, and improved technologies for disposing of neutralized waste. Funds are also required for environmental monitoring support to perform studies, provide technical assistance for compliance with Army regulations, and modernize equipment for future needs. Also, funds are required for the Assembled Chemical Weapons Alternatives (ACWA) program in FY 2009 to continue construction activities, continue acquisition and demonstration testing of first-of-a-kind and long-lead equipment, and for Pueblo, to begin systemization planning.

BUDGET ACTIVITY 2: Research and Development

Funded Financial Summary			
(In Thousands of Dollars)			
R&D	FY 2007	FY 2008	FY 2009
	Actual	Budget	Estimate
Non-Stockpile Chemical Materiel--Program Management	0	0	0
Recovered Chemical Warfare Materiel (CWM)	1,542	0	0
Miscellaneous CWM	0	0	0
Binary CWM	0	0	0
Former Production Facility	0	0	0
Programmatic Support Activities	10,420	9,900	5,662
Mission Subtotal	11,962	9,900	5,662
Subtotal Non-Stockpile Chemical Materiel Product	11,962	9,900	5,662
Assembled Cml Weapons Alternative Program			
Program Management	19,128	15,938	18,007
Pueblo, CO	98,424	142,410	108,994
Blue Grass, KY	100,612	144,552	136,218
Subtotal Assembled Cml Weapons Alternative	218,164	302,900	263,219
Total Funded	230,126	312,800	268,881

B. DESCRIPTION OF ELEMENT:

Non-Stockpile Chemical Materiel Project:

This budget activity includes costs for development of improved technologies for disposing of neutralized waste; secondary waste treatment partnering with industry; research efforts on multi-agent chemical air monitoring and decontamination methods; and Explosive Destruction System (EDS) chemistry studies.

BUDGET ACTIVITY 2: Research and Development

Assembled Chemical Weapons Alternatives Program:

This budget activity includes all costs related to design, equipment, testing, and costs for operation and closure of two full-scale pilot facilities, the Pueblo Chemical Agent-Destruction Pilot Plant and the Blue Grass Chemical Agent-Destruction Pilot Plant. The budget activity also provides for the preparation of the necessary environmental documentation to support construction and operation of the two pilot facilities, as well as, public outreach, technical risk reduction initiatives, and other program management activities. Costs for design and construction of facilities are included in the Chemical Demilitarization Construction, Defense account.

C. PROGRAM ACCOMPLISHMENTS AND PLANS:

FY 2009 Program:

Non-Stockpile Chemical Materiel Project:

Program-Wide: FY 2009 funds are required for research and development studies and program support. These include efforts to identify and develop alternative technologies for the treatment of non-stockpile chemical warfare materiel; continue efforts pertaining to decontamination research and air monitoring studies; continue partnership with industry for destruction of secondary waste; and provide funding for Army Materiel Systems Analysis Activity (AMSAA) system test and evaluation support.

Assembled Chemical Weapons Alternatives Program:

Program Management: Funds are required for ACWA Program Office salaries, supplies, equipment, travel, training, mission, and administrative support from contractors and other Government agencies.

Pueblo Chemical Agent-Destruction Pilot Plant (PCAPP): Funds are required to continue the acquisition, fabrication, and testing of first-of-a-kind (FOAK) and long-lead equipment. Funds are also required for systems contract construction management and project services during the construction and equipment acquisition/testing phase and for site support, contract management, and project support services from support contractors and other government agencies. Funds are also required to initiate systemization planning.

Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP): Funds are required for continuation of the acquisition, fabrication, and testing of FOAK and long-lead equipment. Funds are also required for systems contract construction management and project services

BUDGET ACTIVITY 2: Research and Development

during the construction and equipment acquisition/testing phase and for site support, contract management, and project support services from support contractors and other government agencies.

D. WORK PERFORMED BY:

The Project Manager for Non-Stockpile Chemical Materiel is located at Aberdeen Proving Ground, Maryland, and is the government's technical organization involved with the destruction of the non-stockpile chemical materiel. Primary contractors or government agencies executing non-stockpile projects are: Science Applications International Corporation, Abingdon, MD; Tennessee Valley Authority, Muscle Shoals, AL; Teledyne Brown Engineering, Huntsville, AL; Sandia National Laboratory, Albuquerque, NM; Idaho National Laboratory, Boise, ID; Shaw Environmental, Inc., Boston, MA; and others.

The Program Manager for Assembled Chemical Weapons Alternatives is located at Aberdeen Proving Ground, Maryland, and is the government's technical organization involved with the implementation of alternatives to the baseline incineration process for the demilitarization of chemical munitions. A contract to design, build, test, and operate a pilot facility based on neutralization followed by bio-treatment at Pueblo Chemical Depot, Colorado was awarded to the Bechtel Pueblo Team in 2002. A contract to design, build, test, and operate a pilot facility based on neutralization followed by supercritical water oxidation at Blue Grass Army Depot, Kentucky was awarded to the Bechtel Parsons Blue Grass Team in 2003. Other major contractors or government agencies supporting the ACWA program include: Science Applications International Corporation, Abingdon, MD and Newton, MA; US Army Corps of Engineers, Huntsville, AL; Pueblo Chemical Depot, CO; Blue Grass Army Depot, KY; and Blue Grass Chemical Activity, KY.

E. RELATED ACTIVITIES:

No unnecessary duplication of effort will occur within the Department of Defense (DoD) or the Army. Large-scale destruction of toxic chemical agents and munitions is solely the responsibility of DoD. The U.S. Army is the Executive Agent for the Chemical Demilitarization Program, except for the Pueblo Chemical Depot, CO and Blue Grass Army Depot, KY projects that are managed directly by the Office of the Secretary of Defense.

BUDGET ACTIVITY 2: Research and Development

F. OTHER APPROPRIATION FUNDS:

Non-Stockpile Chemical Materiel Project:

Operation and Maintenance FY 2009 funds in the Chemical Agents and Munitions Destruction appropriation funds will be used to operate additional treatment systems once fielded.

Procurement funds in the Chemical Agents and Munitions Destruction appropriation funds are required in FY 2009 for Recovered Chemical Warfare Materiel replacement equipment.

Assembled Chemical Weapons Alternatives Program:

Military construction funds requested and appropriated under the Chemical Demilitarization Construction, Defense-Wide account resource facility design and construction of destruction facilities for Pueblo Chemical Depot, CO and Blue Grass Army Depot, KY.

BUDGET ACTIVITY 2: Research and Development

**Research, Development, Testing, and Evaluation
 FY 2008/FY 2010 Budget Estimates
 Summary of Budget Estimates
 (Dollars in Thousands)**

Appropriation <u>Account Title</u>	Direct Budget Plan (TOA)				Budget Authority			
	<u>FY 2007 Actual</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Estimate</u>	<u>FY 2010 Estimate</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Estimate</u>	<u>FY 2010 Estimate</u>
Chemical Agents & Munitions Destruction								
Budget Activity 2: Research and Development Non-Stockpile Chemical Materiel	11,962	9,900	5,662	7,695	11,962	9,900	5,662	7,695

BUDGET ACTIVITY 2: Research and Development

Exhibit R-1, RDT&E Program

Department of Defense, Chemical Agents & Munitions Destruction

Appropriation: Chemical Agents & Munitions Destruction

<u>R-1 Line Item No</u>	<u>Program Element</u>		<u>Budget Activity</u>	<u>TOA, \$ in Millions</u>			
	<u>Number</u>	<u>Item</u>		<u>FY 2007 Cost</u>	<u>FY 2008 Cost</u>	<u>FY 2009 Cost</u>	<u>FY 2010 Cost</u>
	278081.01	NSCMP	R&D	11.962	9.900	5.662	7.695
	278083.06	ACWA - Assembled Chemical Weapons Alternatives	R&D	218.164	302.900	263.219	200.138
TOTAL - DIRECT				230.126	312.800	268.881	207.833

BUDGET ACTIVITY 2: Research and Development

DATE February 2008								
R-1 ITEM NOMENCLATURE PE # 278081.01								
COST (\$ in millions)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Total Cost
Non-Stockpile Chemical Materiel Project	12.0	9.9	5.7	7.7	8.0	0	0	57.9

A. Mission Description and Budget Item Justification

Funds are required for the Non-Stockpile Chemical Materiel Project (NSCMP) in FY 2009 to: 1) continue researching technologies for disposing of neutralized waste, 2) monitoring support to perform studies, and 3) decontamination methods research. This budget activity includes costs for development of improved technologies for disposing of neutralized waste; secondary waste treatment partnering with industry; research efforts on multi-agent chemical air monitoring and decontamination methods; and Explosive Destruction System (EDS) chemistry studies.

B. Program Change Summary	FY 2007	FY 2008	FY 2009	Total Cost
Congressional Reduction	0	-.1	0	-.1

C. Other Program Funding Summary Cost:

Funded RDTE&E Reimbursable Authority will be requested to assist customers soliciting Non-Stockpile’s Chemical Materiel Project’s expertise.

D. Acquisition Strategy:

The Non-Stockpile Chemical Materiel Project (NSCMP) Manager contracts with the Shaw Environmental Corporation, Incorporated and the Edgewood Chemical and Biological Center (ECBC) to research alternative technologies for disposing of neutralized waste, decontamination methods, and air monitoring.

BUDGET ACTIVITY 2: Research and Development

DATE February 2008								
R-1 ITEM NOMENCLATURE								
PE # 278083.06								
COST (\$ in millions)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	Total Cost
ACWA- Assembled Chemical Weapons Alternatives	218.2	302.9	263.2	200.1	190.2	261.5	304.4	7071*
* Includes costs prior to FY 2007 and costs to complete beyond FY 2013.								

A. Mission Description and Budget Item Justification

Funds are required for the Assembled Chemical Weapons Alternatives (ACWA) Program in FY 2009 for: 1) Program Management (ACWA Program Office salaries, supplies, equipment, travel, training, mission, and administrative support from contractors and other Government agencies); 2) Pueblo Chemical Agent-Destruction Pilot Plant (PCAPP) to continue the acquisition, fabrication, and testing of first-of-a-kind (FOAK) and long-lead equipment and for systems contract construction management and project services during the construction and equipment acquisition/testing phase and for site support, contract management, and project support services from support contractors and other government agencies. Funds are also required to initiate systemization planning; and 3) Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP) for continuation of the acquisition, fabrication, and testing of FOAK and long-lead equipment and for systems contract construction management and project services during the construction and equipment acquisition/testing phase and for site support, contract management, and project support services from support contractors and other government agencies.

B. Program Change Summary	FY 2007	FY 2008	FY 2009	Total Cost
Congressional Program Increase	0	92	82	174
DoD Adjustments	0	0	-23	-23

BUDGET ACTIVITY 2: Research and Development

C. Other Program Funding Summary Cost:

None.

D. Acquisition Strategy:

The Program Manager for Assembled Chemical Weapons Alternatives is located at Aberdeen Proving Ground, Maryland, and is the government's technical organization involved with the implementation of alternatives to the baseline incineration process for the demilitarization of chemical munitions. A contract to design, build, test, and operate a pilot facility based on neutralization followed by bio-treatment at Pueblo Chemical Depot, Colorado was awarded to the Bechtel Pueblo Team in 2002. A contract to design, build, test, and operate a pilot facility based on neutralization followed by supercritical water oxidation at Blue Grass Army Depot, Kentucky was awarded to the Bechtel Parsons Blue Grass Team in 2003. Other major contractors or government agencies supporting the ACWA program include: Science Applications International Corporation, Abingdon, MD and Newton, MA; US Army Corps of Engineers, Huntsville, AL; Pueblo Chemical Depot, CO; Blue Grass Army Depot, KY; and Blue Grass Chemical Activity, KY.

BUDGET ACTIVITY 3: PROCUREMENT

(In Thousands of Dollars)	
FY 2009 Estimate	\$64,085
FY 2008 Budget	\$18,424
FY 2007 Actuals	\$0

Purpose and Scope

This budget activity provides for the procurement of all process and support equipment used in the incineration disposal facilities for destroying the unitary chemical stockpile and the Chemical Stockpile Emergency Preparedness Project equipment. It includes costs for design acquisition, fabrication, and installation of equipment. Also included are costs for initial spare parts, freight, software, maintenance, and operations manuals relating to specific equipment and design changes during construction and installation.

Justification of Funds

Funds requested in FY 2009 are necessary to maintain current operations. The FY 2009 budget request provides for design engineering and technical services; equipment procurement and installation in preparation for closure at Tooele Chemical Agent Disposal Facility, Pine Bluff Chemical Agent Disposal Facility, Anniston Chemical Agent Disposal Facility, and Umatilla Chemical Agent Disposal Facility; acquisition of Chemical Stockpile Emergency Preparedness Project equipment and protective actions projects; and acquisition of additional systems and replacement parts for Non-Stockpile Chemical Materiel Project (NSCMP) systems.

BUDGET ACTIVITY 3: PROCUREMENT

Funded Financial Summary			
(In Thousands of Dollars)			
PROC	FY 2007	FY 2008	FY 2009
	Actual	Budget	Estimate
PM CSE - Support Activities			9,022
Tooele Chemical Agent Disposal Facility		4,398	7,122
Anniston Chemical Agent Disposal Facility			7,155
Umatilla Chemical Agent Disposal Facility			7,062
Pine Bluff Chemical Agent Disposal Facility			6,725
Subtotal Chemical Stockpile Elimination		4,398	37,086
Cml Stockpile Emergency Preparedness Project On-Post-- Prgm Mgmt			
Cml Stockpile Emergency Preparedness Project On-Post--Mission			
Cml Stockpile Emergency Preparedness Project Off-Post--Mission		14,026	26,428
Subtotal Chemical Stockpile Emergency Preparedness Proj		14,026	26,428
Non-Stockpile Chemical Materiel--Program Management			
Recovered Chemical Warfare Materiel (CWM)			571
Mission Subtotal			571
Subtotal Non-Stockpile Chemical Materiel Product			571
Total Funded		18,424	64,085

Project Manager for Chemical Stockpile Elimination (PM CSE) Support Activities: FY 2009 funds are required to purchase equipment for the Disposal of Lewisite and GA Ton Containers at Deseret Chemical Depot. Refer to Exhibit P-5A (Procurement History and Planning) for further delineation/description of requirements.

Tooele Chemical Agent Disposal Facility (TOCDF): FY 2009 funds are required to purchase long lead equipment necessary to support closure. Refer to Exhibit P-5A (Procurement History and Planning) for further delineation/description of requirements.

BUDGET ACTIVITY 3: PROCUREMENT

Anniston Chemical Agent Disposal Facility (ANCDF): FY 2009 funds are required to procure long lead equipment necessary to support closure. Refer to Exhibit P-5A (Procurement History and Planning) for further delineation/description of requirements.

Umatilla Chemical Agent Disposal Facility (UMCDF): FY 2009 funds are required to purchase long lead equipment necessary to support closure. Refer to Exhibit P-5A (Procurement History and Planning) for further delineation/description of requirements.

Pine Bluff Chemical Agent Disposal Facility (PBCDF): FY 2009 funds are required to purchase long lead equipment necessary to support closure. Refer to Exhibit P-5A (Procurement History and Planning) for further delineation/description of requirements.

Chemical Stockpile Emergency Preparedness Project (CSEPP) Off-Post: In FY 2009, funds will provide for the replacement of obsolete/non-supportable emergency response equipment. Equipment replacement includes equipment for alert and notification systems, data automation systems, communications systems and medical support.

Non-Stockpile Chemical Materiel Project (NSCMP)

Recovered Chemical Warfare Materiel: FY 2009, funds are required to purchase a replacement vessel for the EDS. Refer to Exhibit P-5A (Procurement History and Planning) for further delineation/description of requirements.

BUDGET ACTIVITY 3: PROCUREMENT

UNCLASSIFIED							
REPORTS CONTROL SYMBOL DD-COMP(AR) 1092						DATE	21/2008
APPROPRIATION /BUDGET ACTIVITY Procurement/Budget Activity 3			P-1 ITEM NOMENCLATURE: Chemical Demilitarization Process Equipment				
		FY06 & PRIOR	FY07	FY08	FY09	FY10	FY11
QUANTITY							
COST (IN MILLIONS)		2,415.8	0.0	18.4	64.1	48.1	42.0
<p>DESCRIPTION:</p> <p>This budget activity provides for the design, fabrication, purchase and installation of all process and support equipment used in the incineration disposal facilities for destroying the unitary chemical agent stockpile. This budget activity also provides for the purchase of equipment and services to support the Chemical Stockpile Emergency Preparedness Project and the Non-Stockpile Chemical Materiel Product.</p> <p>JUSTIFICATION:</p> <p>The FY 2009 budget request procures the following requirements: LITANS equipment for the destruction of Lewisite and GA Ton Containers at DCD and long lead procurement of Closure equipment at PM CSE incineration facilities. FY 2009 also provides for the replacement of obsolete/non-supportable emergency response equipment and provides for additional protective actions projects for the Chemical Emergency Preparedness Project. Equipment replacement includes equipment for emergency operations centers, medical support, protective actions support, alert and notification systems, data automation systems and communications systems. FY09 also provides for replacement parts for Non-Stockpile Chemical Materiel Project (NSCMP) systems.</p>							
DD Form 2454, Jul 88			P-1 SHOPPING LIST		UNCLASSIFIED		Page 1 of 1 Pages
ITEM NO							EXHIBIT P-40

BUDGET ACTIVITY 3: PROCUREMENT

REPORTS CONTROL SYMBOL DD-COMP(AR) 1092						WEAPON SYSTEM COST ANALYSIS EXHIBIT		DATE	February-08	
APPROPRIATION /BUDGET ACTIVITY						P-1 ITEM NOMENCLATURE				
Procurement/Budget Activity 3						Chemical Demilitarization Equipment				
MANUFACTURER NAME PLANT CITY/STATE LOCATION SEE P5A						WEAPON MODEL/SERIES/POPULAR NAME Chemical Demilitarization Equipment				
Weapon System Cost Elements		IDENT CODE	FY07 UNIT COST	FY07 TOTAL COST	FY08 UNIT COST	FY08 TOTAL COST	FY09 UNIT COST	FY09 TOTAL COST		
1. Engineering Services		N/A						9,022		
2. Johnston Atoll Cml Agent Disposal System		N/A								
3. Chemical Agents and Munitions Disposal Facility		N/A								
4. Tooele Chemical Agent Disposal Facility		N/A				4,398		7,122		
5. Anniston Chemical Agent Disposal Facility		N/A						7,155		
6. Umatilla Chemical Agent Disposal Facility		N/A						7,062		
7. Pine Bluff Chemical Agent Disposal Facility		N/A						6,725		
Sub/Total Chemical Stockpile Disposal				0		4,398		37,086		
8. Chemical Stockpile Emergency Preparedness Project On-Post		N/A								
9. Chemical Stockpile Emergency Preparedness Project Off-Post		N/A				14,026		26,428		
10. Non-Stockpile Chemical Materiel Product		N/A					571	571		
TOTAL				0		18,424		64,085		
ITEM NO						UNCLASSIFIED			Page of 1 Pages 1 EXHIBIT P-5	

BUDGET ACTIVITY 3: PROCUREMENT

UNCLASSIFIED										
REPORTS CONTROL SYMBOL DD-COMP(AR) 1092						BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT			DATE February-08	
APPROPRIATION /BUDGET ACTIVITY Procurement/Budget Activity 3					P-1 ITEM NOMENCLATURE Chemical Demilitarization Equipment					
COST ELEMENT/ FISCAL YEAR	CONTRACTOR AND LOCATION	CONTRACT METHOD & TYPE	CONTRACTED BY	AWARD DATE	DATE OF FIRST DELIVERY	QUANTITY	UNIT COST	SPECS AVAILABLE NOW	SPEC REV REQ'D	IF YES, WHEN AVAILABLE
<u>PM CSE Support Activities</u>										
FY 2007 FY 2008 FY 2009				Mar 09	N/A	N/A	9,022			
<u>Total</u>										
FY 2007 FY 2008 FY 2009				Mar 09			0 0 9,022			
REMARKS										
1) FY09 funding to purchase equipment for disposal of Lewisite and GA Ton Containers at Deseret Chemical Depot										
P-1 SHOPPING LIST						UNCLASSIFIED		Page 1 of 1 Pages		
ITEM NO								EXHIBIT P-5A		

BUDGET ACTIVITY 3: PROCUREMENT

UNCLASSIFIED										
REPORTS CONTROL SYMBOL							DATE		February-08	
DD-COMP(AR) 1092							BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT			
APPROPRIATION / BUDGET ACTIVITY				P-1 ITEM NOMENCLATURE						
Procurement/Budget Activity 3				Chemical Demilitarization Equipment						
COST ELEMENT/ FISCAL YEAR	CONTRACTOR AND LOCATION	CONTRACT METHOD & TYPE	CONTRACTED BY	AWARD DATE	DATE OF FIRST DELIVERY	QUANTITY	UNIT COST	SPECS AVAILABLE NOW	SPEC REV REQ'D	IF YES, WHEN AVAILABLE
<u>Tooele Chemical Agent Disposal Facility Equipment and Operations Contract 1)</u>										
	EG&G Inc.	CPAF	USASC		N/A	N/A				
FY 2007										
FY 2008				Mar 09			4,398			
FY 2009				Sep 09			7,122			
<u>Total</u>										
FY 2007							0			
FY 2008				Mar 09			4,398			
FY 2009				Sep 09			7,122			
REMARKS										
1) FY08 funding to support equipment purchases to support Mustard campaign										
1) FY09 funding to support long lead purchase of Closure equipment										
P-1 SHOPPING LIST							UNCLASSIFIED		Page 1 of 1 Pages	
ITEM NO									EXHIBIT P-5A	

BUDGET ACTIVITY 3: PROCUREMENT

UNCLASSIFIED

REPORTS CONTROL SYMBOL
DD-COMP(AR) 1092

BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT

DATE February-08

APPROPRIATION /BUDGET ACTIVITY
Procurement/Budget Activity 3

P-1 ITEM NOMENCLATURE
Chemical Demilitarization Equipment

COST ELEMENT/ FISCAL YEAR	CONTRACTOR AND LOCATION	CONTRACT METHOD & TYPE	CONTRACTED BY	AWARD DATE	DATE OF FIRST DELIVERY	QUANTITY	UNIT COST	SPECS AVAILABLE NOW	SPEC REV REQ'D	IF YES, WHEN AVAILABLE
<u>Anniston Chemical Agent Disposal Facility Construction, Equipment and Operations Contract 1)</u>										
FY 2007	Washington Group	CPAF	USASC	Sep 08	N/A	N/A	0			
FY 2008							7,155			
FY 2009										
<u>Total</u>										
FY 2007				Sep 08			0			
FY 2008							0			
FY 2009							7,155			

REMARKS
1) FY09 Funding to support long lead purchase of Closure equipment

ITEM NO

UNCLASSIFIED

Page 1 of 1 Pages

EXHIBIT P-5A

BUDGET ACTIVITY 3: PROCUREMENT

REPORTS CONTROL SYMBOL DD-COMP(AR) 1092							BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT			DATE February-08	
APPROPRIATION /BUDGET ACTIVITY Procurement/Budget Activity 3				P-1 ITEM NOMENCLATURE Chemical Demilitarization Equipment							
COST ELEMENT/ FISCAL YEAR	CONTRACTOR AND LOCATION	CONTRACT METHOD & TYPE	CONTRACTED BY	AWARD DATE	DATE OF FIRST DELIVERY	QUANTITY	UNIT COST	SPECS AVAILABLE NOW	SPEC REV REQ'D	IF YES, WHEN AVAILABLE	
<u>Umatilla Chemical Agent Disposal Facility Construction, Equipment and Operations Contract 1)</u>											
FY 2007 FY 2008 FY 2009	Washington Group	CPAF	USASC	Jun 09	N/A	N/A	0 7,062				
<u>Total</u>											
FY 2007 FY 2008 FY 2009				Jun 09			0 0 7,062				
REMARKS 1) FY09 Funding to support long lead purchase of Closure equipment											
P-1 SHOPPING LIST							UNCLASSIFIED		Page 1 of 1 Pages		
ITEM NO			PAGE NO 1				EXHIBIT P-5A				

BUDGET ACTIVITY 3: PROCUREMENT

UNCLASSIFIED										
REPORTS CONTROL SYMBOL DD-COMP(AR) 1092								DATE February-08		
BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT										
APPROPRIATION /BUDGET ACTIVITY Procurement/Budget Activity 3				P-1 ITEM NOMENCLATURE Chemical Demilitarization Equipment						
COST ELEMENT/ FISCAL YEAR	CONTRACTOR AND LOCATION	CONTRACT METHOD & TYPE	CONTRACTED BY	AWARD DATE	DATE OF FIRST DELIVERY	QUANTITY	UNIT COST	SPECS AVAILABLE NOW	SPEC REV REQ'D	IF YES, WHEN AVAILABLE
<u>Pine Bluff Chemical Agent Disposal Facility</u>										
<u>Process Design 1)</u>										
	Washington Group	CPAF	USASC		N/A	N/A				
FY 2007							0			
FY 2008							0			
FY 2009				Jun 09			6,725			
<u>Total</u>										
FY 2007							0			
FY 2008							0			
FY 2009				Jun 09			6,725			
REMARKS										
1) FY09 Funding to support long lead purchase of Closure equipment										
P-1 SHOPPING LIST						UNCLASSIFIED		Page 1 of 1 Pages		
ITEM NO								EXHIBIT P-5A		

BUDGET ACTIVITY 3: PROCUREMENT

UNCLASSIFIED											
REPORTS CONTROL SYMBOL DD-COMP(AR) 1092				BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT				DATE February-08			
APPROPRIATION/BUDGET ACTIVITY Procurement/Budget Activity 3				P-1 ITEM NOMENCLATURE Chemical Demilitarization Equipment							
COST ELEMENT/ FISCAL YEAR	CONTRACTOR AND LOCATION	CONTRACT METHOD & TYPE	CONTRACTED BY	AWARD DATE	DATE OF FIRST DELIVERY	QUANTITY	UNIT COST	SPECS AVAILABLE NOW	SPEC REV REQ'D	IF YES, WHEN AVAILABLE	
Non-Stockpile Chemical Materiel Product											
Mission Area: Recovered Chemical Warfare Materiel											
Recovered Chemical Warfare Materiel - Explosive Destruction System (1)											
FY 2007				May-09			0				
FY 2008							0				
FY 2009							571				
Total							571				
REMARKS 1) FY09 provides for replacement parts for Non-Stockpile Chemical Materiel Project (NSCMP) systems.											
P-1 SHOPPING LIST						UNCLASSIFIED		EXHIBIT P-5A			
ITEM NO			PAGE NO 1								