

**FISCAL YEAR (FY) 2011
BUDGET ESTIMATES**

February 2010



CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

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**FISCAL YEAR (FY)2011 BUDGET ESTIMATES
CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE**

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CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

APPROPRIATION LANGUAGE

Fiscal Year 2011

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, \$1,467,307,200 to become available on October 1, 2010, of which:

- (1) \$1,067,364,293 shall be for operation and maintenance, of which \$111,178,000 shall be for the Chemical Stockpile Emergency Preparedness Program, consisting of \$35,130,000 to remain available until September 30, 2011, for activities on military installations and \$76,048,000 to remain available until September 30, 2012, to assist state and local governments;
- (2) \$392,810,907 to remain available until September 30, 2012, shall be for research, development, test and evaluation, of which \$385,867,907 shall be only for the Assembled Chemical Weapons Alternatives (ACWA) Program; and
- (3) \$7,132,000 to remain available until September 30, 2013, shall be for procurement.

JUSTIFICATION OF FY 2011 BUDGET ESTIMATE SUBMISSION
CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

APPROPRIATION JUSTIFICATION

(In Thousands of Dollars)

FY 2011 Estimate	\$1,467,307
FY 2010 Budget	\$1,560,760
FY 2009 Actual	\$1,505,634

Part I - Purpose and Scope

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 this nation's response to the mandate of public law and commitments under the CWC. The program has destroyed over 67% of the U.S. stockpile of chemical weapons since entry-into-force of the CWC. All CWC treaty milestones have been met to date, including destruction of former production facilities in December 2006 and the CWC 45% destruction milestone in June 2007. The program has developed annual destruction goals to guide its progress toward destroying the entire U.S. chemical weapons stockpile as close as practical to the CWC 100% destruction deadline of April 2012.

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 CWC on April 25, 1997. The CWC is an international treaty banning development, production, stockpiling and use of chemical weapons. The CWC 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 were 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.

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

The Chemical Stockpile Elimination (CSE) Project: 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, and Arkansas. The facilities in Utah, Alabama, Oregon and Arkansas utilize baseline incineration technology to eliminate the

chemical stockpile. The PM is responsible for administrative closeout at the Newport, IN disposal 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. The Johnston Atoll incineration facility (JACADS) has completed destruction of its stockpile, facility closure, and the close out of its operating permit with EPA Region IX.

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 seven stockpile disposal sites which include design, construction, equipment acquisition and installation, systemization, operations, and closure phases. He is responsible for the maximum safety of the people and the environment during the efficient operation and closure of the seven 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 the six remaining continental United States (CONUS) storage sites, and jointly manage the CSEPP projects. CSEPP response operations at the Maryland and Indiana locations have 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 response/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): 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 NSCMP includes four broad mission areas: binary chemical weapons, recovered chemical material/weapons,

miscellaneous chemical warfare materiel, and destruction of the former US chemical weapons production facilities.

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 the CWC, but identified as part of the funded baseline; and developing and implementing schedule and cost estimates associated with these functions. Transportation support provided by NSCMP includes: planning and documentation required to move recovered chemical warfare material or research materiel to support an assessment, secure storage, and destruction or research and development efforts. Transport of chemical materiel is done in accordance with 50 USC 1511-1521 and generally includes coordination with local, state, and federal officials. NSCMP coordinates transportation activities through the US Army 20th Support Command (Technical Escort).

The Assembled Chemical Weapons Alternatives (ACWA) 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 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 2008, Public Laws 110-116 and 110-181 mandated that the U.S. chemical weapons stockpile must be destroyed by the deadline established by the CWC and under no circumstances later than December 31, 2017. In May 2009, DoD submitted the Semi-Annual Report to Congress on progress toward destruction of the U.S. stockpile of lethal chemical agents and munitions. In that report, DoD's proposed plan is to seek additional resources to "accelerate the ACWA program schedule toward completing destruction of an additional eight percent of the U.S. stockpile at Pueblo in 2017 and the remaining two percent of the U.S. stockpile at Blue Grass in 2021".

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 CWC. This document provides justification for FY 2011 financial requirements in support of the Chemical Demilitarization Program, which is budgeted in the Chemical Agents and Munitions Destruction, Defense appropriation. The following paragraphs provide a top level summary of the activities planned for FY 2011.

Chemical Stockpile Elimination (CSE) Project activities will include the following items: 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, and Pine Bluff Chemical Agent Disposal Facility (PBCDF) in Arkansas; begin closure activities at the PBCDF in Arkansas; continue closure activities at the Chemical Agent Munitions Disposal System (CAMDS) in Utah; and continue administrative closeout of the contract at Newport Chemical Agent Disposal Facility (NECDF) in Indiana.

The Chemical Stockpile Emergency Preparedness (CSEPP) 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.

Non-Stockpile Chemical Materiel Project (NSCMP) activities will include the following items: complete ton container thermal treatment operations and convert Pine Bluff Ton Container Decontamination Facility (PBTCDF) for Autoclave 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.

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, Colorado and Blue Grass Army Depot, Kentucky. Acquisition and testing of first-of-a-kind and other process equipment will also continue. Additionally, systemization activities will begin at the Pueblo Chemical Agent-Destruction Pilot Plant (PCAPP) while systemization planning continues at the Blue Grass Agent -Destruction Pilot Plant (BGCAPP).

Part III - Milestones

Milestones for the Chemical Stockpile Elimination Project are as follows:
(The schedule milestones identified below are based on the PM's FY 09 Current Working Estimate (CWE) with fact of life changes incorporated).

Tooele Chemical Agent Disposal Facility:

Process Mustard-filled munitions	August 2006 to 3rd Qtr FY 2013
Design & Process GA/Lewisite munitions	July 2008 to 2nd Qtr FY 2012

Anniston Chemical Agent Disposal Facility:

Process Mustard filled munitions	July 2009 to 1st Qtr FY 2013
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Umatilla Chemical Agent Disposal Facility:

Process Mustard filled ton containers	June 2009 to 2nd Qtr FY 2013
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Pine Bluff Chemical Agent Disposal Facility:

Process Mustard filled ton containers	December 2008 to 3rd Qtr FY 2011
Closure Activities	4th Qtr FY 2011 to 4th Qtr FY 2013

Newport Chemical Agent Disposal Facility:

Closure Activities	August 2008 to 2nd Qtr FY 2010
Administrative Closeout	2nd Qtr 2010 to 4th Qtr 2011

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

Cessation of response capabilities and initiation of closeout following the completion of demilitarization operations at:

Pine Bluff Chemical Activity, Arkansas	4th Qtr FY 2011
Anniston Chemical Activity, Alabama	2nd Qtr FY 2013
Umatilla Chemical Depot, Oregon	3rd Qtr FY 2013
Deseret Chemical Depot, Utah	4th Qtr FY 2013

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

Chemical Samples (CS):

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

Recovered CWM (RCWM):

RCWM Operations at PBA (PBEDS) (includes closure)	June 2006 to 1st Qtr FY 2011
Continuing Emergency Response Activities	July 2009 to 4th Qtr FY 2022
Empty Ton Containers (TC):	
Operations (includes closure)	October 2007 to 2nd Qtr FY 2013

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
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, Stages I and II	July 2004 and June 2005
Trade Studies (Cost Reduction)	October 2004 to July 2005
Intermediate Re-Design Completion	February 2006
Stage 3 Permit Modification Submittal and Approval	November 2006 to October 2008
Stage 1A & 1B Construction, Field Activities	October 2005 to October 2007
Stage 2 Construction, Field Activities Start	May 2007
Final Design, Government Acceptance	May 2007
Stage 3 and Balance of Construction, Field Activities	January 2008 to FY 2012
- Agent Processing Building (APB) steelwork complete	December 2008
- Multipurpose Building construction complete	May 2009
- Enhanced Reconfiguration Building (ERB) steelwork complete	September 2009
- Complete prototype testing, Munitions Washout System (MWS)	4th Qtr FY 2010
- Complete construction, Control & Support Building	1st Qtr FY 2011
- Complete construction, Laboratory	2nd Qtr FY 2011
- Complete construction, APB and ERB	1st Qtr FY 2012
- Complete construction, Biotreatment Area	2nd Qtr FY 2012
Systemization, award contract modification	3rd Qtr FY 2010
Begin preparatory plans to accelerate PCAPP execution	FY 2010 - FY 2015

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

Systems Contract Award	June 2003
RCRA RD&D Permit Application Approval	September 2005
Access Road & Earthwork Construction	May 2006 to May 2007
Final Process and Main Facilities Design, Government Acceptance	July 2008
Design Completion, Government Acceptance	4th Qtr FY 2010
Main Plant and Balance of Construction, Field Activities	March 2008 to FY 2016
-Placement of Munitions Demilitarization Building (MDB) Horizontal concrete	October 2008 to 4th Qtr FY 2010
-Complete prototype testing, Metal Parts Treater	November 2009
-Initiate construction, MDB vertical wall	December 2009
-Complete prototype testing, Energetics Batch Hydrolyzer	2nd Qtr FY 2010
-Install Agent and Energetic Neutralization Systems	4th Qtr FY 2011
-Complete Laboratory Building	1st Qtr FY 2012
Begin preparatory plans to accelerate BGCAPP execution	FY 2010 - FY 2015

BUDGET ACTIVITY 1: Operations and Maintenance

(In Thousands of Dollars)

FY 2011 Estimate	\$1,067,364
FY 2010 Budget	\$1,146,802
FY 2009 Actual	\$1,152,668

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 2011 are necessary to maintain current operations. Operations financed by this budget activity in FY 2011 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, JACADS requirements to support open workers compensation cases; facility closure activities at Chemical Agent Munitions Disposal System (CAMDS); administrative closeout of the contract at Newport Chemical Agent Disposal Facility (NECDF); continuation of training activities at the Chemical Demilitarization Training Facility (CDTF); continuation of disposal operations at Tooele Chemical Agent Disposal Facility (TOCDF), Anniston Chemical Agent Disposal Facility (ANCDF), Umatilla Chemical Agent Disposal Facility (UMCDF) and Pine Bluff Chemical Agent Disposal Facility (PBCDF); and begin closure activities at Pine Bluff Chemical Agent Disposal Facility (PBCDF). In addition, the FY 2011 budget request 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; maintenance and logistics support for NSCMP mobile systems; continued treatment of empty ton containers at PBA; and programmatic support activities which include regulatory requirements, program integration and support equipment.

BUDGET ACTIVITY 1: Operations and Maintenance

In addition, \$15 million of Funded Reimbursable Authority is needed to respond to requests by other government agencies and foreign countries for assistance in the storage, assessment and disposal of chemical weapons and agents.

BUDGET ACTIVITY 1: Operations and Maintenance

Funded Financial Summary (In Thousands of Dollars)			
O&M	FY 2009 Actual	FY 2010 Budget	FY 2011 Estimate
Director, CMA - Program Management	11,359	15,832	11,818
Director, CMA - Support Activities	9,915	19,479	10,316
PM CSE - Program Management	13,963	14,865	14,171
PM CSE - Support Activities	21,099	36,559	23,673
Johnston Atoll Chemical Agent Disposal System	2,707	2,043	0
Chemical Agent Munitions Disposal System	28,091	23,185	23,175
Chemical Demilitarization Training Facility	5,391	7,279	5,429
Tooele Chemical Agent Disposal Facility	223,154	215,368	230,925
Anniston Chemical Agent Disposal Facility	207,218	210,020	177,222
Umatilla Chemical Agent Disposal Facility	174,242	214,230	184,113
Pine Bluff Chemical Agent Disposal Facility	166,078	208,079	214,195
Newport Chemical Agent Disposal Facility	107,500	44,090	5,050
Subtotal CSE	949,443	975,718	877,953
CSEPP On-Post - Program Management	4,166	4,015	3,030
CSEPP On-Post - Mission	29,245	30,890	32,100
CSEPP Off-Post - Mission	69,787	49,934	76,048
Subtotal CSEPP	103,198	84,839	111,178
NSCMP - Program Management	4,948	4,768	5,638
Recovered Chemical Warfare Materiel (CWM)	41,588	18,573	24,379
Miscellaneous CWM	25,935	24,250	20,494
Programmatic Support Activities	6,282	3,343	5,589
Subtotal NSCMP - Mission	73,805	46,166	50,461
Subtotal NSCMP	78,753	50,934	56,100
Total Funded	1,152,668	1,146,802	1,067,364

BUDGET ACTIVITY 1: Operations and Maintenance

Justification by Program

Director, Chemical Materials Agency (CMA) - 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 2011 planned activities include labor, training, awards and overtime; base support; other support and contractual costs, such as travel, transportation, materials and supplies, equipment and rentals.

Director, Chemical Materials Agency (CMA) - 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 2011 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) 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 2011 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.

BUDGET ACTIVITY 1: Operations and Maintenance

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, organize, format and maintain data; conduct technical services such as medical support; and consolidate and prepare technical and management reports. Activities include oversight by the Department of Health and Human Services and the National Academy of Sciences; administrative and technical oversight support to design efforts; and other programmatic costs of the program. The FY 2011 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 Contracting Command and the U.S. Army Materiel Command; program oversight, studies, and evaluations; JACADS open workers compensation cases; and demilitarization support.

Chemical Agent Munitions Disposal System (CAMDS): This prototype facility, located at Deseret Chemical Depot in Utah, supported the stockpile program with test and evaluation of chemical demilitarization processes including incineration and neutralization, secondary waste destruction and closure activities. The FY 2011 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 2011 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 2011 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. It will partially fund completion of operations schedule incentive.

BUDGET ACTIVITY 1: Operations and Maintenance

Anniston Chemical Agent Disposal Facility (ANCDF): The FY 2011 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.

Umatilla Chemical Agent Disposal Facility (UMCDF): The FY 2011 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 2011 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 depot environmental support/fees and cooperative agreements; depot support/base operations; and contracting and site support. It will partially fund schedule incentive. Funds will also be used for start up of Closure activities.

Newport Chemical Agent Disposal Facility (NECDF): The FY 2011 budget request will fund Administrative Closeout of the contract.

Chemical Stockpile Emergency Preparedness Project (CSEPP) On-Post Program Management: The FY 2011 budget requests include funding for labor, awards, overtime, program support and oversight, travel, training, office equipment, supplies and contractual services.

Chemical Stockpile Emergency Preparedness Project (CSEPP) On-Post Mission: The FY 2011 budget requests include funding for the following requirements: Emergency planner/response personnel for the six 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.

Chemical Stockpile Emergency Preparedness Project (CSEPP) Off-post Mission: The FY 2011 budget requests includes funding for the following requirements: Emergency planner/response

BUDGET ACTIVITY 1: Operations and Maintenance

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, decommissioning of off-post protective actions projects, and joint on-post/off-post exercises.

Non-Stockpile Chemical Materiel Project (NSCMP):

Program Management: The FY 2011 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 2011 budget request provides full emergency response capability which 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 maintenance and logistics support for mobile systems.

Miscellaneous Chemical Warfare Materiel: The FY 2011 budget request consists of completion of empty ton container thermal treatment at Pine Bluff Arsenal (PBA) and conversion of PBTCDF for Autoclave operations.

Programmatic Support Activities: The FY 2011 budget request consists of project management activities such as: program integration; engineering support; configuration management; procurement and contract evaluation support; knowledge and information management; 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

**DEPARTMENT OF ARMY
Fiscal Year (FY) 2011
Budget Estimates
Operation and Maintenance
Chemical Agents and Munitions Destruction, Defense
Exhibit OP-5**

- I. Description of Operations Financed:** See FY 2011 Budget Estimates Justification Book, dated February 2010, Budget Activity 1, Operation and Maintenance, Justification of Funds Required.
- II. Narrative Description (Statement of Requirements and Mission):** See FY 2011 Budget Estimates Justification Book, February 2010, Appropriation Justification, Part I, Purpose and Scope.
- III. Financial Summary (\$ in Thousands):**
- A. Subactivity Breakout:** See FY 2011 Budget Estimates Justification Book, dated February 2010, Budget Activity 1, Operation and Maintenance, Funded Financial Summary.

BUDGET ACTIVITY 1: Operations and Maintenance

B.Reconciliation Summary

	Change FY 2009/2010	Change FY 2010/2011
Baseline Funding	1,152,668	1,146,802
Congressional Adjustments	N/A	N/A
Facts of Life Changes	0	0
Supplemental Request	0	0
Price Change	16,230	18,062
Functional Transfer	0	0
Program Changes	-22,096	-97,500
Current Estimate	1,146,802	1,067,364

C.Reconciliation of Increases And Decreases

1. Appropriation: Chemical Agents and Munitions Destruction, Defense
 - a. **TOTAL FY 2009 ACTUAL** **\$1,152,668**
 - b. **TOTAL FY 2010 BUDGET** **\$1,146,802**
 - c. **TOTAL FY 2011 ESTIMATE** **\$1,067,364**

BUDGET ACTIVITY 1: Operations and Maintenance

2. Summary of Price and Program Changes (O&M \$ in Thousands):

	FY 2009 Actual	Price Growth	Program Growth	FY 2010 Budget
Director, CMA - Program Management	11,359	160	4,313	15,832
Director, CMA - Support Activities	9,915	140	9,424	19,479
PM CSE - Program Management	13,963	197	705	14,865
PM CSE - Support Activities	21,099	297	15,163	36,559
Johnston Atoll Chemical Agent Disposal System	2,707	38	(702)	2,043
Chemical Agent Munitions Disposal System	28,091	396	(5,302)	23,185
Chemical Demilitarization Training Facility	5,391	76	1,812	7,279
Tooele Chemical Agent Disposal Facility	223,154	3,142	(10,928)	215,368
Anniston Chemical Agent Disposal Facility	207,218	2,918	(116)	210,020
Umatilla Chemical Agent Disposal Facility	174,242	2,453	37,535	214,230
Pine Bluff Chemical Agent Disposal Facility	166,078	2,338	39,663	208,079
Newport Chemical Agent Disposal Facility	107,500	1,514	(64,924)	44,090
Subtotal Chemical Stockpile Elimination	949,443	13,368	12,907	975,718
CSEPP On-Post - Program Management	4,166	59	(210)	4,015
CSEPP On-Post - Mission	29,245	412	1,233	30,890
CSEPP Off-Post - Mission	69,787	983	(20,836)	49,934
Subtotal CSEPP	103,198	1,453	(19,812)	84,839
NSCMP - Program Management	4,948	70	(250)	4,768
Recovered Chemical Warfare Materiel (CWM)	41,588	586	(23,601)	18,573
Miscellaneous CWM	25,935	365	(2,050)	24,250
NSCMP Programmatic Support Activities	6,282	88	(3,027)	3,343
Subtotal NSCMP - Mission	73,805	1,039	(28,678)	46,166
Subtotal NSCMP	78,753	1,109	(28,928)	50,934
Total Funded	1,152,668	16,230	(22,096)	1,146,802

BUDGET ACTIVITY 1: Operations and Maintenance

	FY 2010 Budget	Price Growth	Program Growth	FY 2011 Estimate
Director, CMA - Program Management	15,832	249	(4,263)	11,818
Director, CMA - Support Activities	19,479	307	(9,470)	10,316
PM CSE - Program Management	14,865	234	(928)	14,171
PM CSE - Support Activities	36,559	576	(13,462)	23,673
Johnston Atoll Chemical Agent Disposal System	2,043	32	(2,075)	-
Chemical Agent Munitions Disposal System	23,185	365	(375)	23,175
Chemical Demilitarization Training Facility	7,279	115	(1,965)	5,429
Tooele Chemical Agent Disposal Facility	215,368	3,392	12,165	230,925
Anniston Chemical Agent Disposal Facility	210,020	3,308	(36,106)	177,222
Umatilla Chemical Agent Disposal Facility	214,230	3,374	(33,491)	184,113
Pine Bluff Chemical Agent Disposal Facility	208,079	3,277	2,839	214,195
Newport Chemical Agent Disposal Facility	44,090	694	(39,734)	5,050
Subtotal Chemical Stockpile Elimination	975,718	15,368	(113,133)	877,953
CSEPP On-Post - Program Management	4,015	63	(1,048)	3,030
CSEPP On-Post - Mission	30,890	487	723	32,100
CSEPP Off-Post - Mission	49,934	786	25,328	76,048
Subtotal CSEPP	84,839	1,336	25,003	111,178
NSCMP - Program Management	4,768	75	795	5,638
Recovered Chemical Warfare Materiel (CWM)	18,573	293	5,513	24,379
Miscellaneous CWM	24,250	382	(4,138)	20,494
NSCMP Programmatic Support Activities	3,343	53	2,193	5,589
Subtotal NSCMP - Mission	46,166	727	3,568	50,461
Subtotal NSCMP	50,934	802	4,364	56,100
Total Funded	1,146,802	18,062	(97,500)	1,067,364

BUDGET ACTIVITY 1: Operations and Maintenance

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

Other Price Growth:		
(1) Director, CMA - Program Management		\$160
(2) Director, CMA - Support Activities		\$140
(3) PM CSE - Program Management		\$197
(4) PM CSE - Support Activities		\$297
(5) Johnston Atoll Chemical Agent Disposal System		\$38
(6) Chemical Agent Munitions Disposal System		\$396
(7) Chemical Demilitarization Training Facility		\$76
(8) Tooele Chemical Agent Disposal Facility		\$3,142
(9) Anniston Chemical Agent Disposal Facility		\$2,918
(10) Umatilla Chemical Agent Disposal Facility		\$2,453
(11) Pine Bluff Chemical Agent Disposal Facility		\$2,338
(12) Newport Chemical Agent Disposal Facility		\$1,514
(13) PM CSEPP On-Post - Program Management		\$59
(14) PM CSEPP On-Post - Mission		\$412
(15) PM CSEPP Off-Post - Mission		\$983
(16) PM NSCMP - Program Management		\$70
(17) PM NSCMP - Mission		\$1,039
Total Price Growth from FY 2009 to FY 2010		\$16,230

4. Program Increases from FY 2009:(rounded to 000, may not add to total)

BUDGET ACTIVITY 1: Operations and Maintenance

<p>a. Director, CMA - Program Management</p> <p style="padding-left: 40px;">FY 2009 \$11,359</p> <p style="padding-left: 40px;">Base:</p> <p>Increase due to prior application of outdated methodology and basis of estimate for FY10 requirements. Updated methodology shows corresponding decrease in FY11.</p>	<p>\$4,313</p>
<p>b. Director, CMA - Support Activities</p> <p style="padding-left: 40px;">FY 2009 \$9,915</p> <p style="padding-left: 40px;">Base:</p> <p>Increase due to prior application of outdated methodology and basis of estimate for FY10 requirements. Updated methodology shows corresponding decrease in FY11.</p>	<p>\$9,424</p>
<p>c. PM CSE - Program Management</p> <p style="padding-left: 40px;">FY 2009 \$13,963</p> <p style="padding-left: 40px;">Base:</p> <p>Increase due to prior application of outdated methodology and basis of estimate for FY10 requirements. Updated methodology shows corresponding decrease in FY11.</p>	<p>\$705</p>
<p>d. PM CSE - Support Activities</p> <p style="padding-left: 40px;">FY 2009 \$21,099</p> <p style="padding-left: 40px;">Base:</p> <p>Change due to realignment of technical support and manpower requirements for the destruction of GA and Lewisite Ton Containers at Deseret Chemical Depot from TOCDF.</p>	<p>\$15,163</p>
<p>e. Chemical Demilitarization Training Facility</p> <p style="padding-left: 40px;">FY 2009 \$5,391</p> <p style="padding-left: 40px;">Base:</p> <p>Increase due to prior application of outdated methodology and basis of estimate for FY10 requirements. Updated methodology shows corresponding decrease in FY11.</p>	<p>\$1,812</p>

BUDGET ACTIVITY 1: Operations and Maintenance

f. Umatilla Chemical Agent Disposal Facility		\$37,535
FY 2009	\$174,242	
Base:		
Increase due to payout of completion of operations schedule incentive should System Contractor achieve milestone in advance of contract schedule.		
g. Pine Bluff Chemical Agent Disposal Facility		\$39,663
FY 2009	\$166,078	
Base:		
Increase due to payout of completion of operations schedule incentive should System Contractor achieve milestone in advance of contract schedule.		
h. CSEPP On-Post - Mission		\$1,233
FY 2009	\$29,245	
Base:		
Increase due to additional Army technical support requirements and Chemical Depot/Activity closeout requirements.		
Total Program Increases		\$109,848

5. Program Decreases from FY 2009:(rounded to 000, may not add to total)

a. Johnston Atoll Chemical Agent Disposal Facility		-\$702
FY 2009	\$2,707	
Base:		
Decrease associated with less projected workmen's compensation claims.		

BUDGET ACTIVITY 1: Operations and Maintenance

b. Chemical Agent Munitions Disposal System		-\$5,302
FY 2009	\$28,091	
Base:		
Decrease is associated with revised scope as facility is planned for closure.		
c. Tooele Chemical Agent Disposal Facility		-\$10,928
FY 2009	\$223,154	
Base:		
Decrease associated with the realignment of technical support and manpower requirements for the destruction of GA and Lewisite Ton Containers at Deseret Chemical Depot to PM CSE Support Activities.		
d. Anniston Chemical Agent Disposal Facility		-\$116
FY 2009	\$207,218	
Base:		
Decrease due to adjustments for Life Cycle Contract negotiations.		
e. Newport Chemical Agent Disposal Facility		-\$64,924
FY 2009	\$107,500	
Base:		
Decrease due to facility transition from Operations to Closure and no hydrolysate shipment requirements.		
f. CSEPP On-Post - Program Management		-\$210
FY 2009	\$4,166	
Base:		
Decrease due to reduction of CSEPP program management support personnel.		

BUDGET ACTIVITY 1: Operations and Maintenance

g. CSEPP Off-Post - Mission		-\$20,836
FY 2009	\$69,787	
Base:		
Decrease is driven by a onetime reduction in the FY10 budget in an effort to facilitate the execution of prior year funds.		
h. NSCMP - Program Management		-\$250
FY 2009	\$4,948	
Base:		
Decrease is due to unfilled support contractor vacancies.		
i. NSCMP - Recovered CWM		-\$23,601
FY 2009	\$41,588	
Base:		
Decrease due to transition of NSCMP to an emergency response mode after projected completion of treaty declared recovered CWM mission.		
j. NSCMP - Miscellaneous CWM		-\$2,050
FY 2009	\$25,935	
Base:		
Decrease due to projected completion of empty ton container thermal treatment operations at PBA.		
k. NSCMP - Programmatic Support Activities		-\$3,027
FY 2009	\$6,282	
Base:		
Decrease due to transition of NSCMP to an emergency response mode after projected completion of treaty declared recovered CWM mission.		
Total Program Decreases		-\$131,944

BUDGET ACTIVITY 1: Operations and Maintenance

6.Price Growth from FY 2010: (rounded to 000, may not add to total)

Other Price Growth:		
(1) Director, CMA - Program Management		\$249
(2) Director, CMA - Support Activities		\$307
(3) PM CSE - Program Management		\$234
(4) PM CSE - Support Activities		\$576
(5) Johnston Atoll Chemical Agent Disposal System		\$32
(6) Chemical Agent Munitions Disposal System		\$365
(7) Chemical Demilitarization Training Facility		\$115
(8) Tooele Chemical Agent Disposal Facility		\$3,392
(9) Anniston Chemical Agent Disposal Facility		\$3,308
(10) Umatilla Chemical Agent Disposal Facility		\$3,374
(11) Pine Bluff Chemical Agent Disposal Facility		\$3,277
(12) Newport Chemical Agent Disposal Facility		\$694
(13) PM CSEPP On-Post - Program Management		\$63
(14) PM CSEPP On-Post - Mission		\$487
(15) PM CSEPP Off-Post - Mission		\$786
(16) PM NSCMP - Program Management		\$75
(17) PM NSCMP - Mission		\$727
Total Price Growth from FY 2009 to FY 2010		\$18,062

7. Program Increases from FY 2010:(rounded to 000, may not add to total)

a. Tooele Chemical Agent Disposal Facility	\$12,165
FY 2010	
Base:	\$215,368
Increase driven by partial funding of completion of operations schedule incentive should System Contractor achieve milestone in advance of contract schedule.	

BUDGET ACTIVITY 1: Operations and Maintenance

<p>b. Pine Bluff Chemical Agent Disposal Facility</p> <p style="padding-left: 40px;">FY 2010</p> <p style="padding-left: 80px;">Base: \$208,079</p> <p>Increase driven by partial funding of Schedule Incentive payout should System Contractor achieve milestones in advance of contract schedule.</p>	<p>\$2,839</p>
<p>c. CSEPP On-Post - Mission</p> <p style="padding-left: 40px;">FY 2010</p> <p style="padding-left: 80px;">Base: \$30,890</p> <p>Increase due to increase in support contract costs.</p>	<p>\$723</p>
<p>d. CSEPP Off-Post - Mission</p> <p style="padding-left: 40px;">FY 2010</p> <p style="padding-left: 80px;">Base: \$49,934</p> <p>Increase is the result of a return to full funding in FY11 and shift of some requirements from Procurement to O&M.</p>	<p>\$25,328</p>
<p>e. NSCMP - Program Management</p> <p style="padding-left: 40px;">FY 2010</p> <p style="padding-left: 80px;">Base: \$4,768</p> <p>Increase due to filling vacancies created by moving from limited emergency response to full emergency response.</p>	<p>\$795</p>
<p>f. NSCMP - Recovered CWM</p> <p style="padding-left: 40px;">FY 2010</p> <p style="padding-left: 80px;">Base: \$18,573</p> <p>Increase due to implementation of Full Emergency Response mode for NSCMP.</p>	<p>\$5,513</p>

BUDGET ACTIVITY 1: Operations and Maintenance

g. NSCMP Programmatic Support Activities	\$2,193
FY 2010	
Base: \$3,343	
Increase due to implementation of Full Emergency Response mode for NSCMP.	
Total Program Increases	\$49,556

8. Program Decreases from FY 2010:(rounded to 000, may not add to total)

a. Director, CMA - Program Management	-\$4,263
FY 2010	
Base: \$15,832	
Decrease associated with use of actuals and updated methodology to compute FY11 requirements. Outdated methodology shows corresponding increase in FY10.	
b. Director, CMA - Support Activities	-\$9,470
FY 2010	
Base: \$19,479	
Decrease associated with use of actuals and updated methodology to compute FY11 requirements. Outdated methodology shows corresponding increase in FY10.	
c. PM CSE - Program Management	-\$928
FY 2010	
Base: \$14,865	
Decrease associated with use of actuals and updated methodology to compute FY11 requirements. Outdated methodology shows corresponding increase in FY10.	

BUDGET ACTIVITY 1: Operations and Maintenance

d. PM CSE - Support Activities		-\$13,462
FY 2010	\$36,559	
Base:		
Decrease due to one time support in FY10 for G&A/Lewsite elimination at Deseret Chemical Depot and offset by the realignment of open workers compensation cases at JACADS.		
e. Johnston Atoll Chemical Agent Disposal System		-\$2,075
FY 2010	\$2,043	
Base:		
Payment of workmen's compensation moved to PM CSE Support Activities line.		
f. Chemical Agent Munitions Disposal System		-\$375
FY 2010	\$23,185	
Base:		
Decrease due to revised scope associated with facility Closure.		
g. Chemical Demilitarization Training Facility		-\$1,965
FY 2010	\$7,279	
Base:		
Decrease associated with use of actuals and updated methodology to compute FY11 requirements. Outdated methodology shows corresponding increase in FY10.		
h. Anniston Chemical Agent Disposal Facility		-\$36,106
FY 2010	\$210,020	
Base:		
Decrease driven by Completion of Operations schedule incentive payout in 2010 and adjustments for Life Cycle Contract negotiations.		

BUDGET ACTIVITY 1: Operations and Maintenance

i. Umatilla Chemical Agent Disposal Facility			-\$33,491
	FY 2010	\$214,230	
	Base:		
Decrease driven by Completion of Operations schedule incentive payout in 2010 and adjustments for Life Cycle Contract negotiations.			
j. Newport Chemical Agent Disposal Facility			-\$39,734
	FY 2010	\$44,090	
	Base:		
Decrease due to reduction in schedule associated with Closure.			
k. CSEPP On-Post - Program Management			-\$1,048
	FY 2010	\$4,015	
	Base:		
Decrease due to reduction in other government agency support requirements and a reduction of management support personnel.			
l. NSCMP - Miscellaneous CWM			-\$4,138
	FY 2010	\$24,250	
	Base:		
Decrease due to projected completion of empty ton container thermal treatment operations at PBA.			
Total Program Decreases			-\$147,056

BUDGET ACTIVITY 1: Operations and Maintenance

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

V. Personnel Summary

	FY 2009	FY 2010	FY 2011	Change FY 2009/ FY 2010	Change FY 2010/ FY 2011
Active Military End Strength (Total)	0	0	0	0	0
Officer	0	0	0	0	0
Civilian End Strength (Total)	117	117	117	0	0
U.S. Direct Hire	117	117	117	0	0
Foreign National Direct Hire	0	0	0	0	0
Total Direct Hire	117	117	117	0	0

VI. Outyear Summary

	FY 2009	FY 2010	FY 2011
O&M (\$ Thousands)	18,567	19,688	20,239
Military End Strength	0	0	0
Civilian End Strength	117	117	117

BUDGET ACTIVITY 1: Operations and Maintenance

VII. OP-32 Line Items as Applicable (\$ in Thousands)

A. Sub Activity

	FY 2009		FY 2010	FY 2011
	Appn	Actual	Budget	Estimate
1. DIR, CMA	8,567	8,567	8,867	9,177
2. PM CSE	6,951	6,951	7,924	7,241
3. PM NSCMP	3,049	3,049	2,897	3,821
Total	18,567	18,567	19,688	20,239

B. Reconciliation Summary:

	Change FY 2009/FY 2010	Change FY 2010/FY 2011
Baseline Funding	18,567	19,688
Congressional Adjustments	N/A	N/A
Supplemental Request	-0-	-0-
Price Change	261	310
Functional Transfer	-0-	-0-
Program Changes	860	241
Current Estimate	19,688	20,239

BUDGET ACTIVITY 1: Operations and Maintenance

C. Summary of Price and Program Growth Changes:

	2009 Actuals	Change FY 2009/FY 2010			Change FY 2010/FY 2011		
		Price Growth	Program Growth	2010 Budget	Price Growth	Program Growth	2011 Estimate
DIR, CMA	8,567	120	180	8,867	139	171	9,177
PM CSE	6,951	98	875	7,924	125	(808)	7,241
PM NSCM	3,049	43	(195)	2,897	46	878	3,821
Total	18,567	261	860	19,688	310	241	20,239

BUDGET ACTIVITY 1: Operations and Maintenance

OPERATION AND MAINTENANCE						
PROGRAM MANAGER FOR CHEMICAL DEMILITARIZATION						
SUMMARY OF PRICE AND PROGRAM CHANGES						
EXHIBIT OP-32						
FY 2009 (\$'S IN THOUSANDS)						
		FY2009	PRICE	GROWTH	PROGRAM	FY2010
		ACTUAL	PERCENT	AMOUNT	GROWTH	BUDGET
CIV PERS COMPENSATION						
101	EXEC. GEN & SPEC SCHED	18,567	1.41%	261	859	19,688
103	WAGE BOARD	0	1.41%	0	0	0
199	TOTAL CIV PERS COMPENSATION	18,567	1.41%	261	859	19,688
TRAVEL						
308	TRAVEL OF PERSONS	1,219	1.41%	17	250	1,486
399	TOTAL TRAVEL	1,219	1.41%	17	250	1,486
DEF BUS OPNS SUPP & MAT'L PURCHASES						
411	ARMY MANAGED SUPP & MAT'L	41,312	1.41%	582	1,827	43,721
499	TOTAL STOCK FUND SUPP & MAT'L	41,312	1.41%	582	1,827	43,721
DEF BUS OPNS EQUIPMENT PURCHASES						
502	ARMY STOCK FUND EQUIPMENT	0	1.41%	0	0	0
507	GSA MANAGED EQUIPMENT	0	1.41%	0	0	0
599	TOTAL STOCK FUND EQUIPMENT PURCHASE	0	1.41%	0	0	0
OTHER FUND PURCHASES						
602	ARMY DEP MAINT	0	1.41%	0	0	0
603	ARMY DEP OTHER	78,078	1.41%	1,099	0	79,177
615	DATA AUTO	0	1.41%	0	0	0
633	PRINT/PUBL	0	1.41%	0	0	0
634	BASE SPT UTIL	15,371	1.41%	216	5,152	20,739

BUDGET ACTIVITY 1: Operations and Maintenance

635	PUBLIC WORKS	0	1.41%	0	0	0
671	COMM SVC	0	1.41%	0	0	0
673	FIN OPER	0	1.41%	0	0	0
679	COST REIMBURSABLE PURCHASES	0	1.41%	0	0	0
699	TOTAL PURCHASES	93,449	1.41%	1,316	5,152	99,916
TRANSPORTATION						
771	COMMERCIAL TRANSP	21	1.41%	0	(0)	21
799	TOTAL TRANSPORTATION	21	1.41%	0	(0)	21
OTHER PURCHASES						
914	PURCHASE COMMUNICATION	0	1.41%	0	0	0
915	RENTS (NON-GSA)	0	1.41%	0	0	0
920	SUPP & MAT'L (NON-FUND)	430	1.41%	6	(0)	436
921	PRINTING AND REPRODUCTION	88	1.41%	1	(0)	89
922	EQUIPMENT MAINTENANCE BY CONTRACT	480	1.41%	7	(0)	487
923	FACILITY MAINT BY CONTRACT	0	1.41%	0	0	0
925	EQUIPMENT (NON-FUND)	186	1.41%	3	(0)	189
932	MGT & PROFESSIONAL SUPPORT SVCS	57,754	1.41%	813	(0)	58,567
933	STUDIES, ANALYSIS & EVALUATIONS	185	1.41%	3	(0)	187
934	ENGINEERING & TECHNICAL SERVICES	3,576	1.41%	50	0	3,626
987	OTHER INTRA-GOVERNMENT PURCHASES	113,847	1.41%	1,603	(20,835)	94,615
988	GRANTS - ENVIRONMENTAL FEES TO STATES	3,826	1.41%	54	(0)	3,880
989	OTHER CONTRACTS	817,711	1.41%	11,513	(9,353)	819,871
998	OTHER COSTS	19	1.41%	0	4	23
999	TOTAL OTHER PURCHASES	998,101	1.41%	14,053	(30,184)	981,970
9999	TOTAL	1,152,668		16,230	(22,096)	1,146,802

BUDGET ACTIVITY 1: Operations and Maintenance

OPERATION AND MAINTENANCE						
PROGRAM MANAGER FOR CHEMICAL DEMILITARIZATION						
SUMMARY OF PRICE AND PROGRAM CHANGES						
EXHIBIT OP-32						
FY 2010 (\$'S IN THOUSANDS)						
		FY2010	PRICE GROWTH		PROGRAM	FY2011
		BUDGET	PERCENT	AMOUNT	GROWTH	ESTIMATE
CIV PERS COMPENSATION						
101	EXEC. GEN & SPEC SCHED	19,688	1.58%	310	241	20,239
103	WAGE BOARD	0	1.58%	0	0	0
199	TOTAL CIV PERS COMPENSATION	19,688	1.58%	310	241	20,239
TRAVEL						
308	TRAVEL OF PERSONS	1,486	1.58%	23	0	1,509
399	TOTAL TRAVEL	1,486	1.58%	23	0	1,509
DEF BUS OPNS SUPP & MAT'L PURCHASES						
411	ARMY MANAGED SUPP & MAT'L	43,721	1.58%	689	0	44,410
499	TOTAL STOCK FUND SUPP & MAT'L	43,721	1.58%	689	0	44,410
DEF BUS OPNS EQUIPMENT PURCHASES						
502	ARMY STOCK FUND EQUIPMENT	0	1.58%	0	0	0
507	GSA MANAGED EQUIPMENT	0	1.58%	0	0	0
599	TOTAL STOCK FUND EQUIPMENT PURCHASE	0	1.58%	0	0	0
OTHER PURCHASES						
602	ARMY DEP MAINT	0	1.58%	0	0	0
603	ARMY DEP OTHER	79,177	1.58%	1,247	5,513	85,937
615	DATA AUTO	0	1.58%	0	0	0
633	PRINT/PUBL	0	1.58%	0	0	0
634	BASE SPT UTIL	20,739	1.58%	327	0	21,066
635	PUBLIC WORKS	0	1.58%	0	0	0
671	COMM SVC	0	1.58%	0	0	0
673	FIN OPER	0	1.58%	0	0	0

BUDGET ACTIVITY 1: Operations and Maintenance

679	COST REIMBURSABLE PURCHASES	0	1.58%	0	0	0
699	TOTAL PURCHASES	99,916	1.58%	1,574	5,513	107,003
TRANSPORTATION						
771	COMMERCIAL TRANSP	21	1.58%	0	0	21
799	TOTAL TRANSPORTATION	21	1.58%	0	0	21
OTHER PURCHASES						
914	PURCHASE COMMUNICATION	0	1.58%	0	0	0
915	RENTS (NON-GSA)	0	1.58%	0	0	0
920	SUPP & MAT'L (NON-FUND)	436	1.58%	7	0	443
921	PRINTING AND REPRODUCTION	89	1.58%	1	0	91
922	EQUIPMENT MAINTENANCE BY CONTRACT	487	1.58%	8	0	495
923	FACILITY MAINT BY CONTRACT	0	1.58%	0	0	0
925	EQUIPMENT (NON-FUND)	189	1.58%	3	0	192
932	MGT & PROFESSIONAL SUPPORT SVCS	58,567	1.58%	922	(0)	59,490
933	STUDIES, ANALYSIS & EVALUATIONS	187	1.58%	3	0	190
934	ENGINEERING & TECHNICAL SERVICES	3,626	1.58%	57	0	3,683
987	OTHER INTRA-GOVERNMENT PURCHASES	94,615	1.58%	1,490	21,192	117,297
988	GRANTS - ENVIRONMENTAL FEES TO STATES	3,880	1.58%	61	0	3,941
989	OTHER CONTRACTS	819,871	1.58%	12,913	(124,446)	708,338
998	OTHER COSTS	23	1.58%	0	(0)	23
999	TOTAL OTHER PURCHASES	981,970	1.58%	15,466	(103,254)	894,182
9999	TOTAL	1,146,802		18,062	(97,500)	1,067,364

BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

(In Thousands of Dollars)	
FY 2011 Estimate	\$392,811
FY 2010 Budget	\$401,269
FY 2009 Actual	\$288,881

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 2011 to expand scope of Explosive Destruction System (EDS) process improvement studies initiated in FY 2010; continue efforts pertaining to decontamination research and air monitoring studies; and provide funding for Army Materiel Systems Analysis Activity (AMSAA) system test and evaluation support. Also, funds are required for the Assembled Chemical Weapons Alternatives (ACWA) program in FY 2011 to continue construction activities, continue acquisition and demonstration testing of first-of-a-kind and long-lead equipment, and to begin systemization activities at PCAPP while continuing systemization planning at BGCAPP.

In addition, \$10 million of Funded Reimbursable Authority is required for evaluation and assessment of chemical agents discovered as a result of requests by other government agencies and foreign countries. It is also required for testing and evaluation of technologies developed by others, e.g., the Transportable Detonation Chamber.

BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

Funded Financial Summary			
(In Thousands of Dollars)			
	FY 2009	FY 2010	FY 2011
RDT&E	Actual	Budget	Estimate
Recovered Chemical Warfare Materiel (CWM)	3,630	250	250
Programmatic Support Activities	2,032	2,350	6,693
Subtotal NSCMP - Mission	5,662	2,600	6,943
Subtotal NSCMP	5,662	2,600	6,943
Assembled Cml Weapons Alternative Program			
Program Management	27,365	52,080	18,848
Pueblo, CO	116,226	173,830	174,667
Blue Grass, KY	139,628	172,759	192,353
Subtotal ACWA	283,219	398,669	385,868
Total Funded	288,881	401,269	392,811

Justification by Program

A. 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) studies.

BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

Assembled Chemical Weapons Alternatives (ACWA) 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 and other program management activities. Costs for facility design and construction of facilities are included in the Chemical Demilitarization Construction, Defense account.

B. PROGRAM ACCOMPLISHMENTS AND PLANS:

Non-Stockpile Chemical Materiel Project (See Exhibit R-2/Section C, CMA):

Program-Wide: FY 2011 funds are required for research and development studies and program support. These include efforts to expand scope of Explosive Destruction System (EDS) process improvement studies initiated in FY 2010; continue efforts pertaining to decontamination research and air monitoring studies; and provide funding for Army Materiel Systems Analysis Activity (AMSAA) system test and evaluation support.

Assembled Chemical Weapons Alternatives Program (See Exhibit R-2/Section C, ACWA):

Program Management: FY 2011 funds are required for ACWA Program Office salaries, supplies, equipment, travel, training, and mission and administrative support from contractors and other Government agencies.

Pueblo Chemical Agent-Destruction Pilot Plant (PCAPP): FY 2011 funds are required to continue construction and equipment installation for the pilot plant. During FY 2011, equipment installation and instrumentation will be completed for the Agent Processing Building (APB), Laboratory, and Biotreatment Area, and continue throughout FY 2011 for the Enhanced Reconfiguration Building (ERB). Funds are also required to begin APB and ERB system turnovers for systemization and to continue systemization planning activities for the future system turnovers. Additionally, funds are required for host installation support, contract management, and project support services by support contractors and other government agencies.

BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP): FY 2011 funds are required for the continuation of the acquisition, fabrication, and testing of first-of-a-kind and long-lead equipment. During FY 2011, the Agent Neutralization System, Energetics Neutralization System, and the Aluminum Filtration System will be fabricated and tested. Fabrication and prototype testing of the Supercritical Water Oxidation (SCWO) System, Rocket Cutting Machine, Rocket Shear Machine and the Munitions Washout System are also anticipated to occur in FY 2011. Funds are also required for systems contract construction management during the construction and equipment acquisition/testing activities. Construction activities in FY 2011 include continuing the Munitions Demilitarization Building (MDB) vertical wall concrete erection, completing the Control and Support Building siding and roofing, and constructing the SCWO Processing Building. MDB fire protection, HVAC, piping, electrical and instrumentation will also begin in FY 2011. Additionally, funds are required for site support, contract management, project support services by support contractors and other government agencies, and limited systemization planning activities.

C. 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: Tennessee Valley Authority, Muscle Shoals, Alabama; Sandia National Laboratory, Albuquerque, New Mexico; Idaho National Laboratory, Boise, Idaho; Shaw Environmental, Inc., Boston, Massachusetts; 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

BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

International Corporation, Abingdon, Maryland and Newton, Massachusetts; US Army Corps of Engineers, Huntsville, Alabama; Army Contracting Command, Rock Island, Illinois; Pueblo Chemical Depot, Colorado; Blue Grass Army Depot, Kentucky; and Blue Grass Chemical Activity, Kentucky.

D. 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, Colorado and Blue Grass Army Depot, Kentucky projects that are managed directly by the Office of the Secretary of Defense.

E. OTHER APPROPRIATION FUNDS:

Non-Stockpile Chemical Materiel Project:

Operation and Maintenance FY 2011 funds in the Chemical Agents and Munitions Destruction appropriation funds will be used to operate mobile systems.

Assembled Chemical Weapons Alternatives Program:

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

BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

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**Chemical Demilitarization Program • Budget Estimate Submission FY 2011 • RDT&E Program
Exhibit R-1**

(Listing by Budget Activity, then Program Element Number)

BA# 07: Operational Systems Development

Cost (\$ in Millions)

Line#	BA#	PE#	PE Title	FY 2009	FY 2010	FY 2011 Base	FY 2011 OCO	FY 2011 Total
01	07	0708081D	Chemical Materials Agency (CMA)	5.662	2.600	6.943	0.000	6.943
02	07	0708083D	ACWA - Assembled Chemical Weapons Alternatives	283.219	398.669	385.868	0.000	385.868
Total: Operational Systems Development				288.881	401.269	392.811	0.000	392.811

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BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

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Exhibit R-2, RDT&E Budget Item Justification: PB 2011 Chemical Demilitarization Program										DATE: February 2010	
APPROPRIATION/BUDGET ACTIVITY 0390: Chemical Demilitarization Program BA 7: Operational Systems Development					R-1 ITEM NOMENCLATURE PE 0708081D: Chemical Materials Agency (CMA)						
COST (\$ in Millions)	FY 2009 Actual	FY 2010 Estimate	FY 2011 Base Estimate	FY 2011 OCO Estimate	FY 2011 Total Estimate	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	Cost To Complete	Total Cost
Total Program Element	5.662	2.600	6.943	0.000	6.943	2.600	2.600	17.600	17.600	Continuing	Continuing
0708081D: Non Stockpile Chemical Materiel Project (NSCMP)	5.662	2.600	6.943	0.000	6.943	2.600	2.600	17.600	17.600	Continuing	Continuing
A. Mission Description and Budget Item Justification											
This project 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) studies. Funds are required for the Non Stockpile Chemical Materiel Project (NSCMP) in FY 2011 to continue Explosive Destruction System (EDS) process improvement studies initiated in FY 2010; continue efforts pertaining to decontamination research and air monitoring studies; and provide funding for Army Materiel Systems Analysis Activity (AMSAA) system test and evaluation support.											
B. Program Change Summary (\$ in Millions)											
			FY 2009	FY 2010	FY 2011 Base	FY 2011 OCO	FY 2011 Total				
Previous President's Budget			5.662	2.600	0.000	0.000	0.000				0.000
Current President's Budget			5.662	2.600	6.943	0.000	6.943				6.943
Total Adjustments			0.000	0.000	6.943	0.000	6.943				6.943
• Congressional General Reductions				0.000							
• Congressional Directed Reductions				0.000							
• Congressional Rescissions			0.000	0.000							
• Congressional Adds				0.000							
• Congressional Directed Transfers				0.000							
• Reprogrammings			0.000	0.000							
• SBIR/STTR Transfer			0.000	0.000							
• Other Program Adjustments			0.000	0.000	6.943	0.000	6.943				6.943
C. Accomplishments/Planned Program (\$ in Millions)											

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Chemical Demilitarization Program

BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

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Exhibit R-2, RDT&E Budget Item Justification: PB 2011 Chemical Demilitarization Program				DATE: February 2010							
APPROPRIATION/BUDGET ACTIVITY 0390: Chemical Demilitarization Program BA 7: Operational Systems Development		R-1 ITEM NOMENCLATURE PE 0708081D: Chemical Materials Agency (CMA)									
C. Accomplishments/Planned Program (\$ in Millions)											
			FY 2009	FY 2010	FY 2011 Base	FY 2011 OCO	FY 2011 Total				
Non Stockpile Chemical Materiel Project <i>FY 2009 Accomplishments:</i> Awarded contract to Sandia National Laboratory for continued Explosive Destruction System (EDS) developmental projects. Awarded contract to Idaho National Laboratories (INL) for Portable Isotopic Neutron Spectroscopy (PINS) product research. Provided funding to US Army Research Development and Engineering Command (RDECOM) for continuation of decontamination studies and monitoring support. Provided funding for Tennessee Valley Authority (TVA) matrix personnel supporting the NSCMP RDT&E program. <i>FY 2010 Plans:</i> Initiate Explosive Destruction System (EDS) process improvement studies. Continue Portable Isotopic Neutron Spectroscopy (PINS) product improvements. Continue monitoring and decontamination studies. <i>FY 2011 Base Plans:</i> Expand scope of Explosive Destruction System (EDS) process improvement studies initiated in FY 2010; continue efforts pertaining to decontamination research and air monitoring studies; and provide funding for Army Materiel Systems Analysis Activity (AMSAA) system test and evaluation support.			5.662	2.600	6.943	0.000	6.943				
Accomplishments/Planned Programs Subtotals			5.662	2.600	6.943	0.000	6.943				
D. Other Program Funding Summary (\$ in Millions)											
Line Item	FY 2009	FY 2010	FY 2011 Base	FY 2011 OCO	FY 2011 Total	FY 2012	FY 2013	FY 2014	FY 2015	Cost To Complete	Total Cost
• 0390 O&M/0708081D: CAMD,D	78.753	50.934	56.100		56.100	35.400	36.300	33.600	34.700	Continuing	Continuing
O&M	0.000	0.000	0.000		0.000	5.300	1.600	1.600	6.500	Continuing	Continuing

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Chemical Demilitarization Program

BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

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Exhibit R-2, RDT&E Budget Item Justification: PB 2011 Chemical Demilitarization Program										DATE: February 2010	
APPROPRIATION/BUDGET ACTIVITY 0390: Chemical Demilitarization Program BA 7: Operational Systems Development					R-1 ITEM NOMENCLATURE PE 0708081D: Chemical Materials Agency (CMA)						
D. Other Program Funding Summary (\$ in Millions)											
<u>Line Item</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u> <u>Base</u>	<u>FY 2011</u> <u>OCO</u>	<u>FY 2011</u> <u>Total</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
• 0390 PROC/0708081D: CAMD,D PROC E. Acquisition Strategy The Non Stockpile Chemical Materiel Project (NSMCP) Manager contracts with Sandia National Laboratory, Idaho National Laboratories (INL), and US Army Research, Development and Engineering Command (RDECOM) to complete the mission described in Section A. F. Performance Metrics The DOD uses the percent (cumulative from CWC entry into force) of treaty-declared category 1 chemical weapons destroyed as a performance measure for the Chemical Demilitarization (Chem Demil) Program (DoD Performance Measure 2.1-1). The program has developed annual destruction goals to guide its progress toward destroying the entire U.S. chemical weapons stockpile as close as practical to the CWC 100% destruction deadline of April 2012.											

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Chemical Demilitarization Program

BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

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Exhibit R-2, RDT&E Budget Item Justification: PB 2011 Chemical Demilitarization Program										DATE: February 2010	
APPROPRIATION/BUDGET ACTIVITY 0390: Chemical Demilitarization Program BA 7: Operational Systems Development				R-1 ITEM NOMENCLATURE PE 0708083D: ACWA - Assembled Chemical Weapons Alternatives							
COST (\$ in Millions)	FY 2009 Actual	FY 2010 Estimate	FY 2011 Base Estimate	FY 2011 OCO Estimate	FY 2011 Total Estimate	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	Cost To Complete	Total Cost
Total Program Element	283.219	398.669	385.868	0.000	385.868	388.940	422.004	422.954	589.116	Continuing	Continuing
0708083D: ACWA	283.219	398.669	385.868	0.000	385.868	388.940	422.004	422.954	589.116	Continuing	Continuing
<p>Note Project articles are U.S. tons of agent destroyed. Figures above are annual (non-cumulative) forecasts based on the Program Office's current estimate consistent with the projected destruction completion dates contained in DoD's May 2009 Semi-Annual Report to Congress on progress toward destruction of the U.S. stockpile of lethal chemical agents and munitions. Total ACWA Program quantity is 3,136 tons.</p> <p>A. Mission Description and Budget Item Justification The Assembled Chemical Weapons Alternatives (ACWA) Program is a Category 1D Major Defense Acquisition Programs (MDAP) 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 2008, Public Laws 110-116 and 110-181 mandated that the U.S. chemical weapons stockpile must be destroyed by the deadline established by the CWC and under no circumstances later than December 31, 2017. In response, DoD submitted the May 2009 Semi-Annual Report to Congress on progress toward destruction of the U.S. stockpile of lethal chemical agents and munitions. In that report, DoD stated its proposed plan to seek additional resources to (in part) "accelerate the ACWA program schedule toward completing destruction of an additional eight percent of the U.S. stockpile at Pueblo in 2017 and the remaining two percent of the U.S. stockpile at Blue Grass in 2021".</p> <p>Funds are required for the ACWA program in FY 2011 to continue construction activities, continue acquisition and demonstration testing of first-of-a-kind and other process equipment, and to begin systemization activities. FY 2011 requirements are further explained below: Program Management: Funds are required for ACWA Program Office salaries, supplies, equipment, travel, training, and mission and administrative support from contractors and other Government agencies. Pueblo Chemical Agent-Destruction Pilot Plant (PCAPP): Funds are required to continue construction and equipment installation for the pilot plant. Funds are also required to begin system turnovers for systemization and to continue systemization planning activities for the future system turnovers. Additionally, funds are required for host installation support, contract management, and project support services by support contractors and other government agencies.</p>											

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Chemical Demilitarization Program

BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

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Exhibit R-2, RDT&E Budget Item Justification: PB 2011 Chemical Demilitarization Program					DATE: February 2010
APPROPRIATION/BUDGET ACTIVITY 0390: Chemical Demilitarization Program BA 7: Operational Systems Development			R-1 ITEM NOMENCLATURE PE 0708083D: ACWA - Assembled Chemical Weapons Alternatives		
Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP): Funds are required for the continuation of the acquisition, fabrication, and testing of FOAK and long-lead equipment. Funds are also required for systems contract construction management during the construction and equipment acquisition/testing activities. Additionally, funds are required for site support, contract management, project support services by support contractors and other government agencies, and limited systemization planning activities.					
B. Program Change Summary (\$ in Millions)					
	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011 Base</u>	<u>FY 2011 OCO</u>	<u>FY 2011 Total</u>
Previous President's Budget	263.219	398.669	0.000	0.000	0.000
Current President's Budget	283.219	398.669	385.868	0.000	385.868
Total Adjustments	20.000	0.000	385.868	0.000	385.868
• Congressional General Reductions		0.000			
• Congressional Directed Reductions		0.000			
• Congressional Rescissions	0.000	0.000			
• Congressional Adds		0.000			
• Congressional Directed Transfers		0.000			
• Reprogrammings	0.000	0.000			
• SBIR/STTR Transfer	0.000	0.000			
• Congressional Add	20.000	0.000	0.000	0.000	0.000
• Other Program Adjustments	0.000	0.000	385.868	0.000	385.868
Congressional Add Details (\$ in Millions, and Includes General Reductions)					
Project: 0708083D: ACWA					
Congressional Add: ACWA					
					<u>FY 2009</u>
					<u>FY 2010</u>
					20.000
					0.000
					20.000
					0.000
					20.000
					0.000
Congressional Add Subtotals for Project: 0708083D					20.000
Congressional Add Totals for all Projects					20.000
C. Accomplishments/Planned Program (\$ in Millions)					

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Chemical Demilitarization Program

BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

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Exhibit R-2, RDT&E Budget Item Justification: PB 2011 Chemical Demilitarization Program				DATE: February 2010	
APPROPRIATION/BUDGET ACTIVITY 0390: Chemical Demilitarization Program BA 7: Operational Systems Development		R-1 ITEM NOMENCLATURE PE 0708083D: ACWA - Assembled Chemical Weapons Alternatives			
C. Accomplishments/Planned Program (\$ in Millions)					
	FY 2009	FY 2010	FY 2011 Base	FY 2011 OCO	FY 2011 Total
The Assembled Chemical Weapons Alternatives (ACWA) Program <i>FY 2009 Accomplishments:</i> During FY 2009 construction activities, First-of-a-Kind (FOAK) equipment fabrication and testing activities, and systems contractor procurement activities for other (non-FOAK) process equipment continued at both the Pueblo Chemical Agent-Destruction Pilot Plant (PCAPP) and the Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP). Additionally, design activities for BGCAPP continued and systemization planning activities for PCAPP began. For PCAPP, steel work for the Agent Processing Building (APB) and Enhanced Reconfiguration Building (ERB) was completed during FY 2009, and construction of the Multipurpose Building was also completed. For BGCAPP, placement of at-grade horizontal concrete for the Munitions Demilitarization Building and the Control and Support Building continued during FY 2009. Also, in March 2009, a small-scale sarin nerve agent disposal project at the Blue Grass Army Depot was completed. Approximately 160 gallons of nerve agent stored in three deteriorating cylindrical steel "ton" containers were destroyed. <i>FY 2010 Plans:</i> During FY 2010 construction activities, FOAK equipment fabrication and testing activities, and systems contractor procurement activities for other (non-FOAK) process equipment will continue at both the Pueblo and Blue Grass. Additionally, design activities for BGCAPP will be completed, and PCAPP systemization planning activities will continue. For PCAPP, prototype testing of the Munitions Washout System, a FOAK item, is planned for completion during FY 2010, and award of a contract modification for Systemization is also scheduled for FY 2010. For BGCAPP, prototype testing was completed in November 2009 for the Metal Parts Treater, a FOAK item; Munitions Demilitarization Building (MDB) vertical wall construction began in December 2009; and placement of at-grade horizontal concrete for the MDB is scheduled for completion in FY 2010. FOAK prototype testing for the Energetics Batch Hydrolyzer system for BGCAPP is also scheduled for completion during FY 2010.	263.219	398.669	385.868	0.000	385.868

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Chemical Demilitarization Program

BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

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Exhibit R-2, RDT&E Budget Item Justification: PB 2011 Chemical Demilitarization Program				DATE: February 2010		
APPROPRIATION/BUDGET ACTIVITY 0390: Chemical Demilitarization Program BA 7: Operational Systems Development		R-1 ITEM NOMENCLATURE PE 0708083D: ACWA - Assembled Chemical Weapons Alternatives				
C. Accomplishments/Planned Program (\$ in Millions)						
		FY 2009	FY 2010	FY 2011 Base	FY 2011 OCO	FY 2011 Total
FY 2011 Base Plans: For PCAPP, equipment installation and instrumentation will be completed for the Agent Processing Building (APB), Laboratory, and Biotreatment Area, and for the Enhanced Reconfiguration Building (ERB) these activities will continue throughout FY 2011. Additionally, FOAK prototype testing for the Munitions Washout System will be completed and system turnovers for systemization of the APB and ERB will commence and systemization planning activities for the future system turnovers will continue. For BGCAPP, the acquisition, fabrication, and testing of FOAK and long-lead equipment will continue. More specifically, the Agent Neutralization System (ANS), Energetics Neutralization System (ENS), and the Aluminum Filtration System will be fabricated and tested, and the ANS and ENS installed. Fabrication and FOAK prototype testing of the Supercritical Water Oxidation (SCWO) System, Rocket Cutting Machine, Rocket Shear Machine and the Munitions Washout System are also anticipated to occur in FY 2011. Construction activities in FY 2011 will include continuation of Munitions Demilitarization Building (MDB) vertical wall concrete erection, completion of Control and Support Building siding and roofing, and commencement of construction for the SCWO Processing Building. MDB fire protection, HVAC, piping, electrical and instrumentation. Also during FY 2011 limited systemization planning activities for BGCAPP will begin.						
Accomplishments/Planned Programs Subtotals		263.219	398.669	385.868	0.000	385.868
		FY 2009	FY 2010			
Congressional Add: ACWA FY 2009 Accomplishments: The additional funds provided by Congress were used for program acceleration efforts.		20.000	0.000			
Congressional Adds Subtotals		20.000	0.000			

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BUDGET ACTIVITY 2: Research, Development, Test and Evaluation

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Exhibit R-2, RDT&E Budget Item Justification: PB 2011 Chemical Demilitarization Program									DATE: February 2010		
APPROPRIATION/BUDGET ACTIVITY 0390: Chemical Demilitarization Program BA 7: Operational Systems Development				R-1 ITEM NOMENCLATURE PE 0708083D: ACWA - Assembled Chemical Weapons Alternatives							
D. Other Program Funding Summary (\$ in Millions)											
Line Item	FY 2009	FY 2010	FY 2011 Base	FY 2011 OCQ	FY 2011 Total	FY 2012	FY 2013	FY 2014	FY 2015	Cost To Complete	Total Cost
• 0391: Chemical Demilitarization Construction, Defense	144.278	151.541	124.971		124.971	81.902	81.013	95.844	88.573	Continuing	Continuing
E. Acquisition Strategy											
<p>The Assembled Chemical Weapons Alternatives (ACWA) Program is overseen by a program management office, the U.S. Army Element, Assembled Chemical Weapons Alternatives (USAE, ACWA), headquartered at the Edgewood area of Aberdeen Proving Ground, Maryland. The program is primarily executed through systems contracts to design, build, test, and operate pilot destruction facilities. The destruction facilities 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 super critical water oxidation (SCWO) at Blue Grass.</p> <p>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 FY 2007 National Defense Authorization Act. 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) contracts.</p>											
F. Performance Metrics											
<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 in FY 2014 when destruction operations at PCAPP are scheduled to start. In the interim, major milestones anticipated for the ACWA Program during FY 2010 and FY2011 are primarily related to the construction phase.</p>											

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Chemical Demilitarization Program

BUDGET ACTIVITY 3: PROCUREMENT

(In Thousands of Dollars)

FY 2011 Estimate	\$7,132
FY 2010 Budget	\$12,689
FY 2009 Actual	\$64,085

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, equipment to support the closure of the incineration facilities, 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 Required

Funds requested in FY 2011 are necessary to procure equipment associated with processing solids from ton containers in operations, processing carbon waste, and cleanup efforts in operations and closure.

BUDGET ACTIVITY 3: PROCUREMENT

Funded Financial Summary (In Thousands of Dollars)			
PROC	FY 2009 Actual	FY 2010 Budget	FY 2011 Estimate
PM CSE - Support Activities	7,774		
Chemical Agent Munitions Disposal System	1,434		
Tooele Chemical Agent Disposal Facility	3,992		
Anniston Chemical Agent Disposal Facility	24,457		2,500
Umatilla Chemical Agent Disposal Facility			4,632
Subtotal CSE	37,657		7,132
CSEPP Off-Post - Mission	26,428	12,689	
Subtotal CSEPP	26,428	12,689	
Total Funded	64,085	12,689	7,132

Justification by Program

Anniston Chemical Agent Disposal Facility: In FY 2011, funds will provide for procurement of Nitrocision pressurized cryogenic nitrogen lances and other equipment to provide additional capabilities during operations and closure.

Umatilla Chemical Agent Disposal Facility: In FY 2011, funds will provide for procurement of equipment for the Heel Transfer System in support of the Mustard Campaign and Carbon Micronization equipment.

BUDGET ACTIVITY 3: PROCUREMENT

Exhibit P-40, Budget Item Justification							Date: February 2010			
Appropriation Code/Budget Activity/Serial Number: 0390: Chemical Demilitarization Program BA 3- Procurement					P-1 Item Nomenclature: Chemical Demilitarization Equipment					
Program Element for Code B Items:				Other Related Program Elements						
	ID Code	FY 2007 & Prior	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Proc Qty										
Gross Cost (M\$)		2,361.4	18.4	64.1	12.7	7.1	13.3	7.9	9.8	0.9
<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 Emergency Preparedness Project and the Non-Stockpile Chemical Material Product.</p> <p>JUSTIFICATION:</p> <p>The FY11 budget request is for procurement of equipment associated with the Heel Transfer System in support of the Mustard Campaign, Carbon Micronization equipment, Nitrocision pressurized cryogenic nitrogen lances and other equipment to provide additional capabilities during operations and closure.</p>										

BUDGET ACTIVITY 3: PROCUREMENT

Exhibit P-5, Cost Analysis		Weapon System Chemical Demilitarization Equipment			Date: February 2010					
Appropriation Code/Budget Activity/Serial Number: 0390: Chemical Demilitarization Program BA 3- Procurement				ID:	P-1 Line Item Nomenclature: Chemical Demilitarization Equipment					
		FY09			FY10			FY11		
WBS COST ELEMENTS		Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
Engineering Services		7,774								
Chemical Agent Munitions Disposal System		1,434								
Tooele Chemical Agent Disposal Facility		3,992								
Anniston Chemical Agent Disposal Facility		24,457						2,500		
Umatilla Chemical Agent Disposal Facility								4,632		
Subtotal CSE		37,657						7,132		
CSEPP		26,428			12,689					
TOTAL		64,085	0	0	12,689	0	0	7,132	0	0

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UNCLASSIFIED				UNCLASSIFIED							
ITEM NO		PAGE NO 55		EXHIBIT P-5A							
UNCLASSIFIED											
REPORTS CONTROL SYMBOL		DD-COMP(AR) 1092				BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT			DATE		Feb 2010
APPROPRIATION /BUDGET ACTIVITY				P-1 ITEM NOMENCLATURE							
Procurement/Budget Activity 3				Chemical Demilitarization Equipment							
COST ELEMEN	CONTRACTOR	CONTRACT		AWARD	DATE OF		UNIT	SPECS	SPEC	IF YES,	
FISCAL YEAR	AND LOCATION	METHOD	CONTRACTED	DATE	FIRST	QUANTITY	COST	AVAILABLE	REV	WHEN	
		& TYPE	BY		DELIVERY			NOW	REQ'D	AVAILABLE	
<u>Anniston Chemical Agent Disposal Facility</u>											
<u>Construction, Equipment and Operations Contract 1)</u>											
	URS, Inc.	C/CPAF	U.S. Army		N/A	N/A					
			Operations								
			Spt Cmd								
FY 2009							24,457				
FY 2010							0				
FY 2011							2,500				
<u>Total</u>											
FY 2009							24,457				
FY 2010							0				
FY 2011							2,500				
REMARKS											
1. FY09 Funding to support Static Detonation Chamber for processing leakers.											
2. FY11 Funding is for Nitrocision pressurized cryogenic nitrogen lances and other equipment to provide additional capabilities during operations and closure.											

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UNCLASSIFIED										
REPORTS CONTROL SYMBOL				UNCLASSIFIED						
DD-COMP(AR) 1092				BUDGET PROCUREMENT HISTORY AND PLANNING EXHIBIT			DATE Feb 2010			
APPROPRIATION /BUDGET ACTIVITY				P-1 ITEM NOMENCLATURE						
Procurement/Budget Activity 3				Chemical Demilitarization Equipment						
COST ELEMEN	CONTRACTOR	CONTRACT		AWARD	DATE OF		UNIT	SPECS	SPEC	IF YES,
FISCAL YEAR	AND LOCATION	METHOD	CONTRACTED	DATE	FIRST	QUANTITY	COST	AVAILABLE	REV	WHEN
		& TYPE	BY		DELIVERY			NOW	REQ'D	AVAILABLE
<u>Umatilla Chemical Agent Disposal Facility</u>										
<u>Construction, Equipment and Operations Contract 1)</u>										
	URS, Inc.	C/CPAF	USAOSC		N/A	N/A				
FY 2009							0			
FY 2010							0			
FY 2011							4,632			
<u>Total</u>										
FY 2009							0			
FY 2010							0			
FY 2011							4,632			
REMARKS										
1. FY11 Funding for procurement of equipment for the Heel Transfer System in support of Mustard Campaign and Carbon Micronization equipment.										