



Selected Acquisition Report (SAR)

RCS: DD-A&T(Q&A)823-285



CHEM DEMIL-CMA

As of December 31, 2010

Defense Acquisition Management
Information Retrieval
(DAMIR)

UNCLASSIFIED

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Program Information

Designation And Nomenclature (Popular Name)

Chemical Demilitarization-U.S. Army Chemical Materials Agency (Chem Demil-CMA)

DoD Component

Army

Responsible Office

Responsible Office

Mr. Conrad F. Whyne
AMSCM-D
5183 Blackhawk Road
APG-EA, MD 21010-5424
conrad.whyne@us.army.mil

Phone 410-436-4364
Fax 410-436-6742
DSN Phone 584-4364
DSN Fax 584-6742
Date Assigned January 20, 2008

References

SAR Baseline (Production Estimate)

Defense Acquisition Executive (DAE) Approved Acquisition Program Baseline (APB) dated March 31, 1998

Approved APB

DAE Approved Acquisition Program Baseline (APB) dated April 3, 2008

Mission and Description

Mission and Description

The Chemical Demilitarization Program (CDP) consists of two Major Defense Acquisition Programs (MDAPs): Chemical Demilitarization-U.S. Army Chemical Materials Agency (Chem Demil-CMA) and Chem Demil-Assembled Chemical Weapons Alternatives (ACWA). Chem Demil-ACWA is reported under a separate cover. The Chem Demil-CMA mission is to enhance national security by eliminating U.S. chemical warfare materiel (CWM), and supporting CWM responses.

The U.S. Army manages Chem Demil-CMA as an Acquisition Category ID program, which includes the Chemical Stockpile Elimination (CSE) Project, the Non-Stockpile Chemical Materiel Project (NSCMP), and the Chemical Stockpile Emergency Preparedness Program (CSEPP).

CHEMICAL STOCKPILE ELIMINATION PROJECT

The CSE mission is the life cycle management of the safe destruction of the U.S. stockpile of unitary chemical agents and munitions stored at Tooele, Utah; Anniston, Alabama; Umatilla, Oregon; Pine Bluff, Arkansas (operations complete); Newport, Indiana (operations and closure complete); Aberdeen, Maryland (operations and closure complete); and Johnston Atoll (operations and closure complete); while providing maximum protection to the workers involved in the destruction effort, the public, and the environment.

NON-STOCKPILE CHEMICAL MATERIEL PROJECT

NSCMP activities are divided into four mission areas: binary chemical weapons destruction (mission complete), destruction of former U.S. chemical weapons production facilities (mission complete), miscellaneous CWM destruction, and recovered CWM disposal. The Project Manager for Non-Stockpile Chemical Materiel also provides storage, transportation, planning, and destruction support for remediation activities being conducted at active Department of Defense installations and formerly used defense sites.

CHEMICAL STOCKPILE EMERGENCY PREPAREDNESS PROGRAM

CSEPP enhances protection of the workers involved in the destruction effort, the civilian population, and the environment. The U.S. Army and the Federal Emergency Management Agency assist the five remaining U.S. chemical stockpile storage locations and adjacent communities in six states, enhancing their chemical agent emergency response capabilities. Funding for the CSEPP efforts at Pueblo, Colorado, and Blue Grass, Kentucky, are included in this Selected Acquisition Report (SAR), although the chemical agent destruction efforts at those locations are reported in the Chem Demil-ACWA SAR.

Executive Summary

This Selected Acquisition Report (SAR) details changes in Chemical Demilitarization-U.S. Army Chemical Materials Agency (Chem Demil-CMA), schedule, and performance since the December 2009 SAR (submitted April 2010) for Chem Demil-CMA.

The Program Manager's Current Estimate, in accordance with the approved Fiscal Year (FY) 2011 Current Working Estimate (CWE) for Chem Demil-CMA, is \$24.4B. The program cost estimate reflects fiscal guidance for FY 2012 - FY 2016, with the CMA FY 2011 CWE addressing FY 2017 and beyond. The schedule estimates represent the CMA FY 2011 CWE, which includes revised operations and closure schedules based upon current projections.

All chemical agents and munitions at Aberdeen Proving Ground-Edgewood Area (APG-EA), Maryland; Johnston Atoll; and Newport Chemical Depot (NECD), Indiana, have been destroyed, and the demilitarization facilities at those locations have been decontaminated, dismantled, and demolished. The Pine Bluff Arsenal, Arkansas, facility has completed operations and has started closure. Elimination of the chemical weapon stockpiles continues at Deseret Chemical Depot, Utah; Anniston Army Depot, Alabama; and Umatilla Chemical Depot, Oregon.

As of February 28, 2011, Chem Demil-CMA has destroyed 27,395 U.S. tons of chemical agent, representing 94.3 percent of Chem Demil-CMA's acquisition quantity. Together with the Program Manager Assembled Chemical Weapons Alternatives, 84.1 percent (measured in U.S. tons of chemical agent) of the declared Category I chemical weapons have been destroyed since entry into force of the Chemical Weapons Convention. All stockpile facilities are collectively ahead of the April 2008 Acquisition Program Baseline (APB) milestone objective dates.

CMA has achieved several destruction milestones since the December 2009 SAR: Completed the destruction of 75 percent of the CWC-declared stockpile on July 1, 2010; completed closure and transferred the NECD to inactive status on July 18, 2010; closed the National Toxic Substances Control Act polychlorinated biphenyls permit on July 20, 2010; and completed chemical agent demilitarization operations at Pine Bluff Chemical Agent Disposal Facility on November 12, 2010.

The workforce safety efforts at CMA facilities have resulted in significantly lower recordable incidence rates (RIRs), (number of injuries and/or illnesses per 200,000 hours worked) than similar industries reported in Occupational Safety and Health Administration statistics. The combined RIR for the four active sites at the end of the calendar year was 0.74. This compares favorably to the 2.0 RIR as the mean for chemical manufacturing, and the 2.5 RIR as the mean for chemical storage.

CMA continues to seek opportunities to reduce costs and accelerate schedules where possible, without compromising protection of the workers, public, or environment. Pursuant to Public Law 111-383, the National Defense Authorization Act for FY 2011, CMA continues to implement performance-based contracting with schedule incentives to safely complete the stockpile destruction mission as early as possible.

CHEMICAL STOCKPILE ELIMINATION (CSE) PROJECT

Tooele Chemical Agent Disposal Facility (TOCDF)

The mustard campaign is the last major destruction campaign at TOCDF. TOCDF completed processing baseline mustard agent 4.2-inch mortars on May 28, 2010, and ton containers (TCs) with high mercury content on August 13, 2010. TOCDF achieved 10 million consecutive hours of operation without a lost-time injury on July 27, 2010. As of February 28, 2011, a total of 13,251 U.S. tons of chemical agent have been destroyed.

Anniston Chemical Agent Disposal Facility (ANCDF)

ANCDF completed the destruction of 75 percent of the Anniston stockpile on June 9, 2010. On August 19, 2010, ANCDF was selected for induction into the State of Alabama Engineering Hall of Fame for the year 2011. On

January 5, 2011, ANCDF completed its largest campaign, the baseline HD/HT 4.2-inch mortars. As of February 28, 2011, a total of 2,077 U.S. tons of chemical agent have been destroyed at ANCDF.

Umatilla Chemical Agent Disposal Facility (UMCDF)

UMCDF is destroying mustard TCs. UMCDF completed 50 percent of its stockpile on August 4, 2010. As of February 28, 2011, a total of 2,602 U.S. tons of chemical agent have been destroyed.

Pine Bluff Chemical Agent Disposal Facility (PBCDF)

PBCDF completed processing the final mustard agent TC on November 12, 2010, and has started closure of the facility. All 3,851 U.S. tons of chemical agent stored at the Pine Bluff Chemical Activity have been destroyed.

Newport Chemical Agent Disposal Facility (NECDF)

NECD was reassigned to the U.S. Army Installation Management Command on July 19, 2010.

NON-STOCKPILE CHEMICAL MATERIEL PROJECT (NSCMP):

Miscellaneous Chemical Warfare Materiel (CWM) Disposal

Pine Bluff Ton Container Decontamination Facility (PBTCDF)

PBTCDF is a fixed facility at Pine Bluff Arsenal, AR, used to decontaminate 4,233 empty TCs. As of February 28, 2011, PBTCDF has decontaminated 4,215 TCs.

Recovered CWM (RCWM) Disposal

On April 15, 2010, CMA completed destruction of all RCWM initially declared when the United States entered into the Chemical Weapons Convention (CWC).

Pine Bluff Explosive Destruction System (PBEDS)

The PBEDS site at Pine Bluff Arsenal (PBA), Arkansas, used three Explosive Destruction Systems (EDS) units to destroy 1,227 recovered munitions, including 558 treaty-declared items. The last items to be destroyed were 56 German Traktor Rockets (GTRs) that contained explosively loaded bursters and/or propellant-filled motors. The processing of the 56 explosively configured GTRs with motors exceeded the current approved net explosive weight (NEW) limit of the EDS, so further explosive testing and some system modifications were required. On April 15, 2010, the EDS units completed the destruction of all the initially declared CWC non-stockpile materiel. Closure sampling at the PBEDS site was completed on June 2, 2010.

Technology Test Program

During FY 2010, the Project Manager for Non-Stockpile Chemical Materiel (PMNSCM) also continued to pursue improvements to portable isotopic neutron spectroscopy techniques for the assessment of recovered materiel. Additionally, PMNSCM completed several testing efforts on the Transportable Detonation Chamber aimed at increasing its NEW rating for destroying larger HD munitions.

Recovery and Destruction of CWM

PMNSCM supported operations in FY 2010 using mobile equipment. These activities included the recovery, assessment, and destruction of CWM and suspected CWM. Additionally, PMNSCM supported the U.S. Army Corps of Engineers during site scoping studies, site remediation, and range clearing missions. PMNSCM supported

activities to assess and/or recover CWM at Aberdeen Proving Ground (APG), Maryland; Columboola, Australia; former Black Hills Army Depot, South Dakota; former Camp Sibert, Alabama; former Fort Glenn, Alaska; Fort Benning, Georgia; Fort Carson, Colorado; Fort Hood, Texas; Fort Leonard Wood, Missouri; Fort McClellan, Alabama; Hobbs New Mexico; Kirtland Air Force Base, New Mexico; Naval Support Facility at Dahlgren, Virginia; Okinawa, Japan; Poquoson, Virginia; Redstone Arsenal, Alabama; Schofield Barracks, Hawaii; and Spring Valley, Washington, D.C. Some of the munitions were found to contain chemical warfare agents, and others contained conventional or inert components.

CHEMICAL STOCKPILE EMERGENCY PREPAREDNESS PROGRAM (CSEPP)

CSEPP enhances protection of the workers involved in the destruction effort, the civilian population, and the environment. The U.S. Army and the Federal Emergency Management Agency assist the five remaining U.S. chemical stockpile storage locations and adjacent communities in six states to enhance their chemical agent emergency response capabilities. Funding for the CSEPP efforts at Pueblo, Colorado, and Blue Grass, Kentucky, are included in this SAR, although the chemical agent disposal efforts at those locations are reported in the Chem Demil-ACWA SAR.

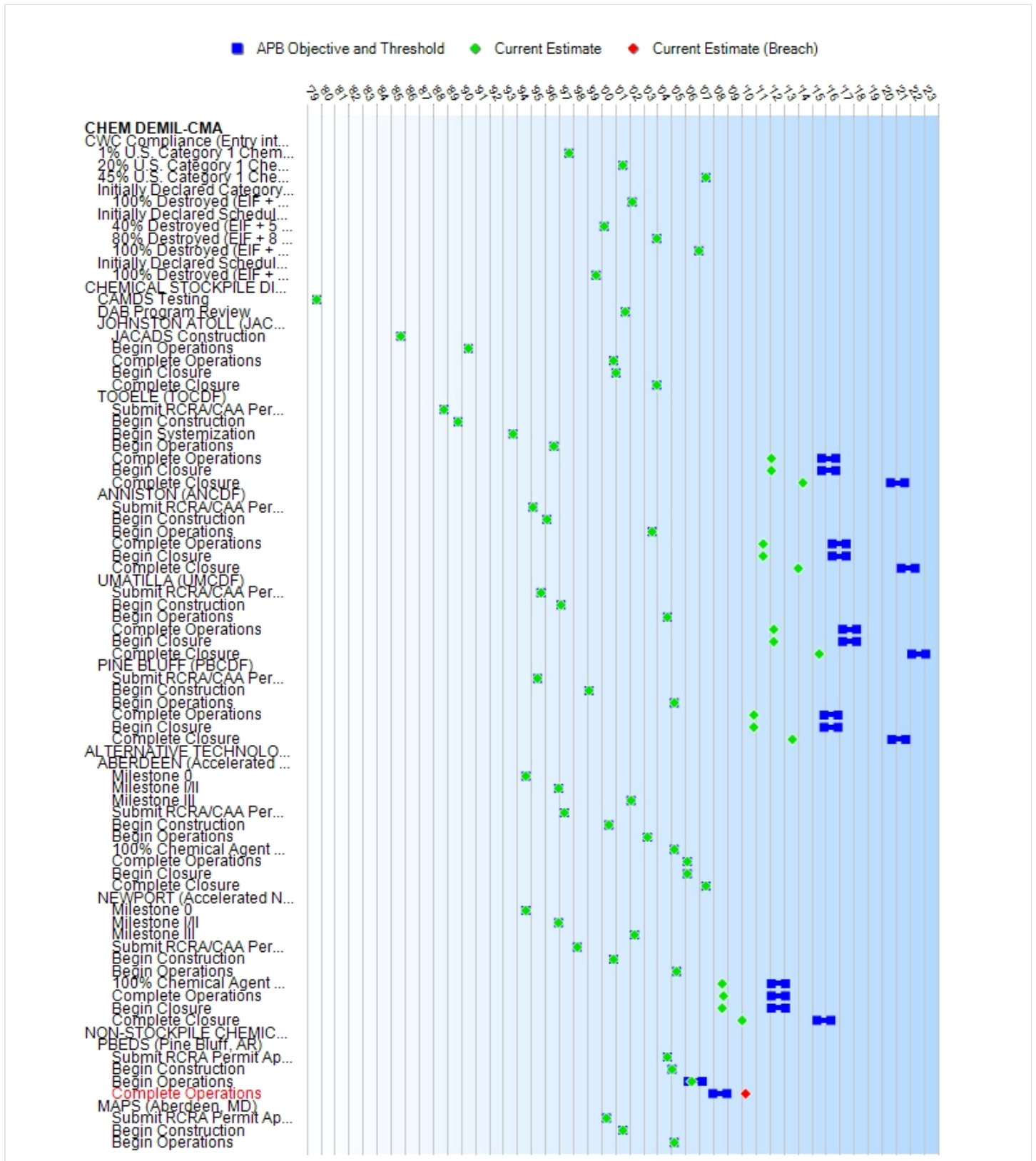
SOFTWARE ISSUES

There are no significant software-related issues with the program at this time.

Threshold Breaches

APB Breaches			Explanation of Breach	
Schedule		<input checked="" type="checkbox"/>		<p>In the September 2008 quarterly exception SAR the U.S. Army Chemical Materials Agency (CMA) previously reported a deviation from the Pine Bluff Explosive Destruction System (PBEDS) schedule parameters contained in the April 2008 Acquisition Program Baseline (APB) for Chem Demil-CMA.</p> <p>PBEDS operations were formally completed on April 15, 2010, with the destruction of all Chemical Weapons Convention (CWC) declared non-stockpile materiel. Program costs are still within budget at the APB level and there is no impact to the final completion of all CMA destruction operations.</p>
Performance		<input type="checkbox"/>		
Cost	RDT&E	<input type="checkbox"/>		
	Procurement	<input type="checkbox"/>		
	MILCON	<input type="checkbox"/>		
	Acq O&M	<input type="checkbox"/>		
Unit Cost	PAUC	<input type="checkbox"/>		
	APUC	<input type="checkbox"/>		
Nunn-McCurdy Breaches				
Current UCR Baseline				
	PAUC	None		
	APUC	None		
Original UCR Baseline				
	PAUC	None		
	APUC	None		

Schedule



Milestones	SAR Baseline Prod Est	Current APB Production Objective/Threshold		Current Estimate
CWC Compliance (Entry into Force 29 APR 97)				
1% U.S. Category 1 Chemical Weapons Destroyed	JAN 1994	SEP 1997	SEP 1997	SEP 1997
20% U.S. Category 1 Chemical Weapons Destroyed	MAY 2002	JUL 2001	JUL 2001	JUL 2001
45% U.S. Category 1 Chemical Weapons Destroyed	MAY 2004	JUN 2007	JUN 2007	JUN 2007
Initially Declared Category 3 Chemical Weapons				
100% Destroyed (EIF + 5 Yrs)	MAY 2002	MAR 2002	MAR 2002	MAR 2002
Initially Declared Schedule 1 Chemical Weapon Production Facilities				
40% Destroyed (EIF + 5 Yrs)	N/A	MAR 2000	MAR 2000	MAR 2000
80% Destroyed (EIF + 8 Yrs)	N/A	DEC 2003	DEC 2003	DEC 2003
100% Destroyed (EIF + 10 Yrs)	MAY 2007	DEC 2006	DEC 2006	DEC 2006
Initially Declared Schedule 2 Chemical Weapon Production Facilities				
100% Destroyed (EIF + 5 Yrs)	MAY 2002	AUG 1999	AUG 1999	AUG 1999
CHEMICAL STOCKPILE DISPOSAL PROJECT				
CAMDS Testing	SEP 1979	SEP 1979	SEP 1979	SEP 1979
DAB Program Review	MAR 1995	SEP 2001	SEP 2001	SEP 2001
JOHNSTON ATOLL (JACADS)				
JACADS Construction	SEP 1985	SEP 1985	SEP 1985	SEP 1985
Begin Operations	JUL 1990	JUL 1990	JUL 1990	JUL 1990
Complete Operations	N/A	NOV 2000	NOV 2000	NOV 2000
Begin Closure	SEP 2000	JAN 2001	JAN 2001	JAN 2001
Complete Closure	N/A	DEC 2003	DEC 2003	DEC 2003
TOOELE (TOCDF)				
Submit RCRA/CAA Permit Applications	OCT 1988	OCT 1988	OCT 1988	OCT 1988
Begin Construction	OCT 1989	OCT 1989	OCT 1989	OCT 1989
Begin Systemization	SEP 1993	SEP 1993	SEP 1993	SEP 1993
Begin Operations	AUG 1996	AUG 1996	AUG 1996	AUG 1996
Complete Operations	N/A	SEP 2015	SEP 2016	FEB 2012 (Ch-1)
Begin Closure	OCT 2003	SEP 2015	SEP 2016	FEB 2012 (Ch-1)
Complete Closure	N/A	AUG 2020	AUG 2021	MAY 2014 (Ch-1)
ANNISTON (ANCDF)				

cont.					
Milestones	SAR Baseline Prod Est	Current APB Production Objective/Threshold		Current Estimate	
Submit RCRA/CAA Permit Applications	FEB 1995	FEB 1995	FEB 1995	FEB 1995	
Begin Construction	FEB 1996	FEB 1996	FEB 1996	FEB 1996	
Begin Operations	JAN 2002	AUG 2003	AUG 2003	AUG 2003	
Complete Operations	N/A	JUN 2016	JUN 2017	JUL 2011	(Ch-2)
Begin Closure	NOV 2005	JUN 2016	JUN 2017	JUL 2011	(Ch-2)
Complete Closure	N/A	MAY 2021	MAY 2022	JAN 2014	(Ch-2)
UMATILLA (UMCDF)					
Submit RCRA/CAA Permit Applications	SEP 1995	SEP 1995	SEP 1995	SEP 1995	
Begin Construction	FEB 1997	FEB 1997	FEB 1997	FEB 1997	
Begin Operations	FEB 2002	SEP 2004	SEP 2004	SEP 2004	
Complete Operations	N/A	MAR 2017	MAR 2018	APR 2012	(Ch-3)
Begin Closure	JUN 2005	MAR 2017	MAR 2018	APR 2012	(Ch-3)
Complete Closure	N/A	FEB 2022	FEB 2023	JUL 2015	(Ch-3)
PINE BLUFF (PBCDF)					
Submit RCRA/CAA Permit Applications	JUL 1995	JUN 1995	JUN 1995	JUN 1995	
Begin Construction	TBD	FEB 1999	FEB 1999	FEB 1999	
Begin Operations	TBD	MAR 2005	MAR 2005	MAR 2005	
Complete Operations	N/A	NOV 2015	NOV 2016	NOV 2010	
Begin Closure	TBD	NOV 2015	NOV 2016	NOV 2010	
Complete Closure	N/A	SEP 2020	SEP 2021	AUG 2013	(Ch-4)
ALTERNATIVE TECHNOLOGIES & APPROACHES					
ABERDEEN (Accelerated ABCDF)					
Milestone 0	AUG 1994	AUG 1994	AUG 1994	AUG 1994	
Milestone I/II	DEC 1996	DEC 1996	DEC 1996	DEC 1996	
Milestone III	JAN 2004	FEB 2002	FEB 2002	FEB 2002	
Submit RCRA/CAA Permit Applications	N/A	MAY 1997	MAY 1997	MAY 1997	
Begin Construction	N/A	JUL 2000	JUL 2000	JUL 2000	
Begin Operations	N/A	APR 2003	APR 2003	APR 2003	
100% Chemical Agent Destroyed	N/A	MAR 2005	MAR 2005	MAR 2005	
Complete Operations	N/A	FEB 2006	FEB 2006	FEB 2006	
Begin Closure	N/A	FEB 2006	FEB 2006	FEB 2006	
Complete Closure	N/A	JUN 2007	JUN 2007	JUN 2007	
NEWPORT (Accelerated NECDF)					
Milestone 0	AUG 1994	AUG 1994	AUG 1994	AUG 1994	

cont.				
Milestones	SAR Baseline Prod Est	Current APB Production Objective/Threshold		Current Estimate
Milestone I/II	DEC 1996	DEC 1996	DEC 1996	DEC 1996
Milestone III	MAY 2004	MAY 2002	MAY 2002	MAY 2002
Submit RCRA/CAA Permit Applications	N/A	APR 1998	APR 1998	APR 1998
Begin Construction	N/A	NOV 2000	NOV 2000	NOV 2000
Begin Operations	N/A	MAY 2005	MAY 2005	MAY 2005
100% Chemical Agent Destroyed	N/A	FEB 2012	FEB 2013	AUG 2008
Complete Operations	N/A	FEB 2012	FEB 2013	SEP 2008
Begin Closure	N/A	FEB 2012	FEB 2013	AUG 2008
Complete Closure	N/A	MAY 2015	MAY 2016	JAN 2010
NON-STOCKPILE CHEMICAL MATERIEL PROJECT				
PBEDS (Pine Bluff, AR)				
Submit RCRA Permit Applications	N/A	SEP 2004	SEP 2004	SEP 2004
Begin Construction	N/A	JAN 2005	JAN 2005	JAN 2005
Begin Operations	N/A	MAR 2006	MAR 2007	JUN 2006
Complete Operations	N/A	DEC 2007	DEC 2008	APR 2010 ¹ (Ch-5)
MAPS (Aberdeen, MD)				
Submit RCRA Permit Applications	N/A	MAY 2000	MAY 2000	MAY 2000
Begin Construction	N/A	JUL 2001	JUL 2001	JUL 2001
Begin Operations	N/A	MAR 2005	MAR 2005	MAR 2005

¹APB Breach

Acronyms And Abbreviations

ABCDF - Aberdeen Chemical Agent Disposal Facility
 ANCDF - Anniston Chemical Agent Disposal Facility
 CAA - Clean Air Act
 CAMDS - Chemical Agent Munitions Disposal System
 CWC - Chemical Weapons Convention
 CWM - Chemical Warfare Materiel
 DAB - Defense Acquisition Board
 EIF - Entry into Force
 JACADS - Johnston Atoll Chemical Agent Disposal System
 MAPS - Munitions Assessment and Processing System
 NECDF - Newport Chemical Agent Disposal Facility
 PBCDF - Pine Bluff Chemical Agent Disposal Facility
 PBEDS - Pine Bluff Explosive Destruction System
 RCRA - Resource Conservation and Recovery Act
 TOCDF - Tooele Chemical Agent Disposal Facility
 UMCDF - Umatilla Chemical Agent Disposal Facility

Change Explanations

(Ch-1) TOCDF Complete Operations from JAN 2012 to FEB 2012
TOCDF Begin Closure from JAN 2012 to FEB 2012
TOCDF Complete Closure from JAN 2015 to MAY 2014

Changes for Complete Operations and Begin Closure are due to additional time required to complete activities to implement technology to destroy chemical agents GA and Lewisite.

Change for Complete Closure due to forecast efficiencies in future Lewisite destruction and GA/L waste processing activities allow for an earlier start of closure.

(Ch-2) ANCDF Complete Operations from FEB 2012 to JUL 2011
ANCDF Begin Closure from FEB 2012 to JUL 2011
ANCDF Complete Closure from SEP 2014 to JAN 2014

Changes for Complete Operations and Begin Closure due to faster achieved demilitarization rates and faster completion of equipment changeover (4.5 months). Remaining improvement due to incorporation of latest data in estimating logic (1.5 months).

Change for Complete Closure due to the above, with additional gains made through risk mitigation measures.

(Ch-3) UMCDF Complete Operations from JAN 2012 to APR 2012
UMCDF Begin Closure from JAN 2012 to APR 2012
UMCDF Complete Closure from APR 2015 to JUL 2015

Changes are due to unforeseen permit negotiations, maintenance outages, and chemical incident.

(Ch-4) PBCDF Complete Closure from MAR 2013 to AUG 2013

Change due to incorporation of latest data is estimating logic.

(Ch-5) PBEDS Complete Operations changed from JUN 2010 to APR 2010

Change reflects actual completion date.

Performance

Characteristics	SAR Baseline Prod Est	Current APB Production Objective/Threshold		Demonstrated Performance	Current Estimate
Environmental Laws and Regulations	Meets Army, State, and/or Federal Rqmts	Meets Army, State, and/or Federal Rqmts	Meets Army, State, and/or Federal Rqmts	Meets Army, State, and/or Federal Rqmts	Meets Army, State, and/or Federal Rqmts (Note 1)
Safety and Occupational Health Laws and Regulations	Meets Army, State, and/or Federal Rqmts	Meets Army, State, and/or Federal Rqmts	Meets Army, State, and/or Federal Rqmts	Meets Army, State, and/or Federal Rqmts	Meets Army, State, and/or Federal Rqmts (Note 2)
International Obligations	N/A	Is Compliant w/International Obligations	Is Compliant w/International Obligations	N/A	N/A (Note 3)
Chemical Agent Release	0	0	0	0	0 (Note 4)
Chemical Agent Exposure	0	0	0	0	0 (Note 5)

Requirements Source: Operational Requirements Document (ORD), dated September 2, 1994.

Acronyms And Abbreviations

Rqmts - Requirements

Change Explanations

None

Memo

(Note 1) Meets federal and state laws and regulations protecting the environment; the facility is operating in compliance with the conditions specified in environmental permits and applicable environmental laws and regulations. Measured by the number of emergency orders issued by the Environmental Protection Agency or equivalent federal or state agencies to cease/reduce activities to protect the environment. This does not include notices of violation or non-compliance, nor does it include decisions by Defense/Army officials, site managers, or hands-on workers to cease/reduce activities to ensure work is performed safely.

(Note 2) Meets federal and state laws and regulations protecting the public and the workforce; the facility is operating in compliance with applicable safety and occupational health laws and regulations. Measured by the number of emergency orders issued by the Occupational Safety and Health Administration, Centers for Disease Control and Prevention, or equivalent federal or state agencies to cease/reduce activities to protect the public or the workforce. This does not include notices of violation or non-compliance, nor does it include decisions by

Defense/Army officials, site managers, or hands-on workers to cease/reduce activities to ensure work is performed safely.

(Note 3) This parameter has been deleted because the objective schedule dates for the overall Chemical Demilitarization Program (CDP) effort exceed the extended Chemical Weapons Convention (CWC) 2012 deadline for 100 percent destruction of Category 1 chemical weapons. The CDP effort will continue to comply with all other CWC requirements and applicable international obligations.

(Note 4) Number of events. The term "chemical agent release" is defined as an event involving:

Fixed Disposal Facilities (Chemical Stockpile Disposal Facilities, Non-Stockpile Fixed Facilities)

- Confirmed agent release above the General Population Limit (GPL) measured in accordance with the approved monitoring plan with the disposal facility as the identified source. The GPL values are:

GB - 0.000001 mg/m³

VX - 0.0000006 mg/m³

H/HD/HT - 0.00002 mg/m³

- Confirmed point source stack release (incineration facilities only) above the Source Emission Limit (SEL). The SELs are:

GB - 0.0003 mg/m³

VX - 0.0003 mg/m³

H/HD/HT - 0.03 mg/m³

- Confirmed point source filter bank release (incineration and neutralization facilities) above the allowable threshold limit. Allowable threshold limits are calculated as vapor screening level ceiling values. The threshold limits are:

GB - 0.0001 mg/m³

VX - 0.00001 mg/m³

H/HD/HT - 0.003 mg/m³

- Confirmed point source filter stack release for (incineration and neutralization) facilities above the allowable threshold limit. Allowable threshold limits are calculated as 8-hour Time Weighted Averages (TWAs). Allowable threshold limits are:

GB - 0.0001 mg/m³

VX - 0.00001 mg/m³

H/HD/HT - 0.003 mg/m³

Non-Stockpile Mobile Treatment Systems

- A chemical release above the applicable federal, state, or local restriction, with the processing system as the confirmed source of the chemical release.

(Note 5) Number of events. A "chemical agent exposure," as defined by Department of the Army Pamphlet (DA Pam) 40-173 and DA Pam 40-8, refers to an individual who exhibits clinical signs or symptoms of being exposed to chemical agent.

Track To Budget**RDT&E**

APPN 0390	BA 02	PE 0708081D	(DoD)
		Chemical Agent & Munitions Destruction	

Procurement

APPN 0390	BA 03	PE 0708081D	(DoD)
		Chemical Agent & Munitions Destruction	

MILCON

APPN 0391	BA 01	PE 0708081D	(DoD)
		Chemical Demilitarization Construction	(Sunk)

Acq O&M

APPN 0390	BA 01	PE 0708081D	(DoD)
		Chemical Agent & Munitions Destruction	

Cost and Funding

Cost Summary

Total Acquisition Cost and Quantity

Appropriation	BY1994 \$M			BY1994 \$M	TY \$M		
	SAR Baseline Prod Est	Current APB Production Objective/Threshold		Current Estimate	SAR Baseline Prod Est	Current APB Production Objective	Current Estimate
RDT&E	961.2	1216.6	1338.3	1296.7	1090.8	1357.2	1480.8
Procurement	1933.4	2696.8	2966.5	2421.8	2017.9	2967.6	2606.1
Flyaway	1933.4	--	--	2421.8	2017.9	--	2606.1
Recurring	1933.4	--	--	2421.8	2017.9	--	2606.1
Non Recurring	0.0	--	--	0.0	0.0	--	0.0
Support	0.0	--	--	0.0	0.0	--	0.0
Other Support	0.0	--	--	0.0	0.0	--	0.0
Initial Spares	0.0	--	--	0.0	0.0	--	0.0
MILCON	1165.7	1268.4	1395.2	1250.7	1247.4	1353.6	1339.6
Acq O&M	7453.4	17668.4	19435.2	15583.0	8523.8	22289.8	19016.7
Total	11513.7	22850.2	N/A	20552.2	12879.9	27968.2	24443.2

The Program Manager's (PM's) Current Estimate, in accordance with the approved Fiscal Year (FY) 2011 Current Working Estimate (CWE) for Chemical Demilitarization-U.S. Army Chemical Materials Agency (Chem Demil-CMA), is \$24.4B. The program cost estimate reflects fiscal guidance for FY12 - FY16, with the CMA FY11 CWE addressing FY17 and beyond.

Quantity	SAR Baseline Prod Est	Current APB Production	Current Estimate
RDT&E	0	0	0
Procurement	29060	29060	29060
Total	29060	29060	29060

The procurement quantity is the total tons of chemical agent to be disposed under Chem Demil-CMA. This quantity is subject to change and will be updated as necessary, based on re-estimation of fill weights.

Cost and Funding

Funding Summary

Appropriation and Quantity Summary FY2012 President's Budget / December 2010 SAR (TY\$ M)

Appropriation	Prior	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	To Complete	Total
RDT&E	1326.2	6.9	5.0	20.0	20.1	20.2	20.3	62.1	1480.8
Procurement	2458.3	7.1	0.0	40.2	8.4	10.0	3.1	79.0	2606.1
MILCON	1339.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1339.6
Acq O&M	14090.3	1067.4	1147.7	813.1	705.8	250.5	174.0	767.9	19016.7
PB 2012 Total	19214.4	1081.4	1152.7	873.3	734.3	280.7	197.4	909.0	24443.2
PB 2011 Total	19272.5	1081.4	1154.9	1163.6	1175.8	1045.2	138.3	722.7	25754.4
Delta	-58.1	0.0	-2.2	-290.3	-441.5	-764.5	59.1	186.3	-1311.2

The Program Manager's Current Estimate, in accordance with the approved Fiscal Year (FY) 2011 Current Working Estimate (CWE) for Chem Demil-CMA, is \$24.4B. The program cost estimate reflects fiscal guidance for FY12 - FY16, with the CMA FY11 CWE addressing FY17 and beyond.

Quantity	Undistributed	Prior	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	To Complete	Total
Development	0	0	0	0	0	0	0	0	0	0
Production	0	26014	3046	0	0	0	0	0	0	29060
PB 2012 Total	0	26014	3046	0	0	0	0	0	0	29060
PB 2011 Total	0	26014	2618	428	0	0	0	0	0	29060
Delta	0	0	428	-428	0	0	0	0	0	0

Cost and Funding

Annual Funding By Appropriation

Annual Funding TY\$

0390 | RDT&E | Chemical Agents and Munitions Destruction, Defense

Fiscal Year	Quantity	End Item Recurring Flyaway TY \$M	Non End Item Recurring Flyaway TY \$M	Non Recurring Flyaway TY \$M	Total Flyaway TY \$M	Total Support TY \$M	Total Program TY \$M
1988	--	--	--	--	--	--	4.9
1989	--	--	--	--	--	--	17.8
1990	--	--	--	--	--	--	7.9
1991	--	--	--	--	--	--	5.3
1992	--	--	--	--	--	--	13.7
1993	--	--	--	--	--	--	6.5
1994	--	--	--	--	--	--	30.6
1995	--	--	--	--	--	--	20.4
1996	--	--	--	--	--	--	52.0
1997	--	--	--	--	--	--	55.4
1998	--	--	--	--	--	--	61.9
1999	--	--	--	--	--	--	137.7
2000	--	--	--	--	--	--	182.4
2001	--	--	--	--	--	--	193.9
2002	--	--	--	--	--	--	177.4
2003	--	--	--	--	--	--	210.4
2004	--	--	--	--	--	--	75.9
2005	--	--	--	--	--	--	30.2
2006	--	--	--	--	--	--	14.6
2007	--	--	--	--	--	--	12.0
2008	--	--	--	--	--	--	7.1
2009	--	--	--	--	--	--	5.6
2010	--	--	--	--	--	--	2.6
2011	--	--	--	--	--	--	6.9
2012	--	--	--	--	--	--	5.0
2013	--	--	--	--	--	--	20.0
2014	--	--	--	--	--	--	20.1
2015	--	--	--	--	--	--	20.2
2016	--	--	--	--	--	--	20.3
2017	--	--	--	--	--	--	5.3
2018	--	--	--	--	--	--	4.6
2019	--	--	--	--	--	--	20.4
2020	--	--	--	--	--	--	20.5
2021	--	--	--	--	--	--	5.6
2022	--	--	--	--	--	--	5.7
Subtotal	--	--	--	--	--	--	1480.8

Annual Funding BY\$**0390 | RDT&E | Chemical Agents and Munitions Destruction, Defense**

Fiscal Year	Quantity	End Item Recurring Flyaway BY 1994 \$M	Non End Item Recurring Flyaway BY 1994 \$M	Non Recurring Flyaway BY 1994 \$M	Total Flyaway BY 1994 \$M	Total Support BY 1994 \$M	Total Program BY 1994 \$M
1988	--	--	--	--	--	--	5.7
1989	--	--	--	--	--	--	20.0
1990	--	--	--	--	--	--	8.6
1991	--	--	--	--	--	--	5.6
1992	--	--	--	--	--	--	14.0
1993	--	--	--	--	--	--	6.5
1994	--	--	--	--	--	--	30.0
1995	--	--	--	--	--	--	19.7
1996	--	--	--	--	--	--	49.6
1997	--	--	--	--	--	--	51.7
1998	--	--	--	--	--	--	56.5
1999	--	--	--	--	--	--	124.4
2000	--	--	--	--	--	--	163.9
2001	--	--	--	--	--	--	172.3
2002	--	--	--	--	--	--	155.5
2003	--	--	--	--	--	--	184.0
2004	--	--	--	--	--	--	64.9
2005	--	--	--	--	--	--	25.1
2006	--	--	--	--	--	--	11.8
2007	--	--	--	--	--	--	9.5
2008	--	--	--	--	--	--	5.5
2009	--	--	--	--	--	--	4.3
2010	--	--	--	--	--	--	2.0
2011	--	--	--	--	--	--	5.1
2012	--	--	--	--	--	--	3.7
2013	--	--	--	--	--	--	14.4
2014	--	--	--	--	--	--	14.3
2015	--	--	--	--	--	--	14.1
2016	--	--	--	--	--	--	13.9
2017	--	--	--	--	--	--	3.6
2018	--	--	--	--	--	--	3.1
2019	--	--	--	--	--	--	13.3
2020	--	--	--	--	--	--	13.1
2021	--	--	--	--	--	--	3.5
2022	--	--	--	--	--	--	3.5
Subtotal	--	--	--	--	--	--	1296.7

The program funding reflects fiscal guidance for FY12-FY16, with the CMA FY11 CWE addressing FY17 and beyond.

Annual Funding TY\$

0390 | Procurement | Chemical Agents and Munitions Destruction, Defense

Fiscal Year	Quantity	End Item Recurring Flyaway TY \$M	Non End Item Recurring Flyaway TY \$M	Non Recurring Flyaway TY \$M	Total Flyaway TY \$M	Total Support TY \$M	Total Program TY \$M
1988	--	--	96.4	--	96.4	--	96.4
1989	--	--	44.1	--	44.1	--	44.1
1990	12	72.1	--	--	72.1	--	72.1
1991	28	114.9	--	--	114.9	--	114.9
1992	128	150.9	--	--	150.9	--	150.9
1993	67	237.7	--	--	237.7	--	237.7
1994	119	50.6	--	--	50.6	--	50.6
1995	297	198.1	--	--	198.1	--	198.1
1996	520	237.7	--	--	237.7	--	237.7
1997	891	168.4	--	--	168.4	--	168.4
1998	1754	72.1	--	--	72.1	--	72.1
1999	1303	113.4	--	--	113.4	--	113.4
2000	1573	188.4	--	--	188.4	--	188.4
2001	713	105.0	--	--	105.0	--	105.0
2002	681	163.5	--	--	163.5	--	163.5
2003	135	121.9	--	--	121.9	--	121.9
2004	1639	77.6	--	--	77.6	--	77.6
2005	1798	78.7	--	--	78.7	--	78.7
2006	1026	61.6	--	--	61.6	--	61.6
2007	--	--	--	--	--	--	--
2008	4994	18.4	--	--	18.4	--	18.4
2009	4204	64.1	--	--	64.1	--	64.1
2010	4132	22.7	--	--	22.7	--	22.7
2011	3046	7.1	--	--	7.1	--	7.1
2012	--	--	--	--	--	--	--
2013	--	--	40.2	--	40.2	--	40.2
2014	--	--	8.4	--	8.4	--	8.4
2015	--	--	10.0	--	10.0	--	10.0
2016	--	--	3.1	--	3.1	--	3.1
2017	--	--	26.5	--	26.5	--	26.5
2018	--	--	21.4	--	21.4	--	21.4
2019	--	--	18.2	--	18.2	--	18.2
2020	--	--	7.8	--	7.8	--	7.8
2021	--	--	3.3	--	3.3	--	3.3
2022	--	--	1.8	--	1.8	--	1.8
Subtotal	29060	2324.9	281.2	--	2606.1	--	2606.1

Annual Funding BY\$

0390 | Procurement | Chemical Agents and Munitions Destruction, Defense

Fiscal Year	Quantity	End Item Recurring Flyaway BY 1994 \$M	Non End Item Recurring Flyaway BY 1994 \$M	Non Recurring Flyaway BY 1994 \$M	Total Flyaway BY 1994 \$M	Total Support BY 1994 \$M	Total Program BY 1994 \$M
1988	--	--	112.4	--	112.4	--	112.4
1989	--	--	49.5	--	49.5	--	49.5
1990	12	78.3	--	--	78.3	--	78.3
1991	28	120.8	--	--	120.8	--	120.8
1992	128	154.3	--	--	154.3	--	154.3
1993	67	237.8	--	--	237.8	--	237.8
1994	119	49.7	--	--	49.7	--	49.7
1995	297	191.1	--	--	191.1	--	191.1
1996	520	226.5	--	--	226.5	--	226.5
1997	891	157.1	--	--	157.1	--	157.1
1998	1754	65.8	--	--	65.8	--	65.8
1999	1303	102.5	--	--	102.5	--	102.5
2000	1573	169.3	--	--	169.3	--	169.3
2001	713	93.3	--	--	93.3	--	93.3
2002	681	143.3	--	--	143.3	--	143.3
2003	135	106.6	--	--	106.6	--	106.6
2004	1639	66.3	--	--	66.3	--	66.3
2005	1798	65.5	--	--	65.5	--	65.5
2006	1026	49.8	--	--	49.8	--	49.8
2007	--	--	--	--	--	--	--
2008	4994	14.2	--	--	14.2	--	14.2
2009	4204	49.0	--	--	49.0	--	49.0
2010	4132	17.1	--	--	17.1	--	17.1
2011	3046	5.3	--	--	5.3	--	5.3
2012	--	--	--	--	--	--	--
2013	--	--	29.0	--	29.0	--	29.0
2014	--	--	6.0	--	6.0	--	6.0
2015	--	--	7.0	--	7.0	--	7.0
2016	--	--	2.1	--	2.1	--	2.1
2017	--	--	17.9	--	17.9	--	17.9
2018	--	--	14.2	--	14.2	--	14.2
2019	--	--	11.9	--	11.9	--	11.9
2020	--	--	5.0	--	5.0	--	5.0
2021	--	--	2.1	--	2.1	--	2.1
2022	--	--	1.1	--	1.1	--	1.1
Subtotal	29060	2163.6	258.2	--	2421.8	--	2421.8

The program funding reflects fiscal guidance for FY12-FY16, with the CMA FY11 CWE addressing FY17 and beyond.

Annual Funding TY\$
0391 | MILCON | Chemical Demilitarization
Construction, Defense

Fiscal Year	Total Program TY \$M
1988	2.9
1989	68.6
1990	6.4
1991	78.6
1992	149.8
1993	21.0
1994	119.7
1995	32.9
1996	13.0
1997	121.0
1998	87.5
1999	74.8
2000	180.6
2001	135.8
2002	150.1
2003	81.3
2004	15.4
2005	0.2
Subtotal	1339.6

Annual Funding BY\$
0391 | MILCON | Chemical Demilitarization
Construction, Defense

Fiscal Year	Total Program BY 1994 \$M
1988	3.3
1989	75.6
1990	6.8
1991	80.8
1992	150.6
1993	20.9
1994	116.0
1995	31.2
1996	12.2
1997	112.4
1998	80.4
1999	68.0
2000	161.0
2001	120.0
2002	129.9
2003	68.7
2004	12.7
2005	0.2
Subtotal	1250.7

Annual Funding TY\$
0390 | Acq O&M | Chemical Agents and
Munitions Destruction, Defense

Fiscal Year	Total Program TY \$M
1988	97.0
1989	117.3
1990	173.1
1991	174.0
1992	214.1
1993	256.1
1994	285.0
1995	349.6
1996	337.0
1997	448.8
1998	403.9
1999	480.0
2000	536.0
2001	590.1
2002	739.0
2003	997.1
2004	1168.6
2005	1075.7
2006	1190.8
2007	1042.0
2008	1181.1
2009	1152.2
2010	1081.8
2011	1067.4
2012	1147.7
2013	813.1
2014	705.8
2015	250.5
2016	174.0
2017	144.8
2018	253.9
2019	99.4
2020	99.2
2021	107.2
2022	63.4
Subtotal	19016.7

Annual Funding BY\$
0390 | Acq O&M | Chemical Agents and
Munitions Destruction, Defense

Fiscal Year	Total Program BY 1994 \$M
1988	113.1
1989	131.6
1990	188.0
1991	183.0
1992	218.9
1993	256.2
1994	279.9
1995	337.2
1996	321.1
1997	418.7
1998	368.4
1999	433.7
2000	481.7
2001	524.3
2002	647.7
2003	871.9
2004	999.0
2005	894.6
2006	962.4
2007	821.6
2008	912.7
2009	880.4
2010	816.8
2011	794.9
2012	841.9
2013	586.8
2014	500.9
2015	174.8
2016	119.4
2017	97.7
2018	168.4
2019	64.8
2020	63.6
2021	67.6
2022	39.3
Subtotal	15583.0

The program funding reflects fiscal guidance for FY12-FY16, with the CMA FY11 CWE addressing FY17 and beyond.

Low Rate Initial Production

There is no Low Rate Initial Production for this program.

Foreign Military Sales

There are no Foreign Military Sales for this program.

Nuclear Cost

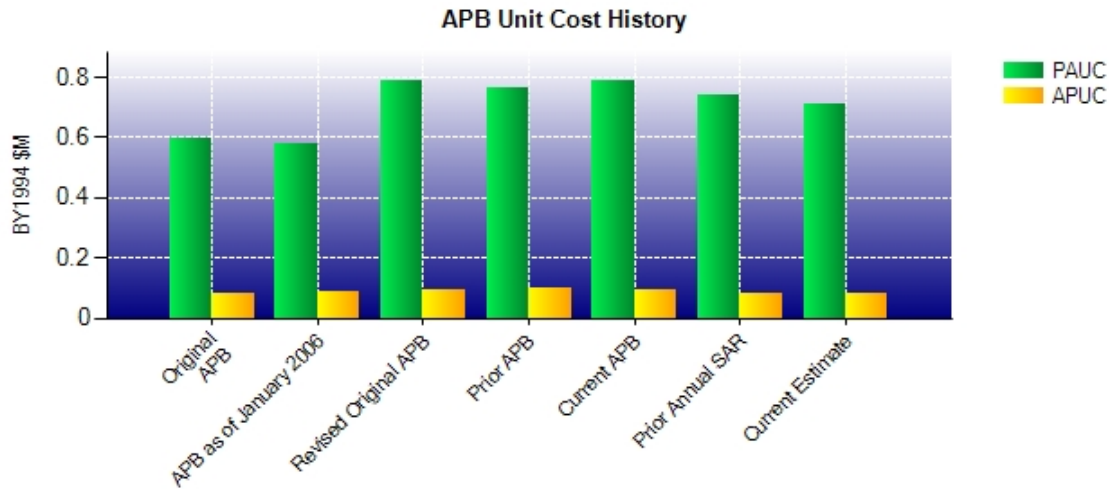
There are no Nuclear Costs for this program.

Unit Cost**Unit Cost Report**

	BY1994 \$M	BY1994 \$M	
Unit Cost	Current UCR Baseline (APR 2008 APB)	Current Estimate (DEC 2010 SAR)	BY % Change
Program Acquisition Unit Cost (PAUC)			
Cost	22850.2	20552.2	
Quantity	29060	29060	
Unit Cost	0.786	0.707	-10.05
Average Procurement Unit Cost (APUC)			
Cost	2696.8	2421.8	
Quantity	29060	29060	
Unit Cost	0.093	0.083	-10.75

	BY1994 \$M	BY1994 \$M	
Unit Cost	Revised Original UCR Baseline (APR 2008 APB)	Current Estimate (DEC 2010 SAR)	BY % Change
Program Acquisition Unit Cost (PAUC)			
Cost	22850.2	20552.2	
Quantity	29060	29060	
Unit Cost	0.786	0.707	-10.05
Average Procurement Unit Cost (APUC)			
Cost	2696.8	2421.8	
Quantity	29060	29060	
Unit Cost	0.093	0.083	-10.75

Unit Cost History



	Date	BY1994 \$M		TY \$M	
		PAUC	APUC	PAUC	APUC
Original APB	APR 2003	0.594	0.081	0.676	0.086
APB as of January 2006	DEC 2004	0.581	0.085	0.659	0.090
Revised Original APB	APR 2008	0.786	0.093	0.962	0.102
Prior APB	APR 2006	0.766	0.097	0.937	0.107
Current APB	APR 2008	0.786	0.093	0.962	0.102
Prior Annual SAR	DEC 2009	0.737	0.083	0.886	0.089
Current Estimate	DEC 2010	0.707	0.083	0.841	0.090

SAR Unit Cost History

Current SAR Baseline to Current Estimate (TY \$M)

Initial PAUC Prod Est	Changes								PAUC Current Est
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
0.443	-0.001	0.000	0.323	0.000	0.076	0.000	0.000	0.398	0.841

Current SAR Baseline to Current Estimate (TY \$M)

Initial APUC Prod Est	Changes								APUC Current Est
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
0.069	0.001	0.000	0.015	0.000	0.004	0.000	0.000	0.020	0.090

SAR Baseline History

Item/Event	SAR Planning Estimate (PE)	SAR Development Estimate (DE)	SAR Production Estimate (PdE)	Current Estimate
Milestone I	N/A	N/A	N/A	N/A
Milestone II	N/A	N/A	N/A	N/A
Milestone III	N/A	N/A	N/A	N/A
IOC	N/A	N/A	N/A	N/A
Total Cost (TY \$M)	N/A	N/A	12879.9	24443.2
Total Quantity	N/A	N/A	29060	29060
Prog. Acq. Unit Cost (PAUC)	N/A	N/A	0.443	0.841

Cost Variance**Cost Variance Summary**

Summary Then Year \$M					
	RDT&E	Proc	MILCON	Acq O&M	Total
SAR Baseline (Prod Est)	1090.8	2017.9	1247.4	8523.8	12879.9
Previous Changes					
Economic	-46.7	+22.3	-21.2	+115.8	+70.2
Quantity	--	--	--	--	--
Schedule	+466.8	+444.8	+92.5	+9689.9	+10694.0
Engineering	--	--	--	--	--
Estimating	-67.5	+92.7	+20.9	+2055.5	+2101.6
Other	--	--	--	+8.7	+8.7
Support	--	--	--	--	--
Subtotal	+352.6	+559.8	+92.2	+11869.9	+12874.5
Current Changes					
Economic	-2.2	-2.8	--	-104.5	-109.5
Quantity	--	--	--	--	--
Schedule	--	-0.1	--	-1302.4	-1302.5
Engineering	--	--	--	--	--
Estimating	+39.6	+31.3	--	+29.9	+100.8
Other	--	--	--	--	--
Support	--	--	--	--	--
Subtotal	+37.4	+28.4	--	-1377.0	-1311.2
Total Changes	+390.0	+588.2	+92.2	+10492.9	+11563.3
CE - Cost Variance	1480.8	2606.1	1339.6	19016.7	24443.2
CE - Cost & Funding	1480.8	2606.1	1339.6	19016.7	24443.2

Summary Base Year 1994 \$M					
	RDT&E	Proc	MILCON	Acq O&M	Total
SAR Baseline (Prod Est)	961.2	1933.4	1165.7	7453.4	11513.7
Previous Changes					
Economic	--	--	--	--	--
Quantity	--	--	--	--	--
Schedule	+397.3	+349.5	+78.1	+7186.6	+8011.5
Engineering	--	--	--	--	--
Estimating	-89.4	+116.2	+6.9	+1845.6	+1879.3
Other	--	--	--	+7.6	+7.6
Support	--	--	--	--	--
Subtotal	+307.9	+465.7	+85.0	+9039.8	+9898.4
Current Changes					
Economic	--	--	--	--	--
Quantity	--	--	--	--	--
Schedule	--	--	--	-932.9	-932.9
Engineering	--	--	--	--	--
Estimating	+27.6	+22.7	--	+22.7	+73.0
Other	--	--	--	--	--
Support	--	--	--	--	--
Subtotal	+27.6	+22.7	--	-910.2	-859.9
Total Changes	+335.5	+488.4	+85.0	+8129.6	+9038.5
CE - Cost Variance	1296.7	2421.8	1250.7	15583.0	20552.2
CE - Cost & Funding	1296.7	2421.8	1250.7	15583.0	20552.2

Previous Estimate: December 2009

RDT&E	\$M	
	Base Year	Then Year
Current Change Explanations		
Revised escalation indices. (Economic)	N/A	-2.2
Future development of mobile non-stockpile treatment system(s). (Estimating)	+27.6	+39.6
RDT&E Subtotal	+27.6	+37.4

Procurement	\$M	
	Base Year	Then Year
Current Change Explanations		
Revised escalation indices. (Economic)	N/A	-2.8
Adjustments to disposal facility schedules to reflect latest processing rates. (Schedule)	0.0	-0.1
Adjustment for current and prior escalation. (Estimating)	+0.7	+0.8
Additional non-stockpile funding for replacement systems. (Estimating)	+22.0	+30.5
Procurement Subtotal	+22.7	+28.4

Acq O&M	\$M	
	Base Year	Then Year
Current Change Explanations		
Revised escalation indices. (Economic)	N/A	-104.5
Adjustments to disposal facility schedules to reflect latest processing rates resulting in earlier than expected completion of operations and closure (Schedule)	-932.9	-1302.4
Adjustment for current and prior escalation. (Estimating)	+22.7	+29.9
Acq O&M Subtotal	-910.2	-1377.0

Contracts

Appropriation: Acq O&M

Contract Name	ANCDF Systems Contract
Contractor	WESTINGHOUSE GOVT SERV CO
Contractor Location	ANNISTON, AL 36201
Contract Number, Type	DAAA09-96-C-0018/1, CPAF/FFP
Award Date	February 29, 1996
Definitization Date	October 15, 2010

Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
575.8	N/A	2253	2506.9	N/A	2253	2324.2	2211.0

Variance	Cost Variance	Schedule Variance
Cumulative Variances To Date (12/31/2010)	+190.9	+150.6
Previous Cumulative Variances	+150.5	+121.9
Net Change	+40.4	+28.7

Cost And Schedule Variance Explanations

The favorable net change in the cost and schedule variances result from the continuing ahead-of-schedule progress with mustard (HD/HT) munitions. The HD/HT campaign began July 2009. Anniston Chemical Agent Disposal Facility is now 580 days ahead of the baseline contract schedule. The budgeted contract schedule baseline is more aggressive than the Acquisition Program Baseline schedule.

Contract Comments

This is a Cost Plus Award Fee/Firm Fixed Price (FFP) contract, currently in the operations phase.

The target price is the current contract value incorporating all contract modifications through December 2010. The current contract price is \$2,506.9M. There is no authorized unpriced work.

The contract price has increased by a total of \$1,931.1M from the original contract award. The contract price decreased \$91.8M since the Selected Acquisition Report (SAR) in December 2009. This decrease was due primarily to a correction of \$89.1M of incentive fee for completion of operations within the schedule incentive period. The current contract price includes closure.

HISTORICAL CONTRACT INCREASES BY PHASE (through the SAR in December 2009)

During the FFP construction phase, the contract price increased by \$113.5M due primarily to incorporation of design changes resulting from programmatic lessons learned, which resulted in significant schedule delays.

During the systemization phase, the contract price increased by \$83.2M due to the impact of construction delays, incorporation of lessons learned from Johnston Atoll Chemical Agent Disposal System and Tooele Chemical Agent Disposal Facility, increases in contract scope (Engineering Change Proposals, design agent authority, and regulatory requirements), and schedule delays associated with the incorporation of Chemical Stockpile Emergency Preparedness Program community protection measures.

During the operations phase through December 2009, the contract price increased by \$1,826.2M due to establishment of the life-cycle contract, which definitized target costs, fee pools, and other incentives for early completion of operations and closure of the facility. The contract was also modified to add the Static Detonation Chamber (SDC), which will enhance the capability of processing problem munitions.

ESTIMATED PRICE AT COMPLETION (EPC)

The System Contractor's (SC's) EPC of \$2,324.2M reflects the achieved performance to date and assumes durations of 95 months for operations and 44 months for facility closure.

The Program Manager's (PM's) EPC has been updated to reflect the approved CMA 2011 Current Working Estimate (CWE). The PM EPC assumes durations of 95 months for operations and 30 months for closure. At this time, the SC is performing to requirements and the program has no funding issues.

Appropriation: Acq O&M

Contract Name **UMCDF Systems Contract**
Contractor WASHINGTON DEMILITARIZATION COMPANY LLC
Contractor Location HERMISTON, OR 97838
Contract Number, Type DAAA09-97-C-0025/1, CPAF/FFP
Award Date February 10, 1997
Definitization Date July 15, 2010

Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
566.8	N/A	3717	2930.9	N/A	3717	2657.2	2591.6

Variance	Cost Variance	Schedule Variance
Cumulative Variances To Date (12/31/2010)	+174.8	+135.8
Previous Cumulative Variances	+156.7	+127.5
Net Change	+18.1	+8.3

Cost And Schedule Variance Explanations

The favorable net change in cost and schedule variances is due to the efficient processing of HD Ton Containers. The Umatilla Chemical Agent Disposal Facility is now 781 days ahead of the baseline contract schedule. The budgeted contract schedule baseline is more aggressive than the Acquisition Program Baseline schedule.

Contract Comments

This is a Cost Plus Award Fee/Firm Fixed Price (FFP) contract, currently in the operations phase.

The target price of \$2,930.9M is the current contract value incorporating all contract modifications through December 2010. There is no authorized unpriced work (AUW).

The contract price has increased by a total of \$2,364.1M from the original contract award. The contract price has increased by \$15.3M since the December 2009 Selected Acquisition Report (SAR) from \$2,915.6M to \$2,930.9M, mostly due to increases associated with implementing HD Ton Container processing, and a wage and hour back pay settlement. The current contract price includes closure.

HISTORICAL CONTRACT INCREASES BY PHASE (through the SAR in December 2009)

During the FFP construction phase, the contract price increased by \$137.9M due to directed regulatory permitting and compliance conditions, design deficiencies, incorporation of lessons learned from Tooele Chemical Agent Disposal Facility and Johnston Atoll Chemical Agent Disposal System, and government-furnished equipment (GFE) issues.

During the systemization phase, the contract price increased by \$402.2M due to the impact of construction delays, safety enhancements, issues associated with GFE, and directed regulatory permitting and compliance conditions.

During the operations phase through December 2009, the contract price increased by \$1,808.7M due to establishment of the life-cycle contract which definitized target costs, fee pools, and other incentives for early completion of operations and closure of the facility.

ESTIMATED PRICE AT COMPLETION (EPC)

The Systems Contractor's (SC's) EPC of \$2,657.2M reflects the achieved performance to date and assumes durations of 91 months for operations and 47 months for facility closure.

The Program Manager's (PM's) EPC has been updated to reflect the approved CMA 2011 Current Working Estimate (CWE). The PM EPC assumes durations of 91 months for operations and 39 months for facility closure. At this time, the SC is performing to requirements, and the program has no funding issues.

Appropriation: Acq O&M

Contract Name PBCDF Systems Contract
Contractor WASHINGTON DEMILITARIZATION COMPANY, LLC
Contractor Location PINE BLUFF, AR 71602
Contract Number, Type DAAA09-97-C-0098/1, CPAF/FFP
Award Date July 25, 1997
Definitization Date February 15, 2010

Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
511.6	N/A	3849	2063.7	N/A	3849	1854.3	1914.9

Variance	Cost Variance	Schedule Variance
Cumulative Variances To Date (12/31/2010)	+313.8	+1.9
Previous Cumulative Variances	+209.4	+170.4
Net Change	+104.4	-168.5

Cost And Schedule Variance Explanations

The favorable net change in the cost variance is due to the efficient processing and early completion of the HD/HT Ton Container Campaign in November 2010. The unfavorable net change in the schedule variance is due to the contractual requirement to reset the closure baseline schedule variance to zero upon completion of operations. The favorable cumulative schedule variance is due to the early completion of closure work.

The Pine Bluff Chemical Agent Disposal Facility completed agent operations 677 days ahead of the baseline contract schedule. The budgeted contract schedule baseline is more aggressive than the Acquisition Program Baseline schedule.

Contract Comments

This is a Cost Plus Award Fee/Firm Fixed Price contract, currently in the closure phase.

The target price of \$2,063.7M is the current contract value incorporating all contract modifications through December 2010. There is no Authorized Unpriced Work (AUW).

The contract price has increased by a total of \$1,552.1M from the original contract award. The contract price has been reduced \$66.6M since the December 2009 Selected Acquisition Report (SAR), from \$2,130.3M to \$2,063.7M, due to the de-scoping of planned work from the contract after the completion of agent operations. The current contract price includes closure.

HISTORICAL CONTRACT INCREASES BY PHASE (through the SAR in December 2009)

During the construction phase, the contract price increased by \$95.1M due to design changes, weather delays, and revisions to integrating construction with systemization activities (this resulting from particular difficulty in hiring and retaining sufficient numbers of qualified personnel).

During the systemization phase, the contract price increased by \$82.9M. This increase includes a \$139.9M gross increase due to efforts to maintain the systemization schedule in the face of problems acquiring and retaining qualified staff. Other drivers for this increase include lessons learned from Johnston Atoll Chemical Agent Disposal System and Tooele Chemical Agent Disposal Facility, regulatory impacts, and the impact of the Fiscal Year 2002 funding deferral (9 months). The \$139.9M increase was offset by the transfer of \$57.0M from operations and closure.

During the operations phase through December 2009, the contract price increased by \$1,440.7M due to establishment of the life-cycle contract which definitized target costs, fee pools, and other incentives for early completion of operations and closure of the facility.

ESTIMATED PRICE AT COMPLETION (EPC)

The Systems Contractor's (SC's) EPC of \$1,854.3M reflects the completion of 68 months of operations and assumes 32 months to complete facility closure.

The Program Manager's EPC has been updated to reflect the approved CMA 2011 Current Working Estimate and assumes 33 months for facility closure. At this time, the SC is performing to requirements and the program has no funding issues.

Appropriation: Acq O&M

Contract Name	TOCDF Systems Contract
Contractor	EG&G DEFENSE MATERIALS, INC
Contractor Location	STOCKTON, UT 84071
Contract Number, Type	DACA87-89-C-0076/1, CPAF/FFP
Award Date	July 21, 1989
Definitization Date	March 02, 2010

Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
211.0	N/A	13617	3403.3	N/A	13617	2907.0	2948.5

Variance	Cost Variance	Schedule Variance
Cumulative Variances To Date (12/31/2010)	+111.0	+49.1
Previous Cumulative Variances	+60.1	+30.2
Net Change	+50.9	+18.9

Cost And Schedule Variance Explanations

The favorable net change in the cost and schedule variance is primarily the result of favorable processing of mustard agent as well as mitigated technical risk. The Tooele Chemical Demilitarization Facility is now 968 days ahead of the baseline contract schedule for the mustard ton container campaign. The budgeted contract schedule baseline is more aggressive than the Acquisition Program Baseline schedule.

Contract Comments

This is a Cost Plus Award Fee/Firm Fixed Price contract, currently in the operations phase.

The target price is the current contract negotiated price incorporating all contract modifications through December 2010. The current contract price is \$3,403.3M. The contract has increased a total of \$3,192.3M from the original contract award. Since the Selected Acquisition Report (SAR) in December 2009, the contract price increased by \$193.9M due to the incorporation of the modifications for Chemical Agent Munitions Disposal System (CAMDS) Closure Phases 2 & 3, GA and Lewisite (GA/L) Phases 2 & 3, and the Explosive Detonation Chamber (EDT). Previous authorized unpriced work was definitized as it was included in the CAMDS and GA/L contract modification.

HISTORICAL CONTRACT INCREASES BY PHASE (through the SAR in December 2009)

During the construction and equipment installation phase, the contract increased by \$160.0M due to design deficiencies, directed regulatory permitting and compliance conditions, incorporation of lessons learned from the Johnston Atoll Chemical Agent Disposal System (JACADS), and government-furnished equipment (GFE) issues. (The original subcontractor for construction was replaced during this phase.)

During the systemization phase, the contract increased by \$182.0M due to the evaluation of lessons learned from operations verification testing at JACADS, safety enhancements, issues associated with GFE, and directed regulatory permitting and compliance conditions.

During the operations phase through December 2009, the contract has increased by \$2,656.4M due to irregularities in the munitions stockpile, operational lessons learned from JACADS, safety concerns that caused delays (requiring development and verification of enhancements to safety processes and procedures), increasingly stringent environmental regulation, additional scope for stored mustard agent sampling and analysis, and the incorporation of the negotiated life-cycle cost contract modification for secondary waste, full closure, GA/L destruction Phase I, and CAMDS Phase I.

ESTIMATED PRICE AT COMPLETION (EPC)

The Systems Contractor's (SC's) EPC of \$2,907.0M reflects the achieved performance to date and assumes durations of 182 months for mustard ton container operations and 26 months for facility closure.

The Program Manager's (PM's) EPC has been updated to reflect the approved CMA 2011 Current Working Estimate. The PM EPC assumes durations of 186 months for operations and 27 months for closure. At this time, the SC is performing to requirements and the program has no funding issues.

Deliveries and Expenditures

Deliveries To Date	Plan To Date	Actual To Date	Total Quantity	Percent Delivered
Development	0	0	0	--
Production	21882	27299	29060	93.94%
Total Program Quantities Delivered	21882	27299	29060	93.94%

Expenditures and Appropriations (TY \$M)			
Total Acquisition Cost	24443.2	Years Appropriated	24
Expenditures To Date	18468.4	Percent Years Appropriated	68.57%
Percent Expended	75.56%	Appropriated to Date	20295.8
Total Funding Years	35	Percent Appropriated	83.03%

Operating and Support Cost

Assumptions And Ground Rules

Operating and Support costs are an integral part of Chem Demil-CMA and as such are reported in the funding and cost sections of this report.

Cost Element	Costs BY1994 \$M	
	CHEM DEMIL-CMA	Antecedent System
Unit-Level Manpower	--	--
Unit Operations	--	--
Maintenance	--	--
Sustaining Support	--	--
Continuing System Improvements	--	--
Indirect Support	--	--
Other	--	--
Total Unitized Cost (Base Year 1994 \$)	--	--

Total O&S Costs \$M	CHEM DEMIL-CMA	Antecedent System
Base Year	--	--
Then Year	--	--