Department of Defense
Chemical Demilitarization Program
Semi-Annual Report to Congress

March 2017

Office of the Secretary of Defense

The estimated cost of this report or study for the Department of Defense is approximately $1,790 for the 2017 Fiscal Year. This includes $800 in expenses and $990 in DoD labor.

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EXECUTIVE SUMMARY

As required by section 1521(j) of title 50, United States Code (U.S.C.), the March 2017 Department of Defense (DoD) Chemical Demilitarization Program (CDP) Semi-Annual Report to Congress presents information describing the Department’s progress toward destruction of the U.S. stockpile of lethal chemical agents and munitions not later than December 31, 2023, and provides the status of ongoing actions to accelerate the program.

The U.S. Army Chemical Materials Activity (CMA) was responsible for the destruction of approximately 90 percent of the U.S. stockpile declared under the Chemical Weapons Convention (CWC) and stored at seven sites: Johnston Atoll; Aberdeen, Maryland; Anniston, Alabama; Tooele, Utah; Pine Bluff, Arkansas; Newport, Indiana; and Umatilla, Oregon. CMA completed destruction of the stockpiles at the seven sites in January 2012. In addition, CMA is responsible for the Chemical Stockpile Emergency Preparedness Program and the Recovered Chemical Warfare Material Program. All site government field offices, Resource Conservation and Recovery Act permits, and contracts for each destruction facility are now closed.

The Program Executive Office (PEO) for Assembled Chemical Weapons Alternatives (ACWA) is responsible for destroying the remaining 10 percent of the declared chemical weapons stockpile stored in Pueblo, Colorado, and Richmond, Kentucky. At the Pueblo Chemical Depot (PCD) in Pueblo, Colorado, construction and systemization of the chemical agent destruction pilot plant are complete and operations began on September 7, 2016. At the Blue Grass Army Depot (BGAD) in Richmond, Kentucky, construction of the chemical agent destruction pilot plant is substantially complete and systemization activities continue. The main Blue Grass destruction facility is on track to begin operations by April 2020.

PEO ACWA continues to focus on destroying the remaining U.S. chemical weapons stockpiles located at PCD and BGAD and expects to complete destruction operations by the December 31, 2023, congressionally-mandated destruction deadline. The Department continues to evaluate options to accelerate the destruction schedules without sacrificing worker and public safety and security.
INTRODUCTION

This report provides: (1) the status of the Department’s progress toward destruction of the U.S. stockpile of lethal chemical agents and munitions; and (2) the status of ongoing actions to accelerate the program.

REPORTING REQUIREMENTS

Title 50, U.S.C., section 1521(j) includes a semi-annual reporting requirement on the implementation by the United States of its chemical weapons destruction obligations under the CWC.

OPTIONS AND ALTERNATIVES FOR ACCELERATING DESTRUCTION

Starting in 2008, the Department conducted assessments to define options and alternatives for accelerating destruction of the remaining chemical weapons stockpile by the April 29, 2012, CWC destruction deadline, but not later than the congressionally-mandated deadline (currently December 31, 2023). The Department identified for evaluation three options to destroy the remaining chemical weapons stockpile: (1) provide performance incentives to ensure destruction is complete at the CMA sites by April 29, 2012; (2) transport portions of the stockpile to operational chemical weapons destruction facility locations; and (3) accelerate the ACWA program sites’ destruction schedules. The Department concluded that no realistic options were available to destroy the complete U.S. stockpile by the CWC destruction deadline of April 29, 2012.

Following a rigorous review mandated by title 10, U.S.C., section 2433a (commonly referred to as the Nunn-McCurdy statute), the Under Secretary of Defense for Acquisition, Technology, and Logistics certified a restructured ACWA program to Congress on June 14, 2011. The restructured program maintains current destruction technologies (neutralization followed by on-site secondary waste treatment), has an approved Milestone B and an Acquisition Program Baseline that includes supplemental use of Explosive Destruction Technology at each site, and continues to evaluate options to accelerate the overall schedule and reduce cost.
PROGRAM STATUS INCLUDING USE OF SUPPLEMENTAL TECHNOLOGY

Destruction operations at the Pueblo Chemical Agent-Destruction Pilot Plant (PCAPP) began on September 7, 2016. As of January 31, 2017, the site has destroyed approximately 64 U.S. tons of chemical agent. Specifically, the PCAPP main plant has destroyed 10,738 mustard-filled 155mm projectiles, containing approximately 62 U.S. tons of chemical agent. Between March 2015 and February 2016, the Explosive Destruction System (EDS) destroyed 560 problematic mustard-filled munitions, containing approximately two U.S. tons of chemical agent.

As of January 31, 2017, The Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP) systemization is 67 percent complete. The BGCAPP is on track to begin destruction operations by April 2020. The supplemental technology to be used at the BGAD to destroy the mustard-filled munitions is the Static Detonation Chamber (SDC). Current plans to begin SDC destruction operations follow completion of destruction operations in the main plant.

LIFE-CYCLE COSTS AND DESTRUCTION SCHEDULE ESTIMATES

The tables below show the CDP cost estimate and the ACWA program sites destruction schedule.

<table>
<thead>
<tr>
<th>Project/FY</th>
<th>FY88-15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>To complete</th>
<th>Total</th>
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<tbody>
<tr>
<td>CMA</td>
<td>22409.9</td>
<td>130.5</td>
<td>170.1</td>
<td>151.8</td>
<td>170.9</td>
<td>67.0</td>
<td>164.7</td>
<td>432.3</td>
<td>23697.2</td>
</tr>
<tr>
<td>ACWA</td>
<td>5976.7</td>
<td>569.3</td>
<td>380.9</td>
<td>729.6</td>
<td>770.7</td>
<td>850.5</td>
<td>604.7</td>
<td>1107.7</td>
<td>10990.1</td>
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<tr>
<td>TOTAL</td>
<td>28386.6</td>
<td>699.8</td>
<td>551.0</td>
<td>881.4</td>
<td>941.6</td>
<td>917.5</td>
<td>769.5</td>
<td>1540.0</td>
<td>34687.3</td>
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Note: FY 2016 is the appropriated amount, FY 2017-2021 are based on FY 2017 President's Budget. Prior years include FY 2015 actuals based on approved budgets and adjustments. Numbers may not total due to rounding.

<table>
<thead>
<tr>
<th>Milestone</th>
<th>ACWA</th>
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<tbody>
<tr>
<td></td>
<td>PCAPP</td>
</tr>
<tr>
<td>Begin Operations</td>
<td>SEP 2016</td>
</tr>
<tr>
<td>Complete Operations</td>
<td>NOV 2019</td>
</tr>
</tbody>
</table>

Note: The ACWA program schedule estimates are based on the 2012 Acquisition Program Baseline, except for the start of operations at PCAPP, which is the actual month operations began.

ONGOING ACTIONS TO ACCELERATE DESTRUCTION

In accordance with title 50, U.S.C., section 1521(n), the PEO ACWA has developed an operations and closure incentive clause for incorporation into the contracts for destruction of the remaining U.S. chemical weapons stockpile. The operations and closure incentive agreement for the PCAPP and BGCAPP is currently under review. The purpose of the incentive clause is to provide the contractor an incentive to accelerate the safe elimination of the U.S. stockpile and to reduce the total cost of the CDP by early completion of operations and closure of the destruction facilities.
In addition to using the incentive clause to accelerate destruction operations, PEO ACWA will continue to use Explosive Destruction Technology to supplement the neutralization technology, in order to mitigate technical risk and enhance workforce safety. The EDS will remain available throughout the operation of the PCAPP to destroy any problematic or reject munitions. At the BGCAPP, construction of the SDC and associated structures continues.

CONCLUSION

The ACWA program continues destruction operations at the PCAPP and systemization at the BGCAPP. Focus remains on complete destruction of the U.S. chemical weapons stockpile by the December 31, 2023, congressionally-mandated destruction deadline. The Department continues to evaluate options to accelerate the destruction schedules without sacrificing worker and public safety and security.