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STATEMENT BY THE UNITED STATES ARMY:

THE HONORABLE CLAUDE M. BOLTON, JR

ASSISTANT SECRETARY OF THE ARMY ACQUISITION, LOGISTICS AND TECHNOLOGY

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CHEMICAL DEMILITARIZATION

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STATEMENT BY

THE HONORABLE CLAUDE M. BOLTON, JR. ASSISTANT SECRETARY OF THE ARMY ACQUISITION, LOGISTICS AND TECHNOLOGY ON THE UNITED STATES CHEMICAL DEMILITARIZATION PROGRAM

Chairman Saxton, Representative Meehan, distinguished Members of the Committee - -

It is my privilege to appear before you as the Assistant Secretary of the Army for Acquisition, Logistics and Technology and as the Army Acquisition Executive to discuss the status of the Chemical Demilitarization Program. On behalf of the men and women who perform the safe and expeditious destruction of aging chemical agents and munitions for the Army, I want to thank the committee Members and staff for your unwavering support of this important and difficult mission. Your candid appraisals of this important endeavor guide our path and help us to achieve the task you have charged us to perform. Your dedication to this mission is recognized and appreciated.

As the Army Acquisition Executive, I am responsible to the Secretary of the Army and to the Defense Acquisition Executive for all aspects of the Chemical Demilitarization Program, except for the demilitarization efforts at Pueblo, Colorado and Blue Grass, Kentucky. The Army's paramount objective is to destroy the stockpiles of chemical agent and munitions at the demilitarization sites in Alabama, Arkansas, Indiana, Maryland, Oregon, and Utah, as well as the Nation's non-stockpile chemical warfare materiel, while ensuring the safety and protection of the workforce, the general public, and the environment. The management attention that I personally give this program is commensurate with its tremendous importance to the American public, in terms of both ensuring safety and proceeding expeditiously with the destruction of these weapons in a cost effective manner.

This is a remarkable time for the Army's Chemical Demilitarization Program. We are achieving a great deal and are doing so safely. Executing the mission, however, is not without its challenges.

I am proud to report that over thirty-five percent (35%) of the total stockpile is destroyed, and the bulk of the agent at our neutralization facility in Aberdeen, Maryland has been destroyed. Aberdeen is the first facility within the continental United States to completely eliminate the risk of agent exposure to nearby communities. The bulk agent neutralization facility at Newport, Indiana is expected to begin agent destruction operations next month.

Our incineration facilities also are making tremendous progress. Our first incineration facility, on Johnston Atoll in the Pacific, safely completed destruction operations many years ago. We are in the process of closing out the Resource Conservation and Recovery Act permit for that site. We have destroyed more than half of the stockpile stored near Tooele, Utah. This site originally stored forty-four percent (44%) of the original U.S. stockpile of chemical agents and munitions. In essence, the Tooele facility, alone, has now destroyed nearly one quarter of the entire U.S. stockpile, and more than is stored at any other single location. Over one million munitions have been destroyed at Tooele, including all of the sarin-filled weapons, and nearly all configurations of the VX munitions, which together represent a ninety-nine percent (99%) reduction in risk to the surrounding communities. I am very proud of the Tooele workforce's accomplishments. The employees at our facility in Anniston, Alabama also have reason to be proud of their accomplishments. They have destroyed all of the sarin-filled rockets, which represents a thirty-three percent (33%) reduction in risk to their surrounding communities, and they continue to work safely and diligently to achieve their remaining schedule milestones. The employees at our facility at Umatilla, Oregon also are doing their part to reduce the risk posed by the continued storage of these aging weapons. Since beginning operations in September 2004, they have safely eliminated over 8,000 M55 sarin-filled rockets. I am very pleased to report that last week, the workers at our facility in Pine Bluff, Arkansas began destroying agent, thereby reducing risk to their surrounding communities.

The Chemical Weapons Convention (CWC) not only requires the complete destruction of our Nation's stockpile of agent and munitions, it provides for the destruction of our non-stockpile chemical warfare materiel as well. This component of the treaty requires the complete destruction of all of our former chemical weapons production facilities by April 2007, a deadline for which there is no extension provision. I am pleased to report that over eighty percent (80%) of our former production facilities have already been destroyed. The remaining two facilities, at

Pine Bluff Arsenal and Newport Chemical Depot, are undergoing demolition and we are on schedule to meet our international treaty commitments. The non-stockpile program has also developed and deployed a number of innovative, safe and efficient destruction technologies, such as the Explosive Destruction System (EDS), and the Single CAIS (Chemical Agent Identification Set) Access and Neutralization System (SCANS). These technologies effectively destroy chemical agent munitions and identification sets that contain agent, and they are completely mobile and proven to be safe. The EDS has safely processed nearly 300 rounds since entering into service in 1999, including the World War I chemical weapons recovered in nearby Spring Valley, Washington, D.C., and we have used SCANS to destroy recovered CAIS vials and bottles with improved safety and cost effectiveness as compared to previous technology. The non-stockpile program also has developed useful chemical agent assessment technologies, such as the Mobile Munitions Assessment System (MMAS), which helps operators identify the configuration and contents of recovered munitions. This capability greatly enhances the safety and efficiency of recovered munitions destruction operations.

In short, the Army has safely completed destruction of the stockpile at Johnston Atoll in the Pacific and drained all of the agent at Aberdeen, Maryland. Four sites are currently using incinerators to safely eliminate significant stockpiles. The last of the facilities under Army management is expected to begin destruction operations very soon and the destruction of our former production facilities and other non-stockpile chemical materiel is proceeding on schedule.

The most important fact is that we are accomplishing all of these activities safely. The Army and its contractors have achieved exceptional safety records, and by focusing our Safety Management System on protecting the worker who is turning a valve during a plant operation, we protect the general public and the environment as well. Overall, our facilities have achieved an average Annual Recordable Injury Rate of 1.39, which, according to the Bureau of Labor Statistics, is somewhere between those of credit unions and shoe stores. Our sites have logged millions of hours without a lost-time incident. As of February of this year, the Anniston facility logged more than six and a half million man-hours, equating to two years, without a lost-time injury. In recognition, the Governor of Alabama and the Alabama Department of Industrial Relations presented our Anniston contractor with a prestigious safety award. The Pine Bluff facility received the Arkansas Department of Labor safety award last September in recognition

of having logged five million man-hours without a lost time injury; their record continues and they have now worked more than five and a half million man-hours without any lost time. Last month, our Umatilla contractor received the 2005 Oregon Governor's Occupational Safety and Health Employer Award for its "outstanding contributions to occupational safety and health."

We continue to strive for improved excellence in agent monitoring technology and practices. In an effort to conform to industry standards for worker and population protection, all of our facilities implemented new Airborne Exposure Limits (AELs) promulgated by the Centers for Disease Control and Prevention (CDC).

Compliance with environmental protection requirements is not negotiable. Our incineration facilities fully comply with the Environmental Protection Agency's (EPA) Maximum Achievable Control Technology (MACT) requirements for emissions controls. We work daily to effectively implement the myriad requirements for the management of our solid and hazardous wastes. In addition, we work closely with our state and Federal environmental regulators and proactively take steps to stay ahead of the ever-changing regulatory environment under which we must operate.

The Army and the Federal Emergency Management Agency (FEMA) of the Department of Homeland Security (DHS) work closely with affected state and local governments to review emergency preparedness requirements as the individual weapons storage sites reduce risk to their communities through the destruction of their stockpiles. The Army and DHS FEMA share responsibility for the Chemical Stockpile Emergency Preparedness Program (CSEPP), which protects public health and safety by ensuring the emergency preparedness capabilities of Army installations and surrounding communities are ready to respond to an off-site chemical agent emergency. All ten CSEPP states have achieved full program benchmark compliance. Capability Assessment and Readiness reports conducted by the States and annual program exercises consistently show that CSEPP states are better prepared to meet any emergencies than their non-CSEPP counterparts.

No one envisioned the peaceful destruction of these weapons when they were first manufactured. I am fond of saying that these chemical weapons are not fine wine; they do not improve with age. It is imperative that we continue to make significant strides toward destroying the nation's

stockpiles while still ensuring the safety of all involved. However, achieving a mission of this scope and magnitude, and one that holds the interest of so many important stakeholders, poses unique challenges. While we are focused on addressing these challenges, they will continue to cause significant growth in both cost and schedule as they have done in the past.

Our challenges can be grouped generally into three categories: technical, external, and internal. As examples of new technical requirements, our plants are aging beyond their expected service life, which will result in increased maintenance and refurbishment costs as well as schedule increases. As another example of a technical challenge, we recently identified the presence of mercury in portions of the Tooele, Utah mustard stockpile. The Tooele plant must be modified to remain compliant with environmental regulations and prevent the release of mercury into the environment. We are currently investigating whether mercury contamination exists in the mustard at our other stockpile sites and the potential cost and schedule impacts of processing.

Challenges related to changing external requirements include the AELs and MACT requirements that I previously mentioned as well as state regulatory requirements, emergency response requirements, and litigation. While new requirements generally contribute to increased safety and environmental protection, their implementation also impacts the program's cost and schedule. In our efforts to safely dispose of byproducts resulting from the destruction of VX in Indiana and the mustard in Maryland, the Army has pursued several technically and environmentally sound offsite disposal options. Attempts to resolve public concerns that have been expressed regarding the transport and treatment of secondary wastes have caused us to examine alternatives that are equally effective but potentially more expensive. Facility startups at Tooele and Anniston were delayed in response to community concerns, increased local emergency response requirements, and litigation.

With respect to internal challenges, operational events also have caused schedule delays and cost increases. Chemical warfare agents were designed to be deadly. To protect those who have the greatest contact with these weapons, our workers, we demand the safe operation of these plants. We work diligently to preclude, or at least minimize, the effect of these events through well-designed equipment and facilities, thoroughly vetted operational procedures, and comprehensive operator training. From this starting point, we are focused on improving safe destruction

operations through a continuous improvement approach that results from thoroughly examining each event. We stop, take time to assess what went wrong, implement corrective actions, and proceed again with caution. I would prefer to stop operations – even for months – to ensure that our operations are safe and environmentally protective than to have any doubt about our ability to do this job safely. Our improving record on safety, about which I spoke earlier, demonstrates clearly that our continuous improvement program is working.

Finally, all stakeholders with an interest in this program play an important role. We are sensitive to the concerns of communities near the stockpile disposal facilities, and we work hard to effectively address their concerns while ensuring that we meet our program goals. We must be able to clearly articulate technically correct rationales for our decisions based on sound science while acknowledging citizen concerns in a way that recognizes personal and community perspectives about our program.

This is indeed a remarkable time for the Army's chemical demilitarization program. As recited in my testimony here today we continue to accomplish the mission of safely destroying the stockpile. There have been, and will continue to be, challenges to overcome as we move forward. We look forward to working with the Congress to achieve the mission it has laid out for us and to addressing the many challenges that affect this program. I have been to three sites, and I look forward to visiting them all in due course. I am extremely impressed with the professionalism, dedication and ingenuity of our workforce and by the robustness of our facilities. I welcome each and every one of you to visit any of our disposal facilities and see them for yourselves; each is an impressive sight. I will continue to identify our requirements and then work to effectively use the resources that Congress provides to the program.

In closing, I ask for your continued support of this critical national program so that we may sustain our commitment to the communities surrounding the storage sites, to the nation, and to our international partners. Thank you for the opportunity to discuss this important program with you. I look forward to answering any questions you may have.