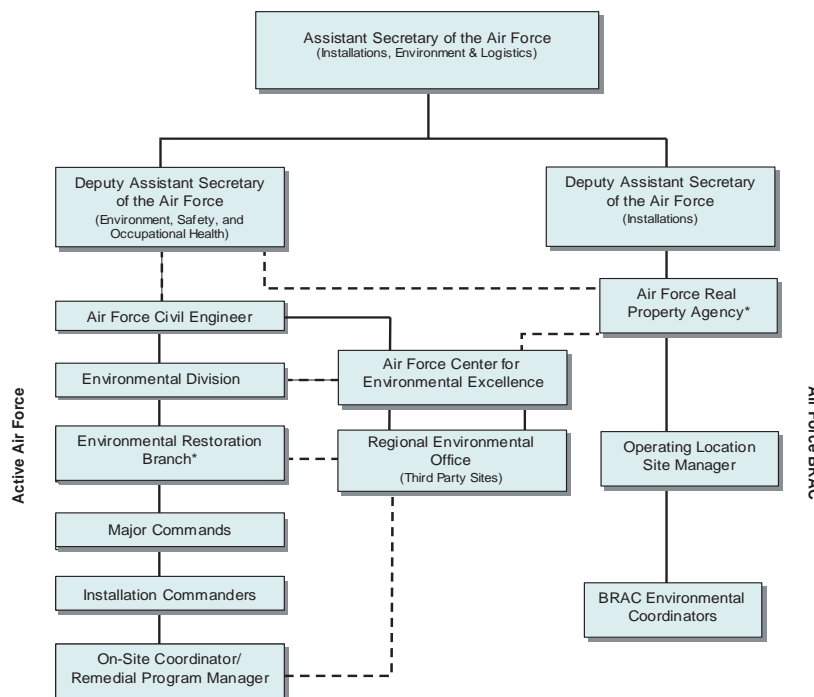


AIR FORCE



The Air Force Environmental Restoration Program (ERP) directs restoration activities at Air Force installations. These installations are divided into active installations managed by the Headquarters U.S. Air Force's Environmental Restoration Branch, and installations that have been closed or realigned in accordance with the Base Realignment and Closure (BRAC) Act and are managed by the Air Force Real Property Agency (AFRPA). The organizational chart in Figure 58 portrays the structure of Air Force's environmental organization. These offices work together to comprehensively address environmental restoration issues within the Air Force and continually refine and improve the Air Force's ERP.

FIGURE 58: DEPARTMENT OF THE AIR FORCE ORGANIZATION CHART



* In this diagram, all branches above, and including, the Environmental Restoration Branch and Air Force Real Property Agency are responsible for policy, guidance, and oversight. All branches shown below these branches are responsible for program execution.

Site Status

The Air Force continued to perform cleanup and successfully resolve complicated environmental issues in Fiscal Year 2003 (FY2003). The Air Force initiated a transformation in its ERP to a broader performance-based management (PBM) approach that focuses the measure of success on results as opposed to processes. This illustrates the Air Force's commitment to meeting current and future mission requirements while reducing environmental liabilities. By redefining its program in this way, the Air Force has taken significant steps toward meeting the President's Management Agenda – to achieve “immediate, concrete, and measurable results in the near term”— while improving its ability to address environmental restoration responsibilities related to protecting human health and the environment.



Installation Restoration Program Site Status

The Air Force is using performance-based contracts and guaranteed fixed-price remediation contracts to maximize efficiency and accelerate environmental cleanup. In FY2003, such contracts accounted for 20 percent of AFRPA's total program dollars. AFRPA plans to increase the number of performance-based contracts it issues to 60 percent in FY2004. Performance-based program goals founded on cleanup action effectiveness, technology and private sector benchmarks, and land transfer rates are under development for FY2004. In addition, the Office of the Assistant Secretary for Installations, Environment and Logistics has established the goal that ten percent of Environmental Restoration projects in each Major Command be executed through performance-based contracts by the third quarter of FY2003 and 20 percent by the third quarter of FY2004.

Active Installation Restoration Program Site Status

The Air Force Civil Engineer's Environmental Management Division manages the cleanup activities at 272 active installations for 5,159 Installation Restoration Program (IRP) sites. The Air Force has achieved response complete (RC) status at 2,906 of these sites, or 56 percent. A total of 1,974 sites at active installations achieved RC directly from site investigation processes; the remaining sites achieved RC or no further action (NFA) status as a result of completing restoration activities. As of the end of FY2003, response actions continued at 2,253 sites. See Figure 59 for the Air Force active IRP site status, illustrating 1,401 sites under investigation and 852 undergoing remedial action.

BRAC Installation Restoration Program Site Status

AFRPA manages the cleanup activities at 30 of the Air Force's 32 BRAC installations for 1,671 sites; Figure 60 illustrates the Air Force's BRAC IRP site status. The majority of these sites, 75

FIGURE 59: ACTIVE AIR FORCE IRP SITE STATUS
(As of September 30, 2003)

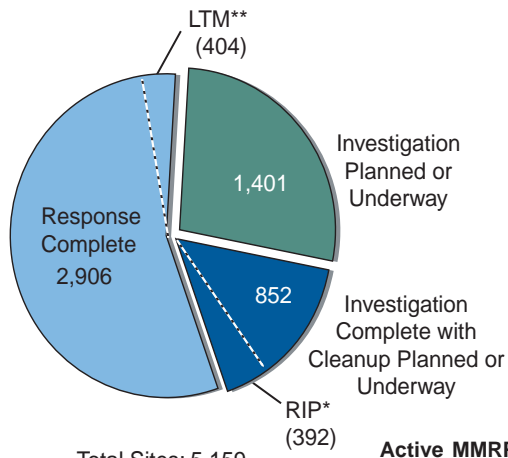
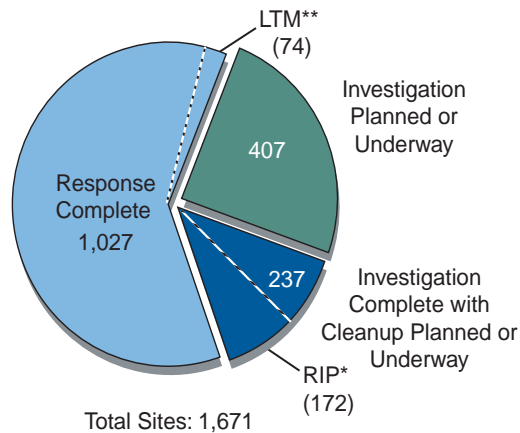


FIGURE 60: AIR FORCE BRAC IRP SITE STATUS
(As of September 30, 2003)



Active MMRP Site Status

Response Complete	51
Investigation Under Way or Planned	210
Cleanup Under Way	0
LTM Underway	0
Total MMRP Sites	261

*Remedy in Place (RIP) includes sites where remedial action operations are underway.

**Long-term management (LTM) occurs at a subset of the sites that have achieved response complete.



percent, have completed all investigation activities. The Air Force has achieved RC status at 1,027 of these sites, or 61 percent. A total of 780 sites at BRAC installations achieved RC directly from site investigation processes; the remaining sites achieved RC or NFA status as a result of completing restoration activities. Of the remaining 472 sites that have yet to achieve remedy in place (RIP), 289 are associated with the former McClellan Air Force Base, which is currently scheduled to reach the last RIP milestone in FY2015.

Military Munitions Response Program Site Status

As of the end of FY2003, the Air Force identified 261 Military Munitions Response Program (MMRP) sites at active installations; investigation and cleanup cost estimates and Risk Assessment Codes were updated for each of these sites. The Air Force will initiate preliminary assessment at each of these MMRP sites beginning in FY2005. As of the end of FY2003, the Air Force had not formally identified any BRAC sites requiring response under the MMRP. The Air Force is evaluating the installations in its BRAC property portfolio to identify any qualifying sites based on available documentation.

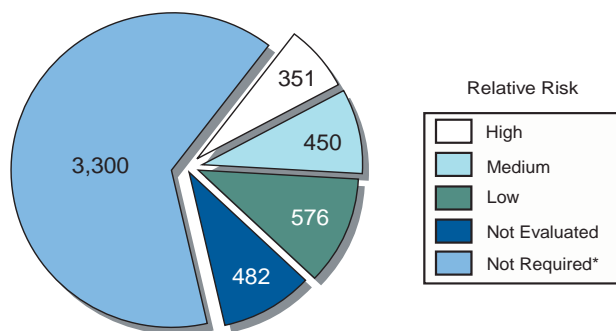
Progress Toward Program Goals

The Air Force continued to make progress toward accomplishing program goals in the IRP and MMRP during FY2003. These program goals focus on getting remedies in place and completing needed cleanup requirements at sites.

Installation Restoration Program Goals

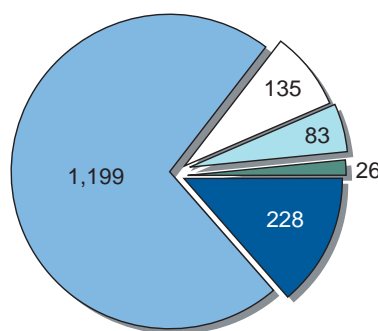
At its active installations, the Air Force projects that 96 percent of high relative-risk sites will achieve RIP/RC by the end of FY2007, 92 percent of medium relative-risk sites will achieve RIP/RC by FY2011, and 91 percent of remaining sites will achieve RIP/RC by FY2014. FY2003 relative-risk status for active and BRAC installations are shown in Figures 61 and 62. The number of Air Force sites in the high relative-risk category has been decreasing consistently since FY1996.

FIGURE 61: AIR FORCE RELATIVE-RISK RANKING FOR ACTIVE SITES IN PROGRESS



Total Sites: 5,159

FIGURE 62: AIR FORCE RELATIVE-RISK RANKING FOR BRAC SITES IN PROGRESS



Total Sites: 1,671

*The Not Required category includes sites that have already achieved RIP or RC, as well as IRP sites requiring only military munitions response or building demolition and debris removal.



To date, approximately 57 percent of all Air Force IRP sites have achieved RC status and approximately 31 percent of all Air Force installations (94 out of 302 installations) have achieved RIP/RC at all IRP sites. Figures 63 and 64 illustrate the progress of active and BRAC installations toward achieving final RIP/RC.

Military Munitions Response Program Objectives

The Air Force is implementing a PBM approach in the development of the MMRP. Air Force reasoned that sites with similar environmental and explosive safety hazards see similar response strategies selected, and those responses have measurable and comparable factors, such as costs and duration, that can be used to monitor performance. PBM execution will begin with a focus on small arms ranges. Rather than the traditional process-intensive, open-ended investigation and analysis of multiple response alternatives, the Air Force will mandate standard approaches to investigation and remediation using innovative contracting strategies, such as guaranteed fixed-price remediation contracts, and best available technologies to facilitate and increase the efficiency of the response across the Air Force.

Program Initiatives and Improvements

In response to an FY2003 management review, the Office of the Secretary of the Air Force formed an Environmental Restoration Tiger Team (ERTT), composed of key staff from all levels of the active and BRAC programs, to improve the efficiency and effectiveness of the Air Force restoration programs. The ERTT met several times in the latter half of FY2003 and recommended policy changes in several areas, including: program oversight, project management team continuity, delegation of Record of Decision (ROD) signature authority, and cost to complete (CTC) estimation. As a result of this effort and follow-on program review, the Air Force CTC estimates were reduced by over \$675 million between FY2002 and FY2003.

In FY2003, the Air Force worked closely with the U.S. Environmental Protection Agency (EPA) to convert the execution and oversight of land use controls to a results-oriented basis. The resulting agreement will streamline RODs and enhance the Air Force's and EPA's efforts to emphasize performance over process.

FIGURE 63: AIR FORCE ACTIVE INSTALLATIONS ACHIEVING FINAL RIP OR RC AT ALL IRP SITES
(Cumulative and projected, FY1990 through completion)

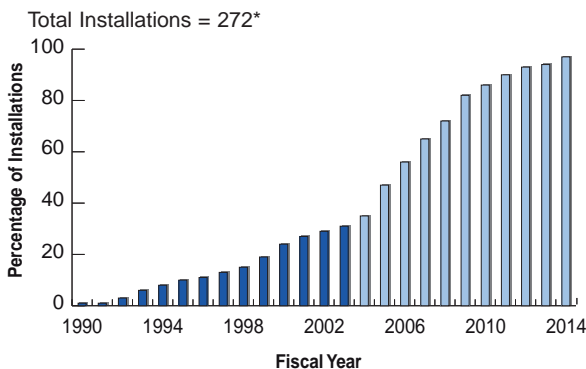
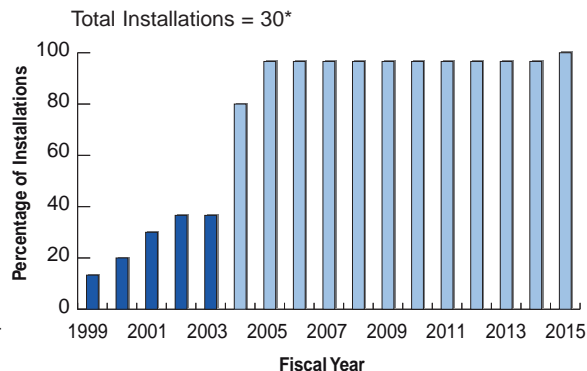


FIGURE 64: AIR FORCE BRAC INSTALLATIONS ACHIEVING FINAL RIP OR RC AT ALL IRP SITES
(Cumulative and projected, FY1999 through completion)



*Excludes MMRP and Building Demolition and Debris Removal sites.

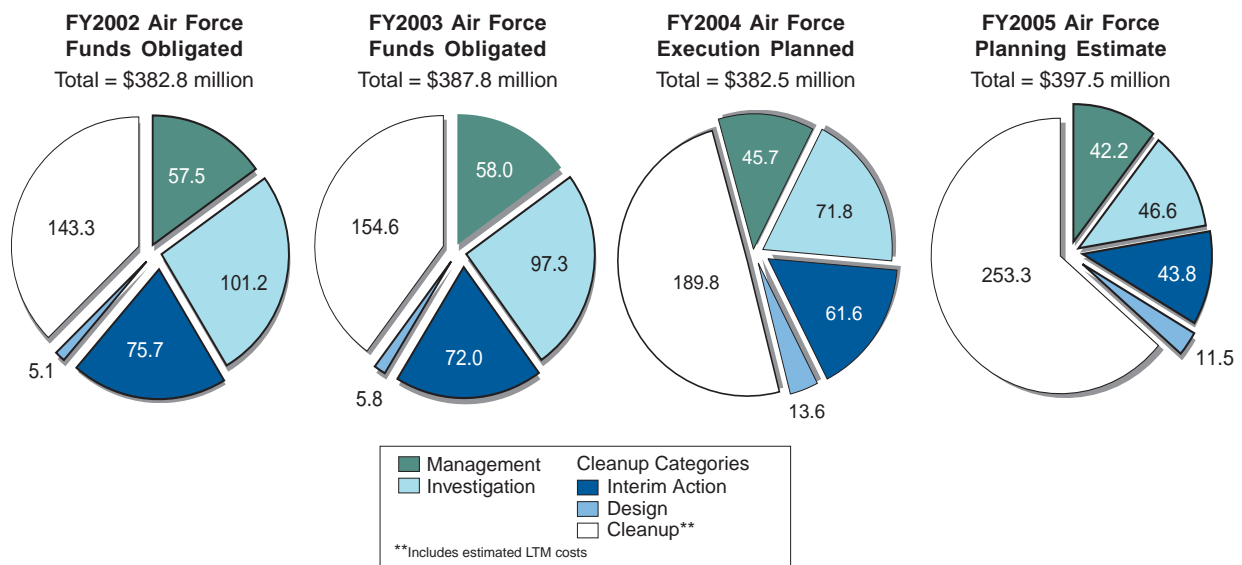


Funding

As the ERP matures and technology improves, experience guides Air Force use of its funding. The Air Force’s ability to effectively plan and conduct cleanup activities depends on receiving predictable, stable funding from year to year. Technology and process baselining with the private sector, utilization of performance-based contracts and program goals, and renewed central oversight of the cleanup programs are central tenets of the Air Force’s strategy to balance new cleanup mission requirements with finite resources.

The Air Force obligated \$511.2 million for installation environmental restoration activities in FY2003. Active obligated funds totaled \$387.8 million, while BRAC obligated funds totaled \$125.4 million. Figure 65 illustrates Air Force’s planned and obligated funding for active installations. As the program continues to progress, a larger percentage of funds will be spent on cleanup activities, rather than on investigation. The Air Force devoted significant funding in FY2003 to emerging or unregulated issues such as munitions and radiological materials. The Air Force plans to fund \$382.5 million and \$397.5 million for emerging or unregulated issues in FY2004 and FY2005, respectively.

FIGURE 65: AIR FORCE ENVIRONMENTAL RESTORATION FUNDING PROFILE*
(In millions of dollars)

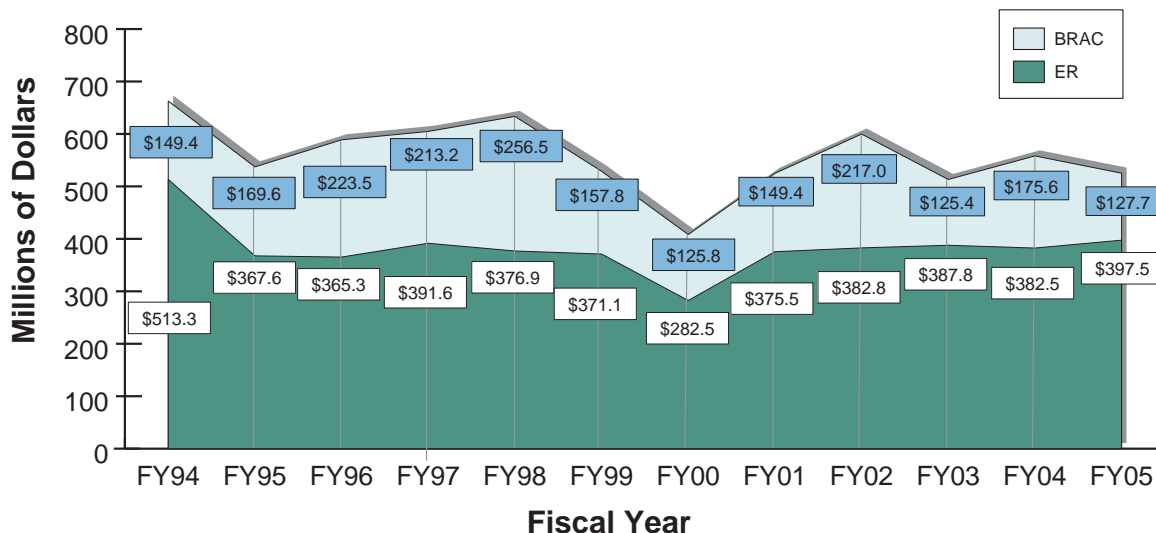


*Funding shown includes all IRP, MMRP, and management and support costs. Due to rounding, category subtotals may not equal fiscal year totals.

Appropriate funding is essential for the Air Force to reduce the CTC site restorations and future environmental liability. As of the end of FY2003, the Air Force’s active site-level CTC was \$4.9 billion, a reduction of \$508 million from FY2002. In addition, Air Force BRAC reduced its site-level CTC by \$167 million in FY2003. The funding trends for active and BRAC are shown in Figure 66.



FIGURE 66: AIR FORCE ENVIRONMENTAL RESTORATION AND BRAC ENVIRONMENTAL FUNDING TRENDS



Looking Forward

While the Air Force conducts cleanup activities based on the best available science and uses the best practices available, new challenges constantly arise. New and unregulated contaminants, uncertain regulatory requirements, and new programs such as the MMRP will continue to pose significant challenges. Performance-based management of these resources, according to the President’s Management Agenda, is the way forward to balance Air Force operational requirements with the inherent core competencies of human health and environmental protection.