



DUGWAY PROVING GROUND AN ACQUISITION STRATEGY SUCCESS STORY

December 2007



TABLE OF CONTENTS

- I. Overview of Dugway Proving Ground
Installation Restoration Program
- II. Acquisition Strategy
- III. Results

DUGWAY PROVING GROUND – AN ACQUISITION STRATEGY SUCCESS STORY



QUICK INTRODUCTION TO DPG IRP

- As of 1996
 - 195 sites
 - CTC of \$155M
 - Cost Incurred to date: \$39M
 - Projected RIP/RC date: *
- As of 2000
 - Total of 205 IRP sites
 - Cost incurred to date: \$83M
 - CTC: \$265M
 - Projected RIP/RC date: *

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STATUS OF DPG IRP IN 2004

- Had achieved RIP/RC on 108 sites
 - 97 sites remaining
 - >50% remaining sites were High RRSE
- Cost incurred to date \$118M
 - 2004 CTC was \$128M
- Projected RIP/RC date: Sept 2012
- Various contract types in place
 - TERC
 - GSA Environmental Services
 - Other

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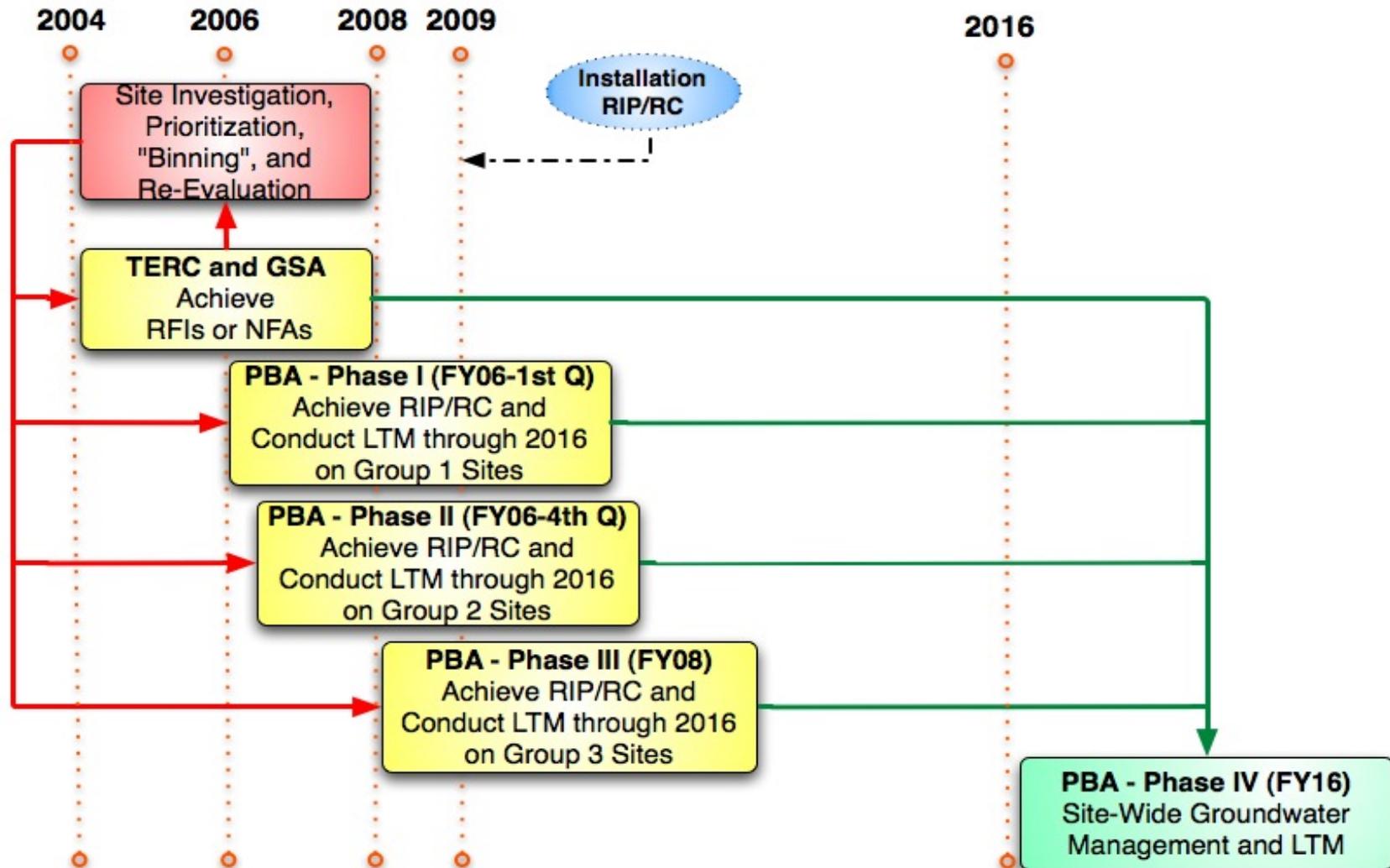
2004 MULTI-PHASED STRATEGY

- Took a “fresh look” at all sites
 - Evaluated status and CTC for all sites
 - Evaluated existing contracts and remaining funds
 - Established “break points” in remediation approaches
- Result:
 - Redistributed funds among sites
 - Shifted priorities to align break points
 - Infused funding to accelerate investigations
- Documented in a 4-year strategy for all remaining sites
 - Included use of existing and new contracts
 - “Binned” sites according to most appropriate path forward
- Key element: Regulator understanding, support, and strong desire to close sites

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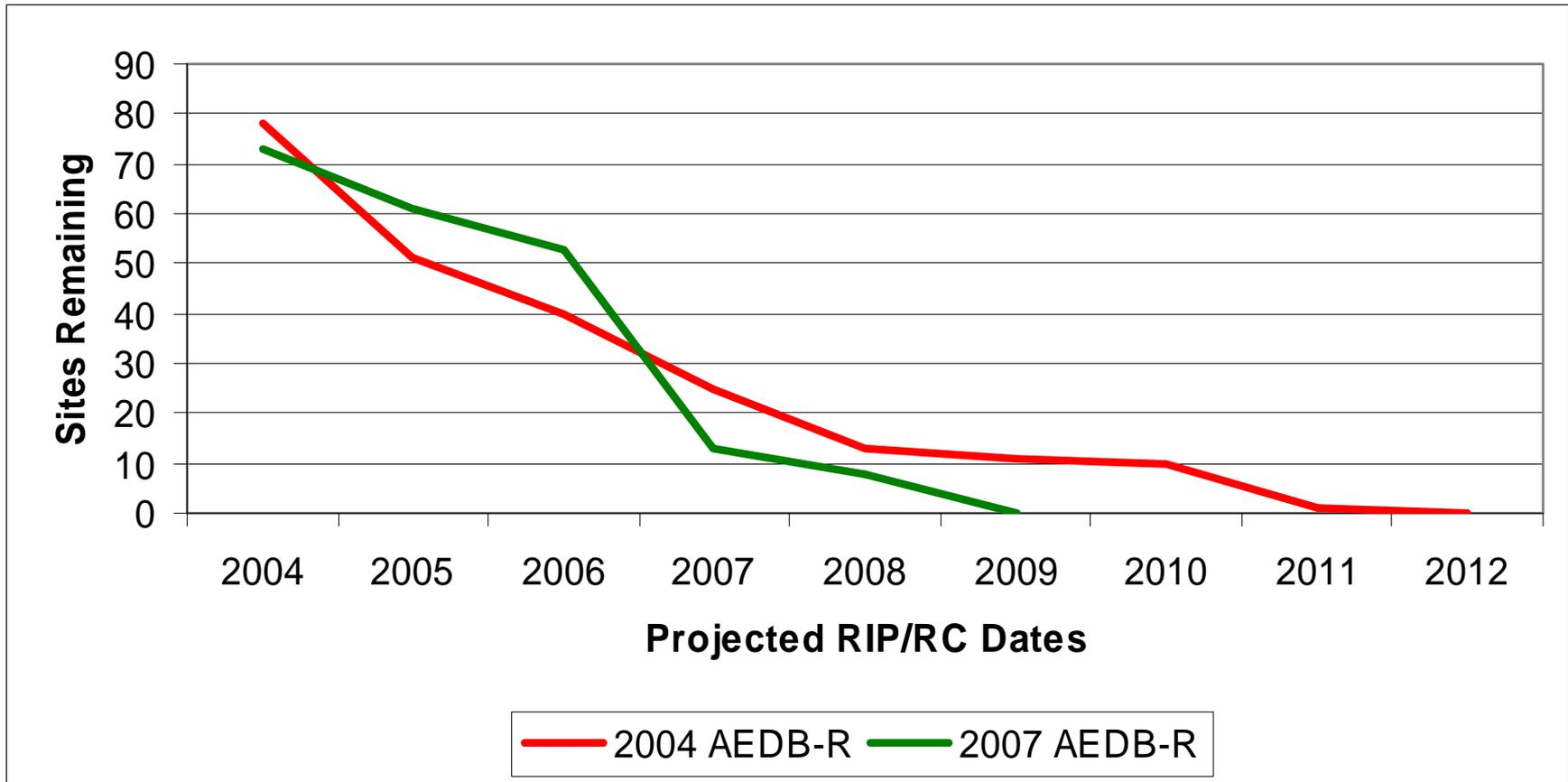
RESULTING ACQUISITION STRATEGY: APPROPRIATE TOOLS AND FLEXIBILITY



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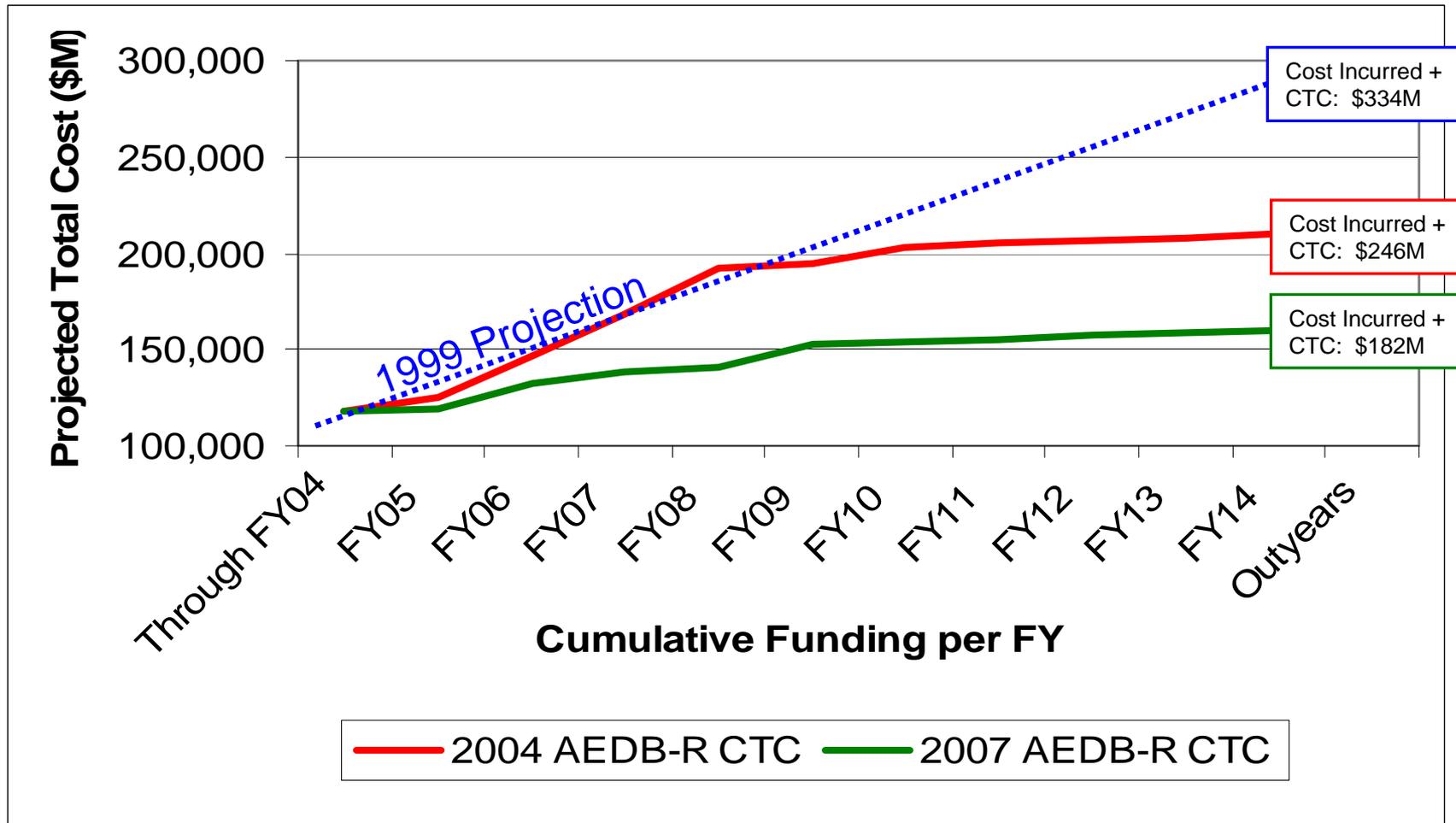
**RESULT: ACQUISITION STRATEGY REDUCED
INSTALLATION-WIDE PROJECTED RIP/RC DATE BY 3 YEARS**



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**RESULT: ACQUISITION STRATEGY
REDUCED PROJECTED TOTAL COST BY >\$60M**



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SUMMARY

- Accelerated IRP RIP/RC by 3 years
- Reduced CTC by >\$60M
- What worked?
 - Functional team
 - Annual evaluation of strategy
 - Acquisition strategy utilized the tools that made sense for required activities
 - Full buy in and support of regulators

