Fiscal Year 2020 Annual Report

Photo By Jim Cleveland; Courtesy of Portsmouth Naval Shipyard, Kittery, ME, United States

Installations = Airports, Seaports, Shipyards = Deployable Force

Office of the Assistant Secretary of the Navy
(Energy, Installations and Environment)
What We Do

Our capabilities include land utilization, facilities sustainment, and environmental protection. Our installations provide personnel support, supply chain distribution, and ship and aircraft overhaul. We innovate through Enhanced Use Leases (EULs), utility savings, and resilience programs in support of the National Defense Strategy. We embrace good stewardship, prioritize safety, and are accountable for taxpayer money.

Our Valued Stakeholders,

In Fiscal Year (FY) 2020, the Office of the Assistant Secretary of the Navy for Energy, Installations and Environment (ASN (EI&E)) celebrated its 30th year. With congressional support and in partnership with the Deputy Chief of Naval Operations for Fleet Readiness and Logistics (OPNAV/N4); Naval Facilities Engineering Command (NAVFAC); Commander, Navy Installations Command (CNIC); United States Marine Corps Deputy Commandant for Installations and Logistics (USMC/I&L); we financially contribute to readiness for the defense of our nation.

We produce, sustain, innovate, and engage with communities and offer a dedicated work force anyone would be proud to have. Our staff, with their partners, advise and oversee policy that touches the lives of all 629,200 Navy and Marine Corps active and reserve personnel and their families. Our stakeholders include taxpayers, Congress, Office of the Secretary of Defense (OSD), Department of Defense (DoD) civilian and military personnel, and their families.

We are a critical component in the mission of deterring aggressors and defeating adversaries. Ships, submarines, aircraft, Sailors, and Marines deploy from our installations around the world. Our portfolio is global, consisting of 96 installations, 87,392 buildings, and over 4.8 million acres of land. We execute a $15 billion budget, while planning, acquiring, disposing of and constructing facilities, protecting the environment, and enhancing the safety of our people.
The ASN (EI&E) Team and our partners are focused on providing readiness support to our nation’s Naval and Marine forces. Our dedicated military and civilian personnel, leveraging over 100,000 installation professionals, aligned their efforts this past year across five priority areas:

⇒ Business Practices
⇒ Privatized Military Housing
⇒ Environment
⇒ Resilience
⇒ Safety

Our FY 2020 accomplishments include:

⇒ Addressed Privatized Housing Across the Department of the Navy (DON)
⇒ Rapidly Responded to Natural Disasters at Installations
⇒ Returned $45 million in Energy Savings to the DON
⇒ Awarded Largest Energy Contract in Federal Government
⇒ Deployed Innovative Energy Resilience Capabilities
⇒ Published Energy Resilience Strategy for Installations
⇒ Expanded Ship Repair Capacity on the West Coast
⇒ Supported New Naval Platforms
⇒ Commissioned First New Marine Corps Base in 70 years
⇒ Implemented New National Environmental Policy Act Regulations
⇒ Supported Readiness in the Pacific
⇒ Expanded Naval Aviation Training Capability
⇒ Downlisted Endangered Species Resulting from Conservation Efforts
⇒ Deployed Streamline Safety Reporting System
⇒ Addressed Firefighting Chemicals
⇒ Investigated Safety Mishaps, Including the USS BONHOMME RICHARD Fire
⇒ Reduced Lost Workdays
⇒ Conducted Privatized Military Housing Projects Financial Viability Audit-Level Reviews

All this, and much more, was accomplished while the nation was responding to the Coronavirus (COVID-19). The DON continued to operate largely remotely, always supporting the important work and requirements of our nation’s Naval and Marine forces.

I am extremely proud of all our Energy, Installations, Environment, Facilities, Safety, and Private Venture Teams accomplish every day. Their work is vital to enable the DON to continue operating, training, and testing to meet the needs of our nation. I hope you find this annual report as informative and inspiring as a reader as our team has in serving the nation.
FY 2020 PRIORITIES

ASN (EI&E) delivers Fleet readiness and combat lethality through modernized shore infrastructure and test and training ranges. Every decision we make considers warfighting readiness and financial control.

**BUSINESS PRACTICES**

- Reduce operating costs. Consistently innovate and modernize our business practices to spend taxpayer dollars wisely.
- Improve cost estimating and infrastructure project delivery.
- Reduce overhead and redundant staff functions.
- Leverage private sector expertise to modernize DON infrastructure.

**PRIVATIZED MILITARY HOUSING**

- Provide effective oversight to improve housing quality for residents.
- Assess financial viability of privatized housing.
- Complete implementation of Tenant Bill of Rights.

**ENVIRONMENT**

- Fulfill DON’s cleanup responsibilities related to Per- and Polyfluoroalkyl Substances (PFAS) through aggressive responses under the Federal Cleanup Law.
- Expedite development of a fluorine-free Aqueous Film Forming Foam (AFFF) alternative.

**INSTALLATION RESILIENCE**

- Improve shore energy, along with water and environmental resilience to increase mission assurance at air stations and sea ports.
- Leverage use of non-DoD funds to pursue resilience.
- Identify and mitigate cyber threats to DON infrastructure and facility-related control systems.

**SAFETY**

- Deploy Risk Management Information (RMI) to improve and leverage data to reduce loss of life, lost man hours, equipment loss, and near misses.
- Implement Safety Management System(s) to enhance DON safety culture.
- Develop the Safety Program Element for improved financial accountability.
ASN (EI&E) Installation Investment Profile

Table 1 provides an overview of ASN (EI&E)’s investment in DON installations from FY 2019 to President’s Budget (PB) FY 2021.

<table>
<thead>
<tr>
<th>$ (Millions)</th>
<th>FY 2019</th>
<th>FY 2020</th>
<th>FY 2021 (PB)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Restoration, Navy (ERN)</td>
<td>$366</td>
<td>$385</td>
<td>$336</td>
</tr>
<tr>
<td>Base Realignment and Closure (BRAC)</td>
<td>$176</td>
<td>$218</td>
<td>$125</td>
</tr>
<tr>
<td>Family Housing (FH)</td>
<td>$417</td>
<td>$425</td>
<td>$389</td>
</tr>
<tr>
<td>Military Construction (MILCON)</td>
<td>$3,236</td>
<td>$3,009</td>
<td>$2,117</td>
</tr>
<tr>
<td>Facilities, Sustainment, Restoration &amp; Modernization (FSRM)</td>
<td>$4,062</td>
<td>$4,714</td>
<td>$4,481</td>
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<tr>
<td>Base Operating Support (BOS)</td>
<td>$7,135</td>
<td>$7,062</td>
<td>$7,348</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$15,392</strong></td>
<td><strong>$15,813</strong></td>
<td><strong>$14,796</strong></td>
</tr>
</tbody>
</table>

Table 1

We continue to oversee the budget for ASN (EI&E)’s complex portfolio to ensure the effective management of DON real property, housing, and other facilities valued at $437 billion in a fiscally constrained environment.

We prioritize environmental protection, planning, conservation, and compliance both ashore and afloat, as well as natural and cultural resource conservation and protection, environmental restoration, and marine resource protection. We emphasize safety, mishap prevention, and occupational health programs for military, civilian, and contractor personnel in a cost-effective way.

We will continue to address the headwinds from limited funding and prioritize how we spend taxpayer dollars.
Meet the ASN (EI&E) Team

Top Picture From Left: Mr. Kyle Ketchum (Acting Deputy Assistant Secretary of the Navy (DASN) for Safety), Ms. Jillian Morrison (Assistant General Counsel), Ms. Donjette Gilmore (Executive Director, Public Private Partnership Reviews), Honorable Charles Williams (ASN (EI&E)), Mr. Todd Schafer (Principal Deputy Assistant Secretary of the Navy (PDASN) (EI&E)), Mr. James Balocki (DASN for Installations, Energy and Facilities (IE&F)), Mr. Karnig Ohannessian (DASN for Environment)

Photos By Public Affairs Officer Lieutenant Gabrielle Dimaapi; Washington, DC, United States
Meet our Partners

Led by Lieutenant General Charles Chiarotti, the Marine Corps Deputy Commandant, Installations & Logistics (I&L) develops and executes modernized logistics policies to optimize support to the Operating Forces.

Led by Major General Edward Banta, the Marine Corps Installations Command (MCICOM) consists of 4 regions and 25 installations around the globe. The regions are: MCI-West with an estimated economic impact of $8.7 billion, MCI-East with $9.1 billion, MCI-Pacific with $1.5 billion, and MCI-National Capital Region with $4.9 billion. MCICOM exercises command of regional installation commands, providing policy, oversight, and resources.

Led by Vice Admiral Ricky Williamson, OPNAV/N4 has 160 employees that provide Navy policy, requirements assessment, and resource sponsorship for MILCON, facilities investments, real property, quality of life programs, environmental programs, and activities that protect Navy assets from encroachment.

Led by Vice Admiral Yancy Lindsey, CNIC operates 70 installations across 10 regions worldwide with 53,000 military and civilian personnel. CNIC is responsible for worldwide shore installation management, designing integrated solutions for the operation, sustainment, and development of shore infrastructure.

Led by Rear Admiral John Korka, NAVFAC maintains 17 commands and 105 field locations with 21,000 employees that deliver life-cycle technical and acquisition solutions to naval shore facilities, base operating support, and expeditionary engineering systems.
Purpose

The Deputy Assistant Secretary of the Navy (Installations, Energy and Facilities) is responsible for overseeing all DON activities associated with: real estate, encroachment, housing, infrastructure, strategic basing, base operations, real property accountability, audit compliance, installation resilience, energy, water, and cybersecurity of facility-related control systems.

Installations, Energy and Facilities in FY 2020

**Privatized Housing Addressed:** The DON addressed housing challenges raised by military families by issuing a tenant’s bill of rights, negotiating a universal lease, and developing a system for resolving disputes. The DON resourced 296 housing inspectors to support the Commanding Officer’s ability to address housing issues affecting resident health and quality of life.

**Installation Resilience Investments Made:** The DON is tackling installation resiliency across six categories: 1) energy and water, 2) data and networks, 3) control systems cybersecurity, 4) contingency, 5) physical security, and 6) environment. Using $35 million of the FY 2020 fund appropriated by Congress, the DON is investing in design and planning tools to identify and mitigate its most critical installation resilience vulnerabilities.

**Energy Resilience Deployed at Marine Corps Air Station (MCAS) Miramar, California:** MCAS Miramar demonstrated the Installation’s ability to respond to loss of commercial power while maintaining mission capability. Electricity from San Diego Gas & Electric was turned off as a test, requiring an on-site power plant to execute a “black start,” providing back-up electricity to support the full load of designated mission facilities. The test ensured all elements of the microgrid functioned as designed to include the smooth transition from individual facility back-up generators to the microgrid power plant and then back to commercial grid power.

**Energy Resilience Mitigates Rolling Blackout:** MCAS Miramar’s microgrid system self-generated 3.3 megawatts to reduce the burden on the San Diego grid during the August 2020 statewide heatwave, preventing blackouts aboard the Installation and in the community and allowing flight operations to continue unimpeded.
Installations, Energy and Facilities in FY 2020

Ship Repair Capacity Expansion, San Diego: ASN (EI&E) staff, working with Naval Sea Systems Command (NAVSEA), executed a lease with a ship repair operator enabling the tenant to install and operate a floating dry dock at Naval Station San Diego, improving Fleet readiness by increasing west coast dry dock capacity.

Real Estate Leases Executed: NAVFAC’s Real Estate Team executed four EULs with value assessments of $600 million, and launched two projects worth $20 million in infrastructure investment. NAVFAC executed a lease with a developer to construct $6 million in infrastructure at Naval Weapons Station (NWS) Seal Beach Detachment Norco that protects against grid disruptions to enable missile testing and weapons storage.

Naval Information Warfare Systems Command (NAVWAR) Infrastructure Revitalization: The DON entered into an exclusive agreement with the San Diego Association of Governments to develop a new mission facility and headquarters for NAVWAR in exchange for 71 acres of Navy-owned land. This agreement fast-tracks environmental and construction work to enhance mission capability within three years.

Small Cellular (“5G”) Policy Finalized: ASN (EI&E) concluded a policy accommodating the next generation of commercial wireless cellular communication aboard installations. Jointly developed with the DON Chief Information Officer and the Wireless Infrastructure Association, the policy balances access to commercial providers while controlling for security risks.

Regulations Eliminated: The DON repealed 32 CFR 763, Rules Governing Public Access to Kaho’olawe Island, Hawaii, because DON no longer owns Kaho’olawe Island, and 32 CFR 736, Disposition of Property, because it was outdated and excludes changes to title 10 and 40 governing disposal of real estate. Additionally, this rule addressed disposal of personal property, which has been superseded by 32 CFR 273.
Installations, Energy and Facilities in FY 2020

Real Property Audit Conducted: The DON Real Property Audit Team reconciled infrastructure transactions with financial records, accounting for changes in its real property inventory and correcting the records of 60,000 utilities and other structures this year, eliminating a material weakness associated with environmental liabilities.

Installation Contracts Awarded: NAVFAC executed $14 billion in contracts with 29,000 contract actions, a more than $3 billion increase in value from FY 2019 with the same number of actions. This increase is the third time since FY 2007 that contracts have exceeded $10 billion in value.

Resiliency Assessments Completed: ASN (EI&E) partnered with the Assistant Secretary of the Navy for Research, Development and Acquisition to develop non-intrusive power sensors at the Navy Defense Fuel Supply Points on Guam and Hawaii, and at the Integrated Test Facility at Naval Surface Warfare Center in Philadelphia.

New Energy Savings Account Established: ASN (EI&E) returned $45 million in installation energy savings to the DON through its pilot implementation of 10 USC 2912 congressional authority. The pilot identified reductions resulting from DON energy conservation and efficiency projects and determined validated energy savings. The pilot will create a special account of non-expiring funds for investment in energy resilience and installation projects where the savings are generated.

Installation Resilience Planning: The DON leads the DoD in the development of its installation energy and water plans and is on track to be 100% complete by December 2020. These 70 installation plans are the cornerstone for identifying energy and water security gaps and developing mitigation strategies to address mission critical requirements. The Energy Mission Integration Group provides the governance necessary to prioritize requirements and find innovative solutions using third-party financing and EULs.

Installation Resilience (Energy) Policy Published: The DON Energy Resilience Team published the DON’s Installation Energy Resilience Strategy, providing a single point source to align DON energy initiatives and reflecting a fundamental shift from conservation to resilience. It provides a disciplined approach to identify energy performance and security gaps, along with tools to mitigate risks employing DoD programs, working with energy utilities, defense communities, congressional authorities, and the private sector.
**Installations, Energy and Facilities in FY 2020**

**Energy Security Investments Secured:** Third-party financing including Energy Savings Performance Contracts (ESPCs) and EULs gave the DON access to private sector resources and expertise to enhance mission readiness at DON bases worldwide. These projects enabled DON to pursue energy savings projects without up-front capital costs or special congressional appropriations. The investments will realize $13.9 million in annual savings and are designed to pay for each project's construction, operations, and maintenance over 25 years. To date, the DON has awarded over $1.6 billion in ESPCs.

Some examples include Naval Submarine Base New London’s 10.7 megawatts cogeneration plant that will be tied into and expand the Installation’s existing microgrid and Portsmouth Naval Shipyard’s 7.4 megawatts cogeneration power plant with battery energy storage. These projects will enhance the resiliency and reliability of shipyard operations by balancing the power load with microgrid control systems.

The DON secured $66.2 million in DoD administered Energy Resiliency and Conservation Investment Program (ERCIP) funds to support construction of nine projects this year. This DoD program funds projects that improve energy resilience, energy conservation, contribute to mission assurance, and reduce utility maintenance and operation costs.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Location</th>
<th>Project Title</th>
<th>Amount (M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>Navy Naval Base (NB) Guam</td>
<td>Facility Controls Upgrades, Connectivity, and Cybersecurity for NBG Smart Grid</td>
<td>$6,280</td>
</tr>
<tr>
<td>2020</td>
<td>Joint Reserve Base New Orleans</td>
<td>Distribution Switchgear</td>
<td>$5,447</td>
</tr>
<tr>
<td>2020</td>
<td>NB Ventura County</td>
<td>SNI Energy Storage System</td>
<td>$6,530</td>
</tr>
<tr>
<td>2020</td>
<td>NB Kitsap</td>
<td>Keyport Main Substation Replacement</td>
<td>$22,880</td>
</tr>
<tr>
<td>2020</td>
<td>NB Kitsap</td>
<td>Energy - Main Steam Line Monitoring</td>
<td>$1,420</td>
</tr>
<tr>
<td>2020</td>
<td>NB Guam</td>
<td>Energy Efficient Lights, HVACS, DHWS and Photovoltaic AT Apra Palms, P-690</td>
<td>$9,770</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$54,667</strong></td>
</tr>
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| 2020        | Marine Corps MCAS Camp Pendleton | Advanced Microgrid Infrastructure Improvement                              | $7,321     |
| 2020        | Marine Corps MCAS Miramar       | Additional Water Supply for Resilience                                      | $4,315     |
| **Total**   | Marine Corps                    |                                                                               | **$11,636**|

*Table 2 - DON ERCIP Investments in FY 2020*
Installations, Energy and Facilities in FY 2020

Guam Land Return Negotiated: ASN (EI&E) championed return of lands to the Government of Guam, satisfying a request of the Governor’s. The agreement accommodated U.S. Indo-Pacific Command and Component Commander’s concerns, preserving operational readiness and enabling future mission growth. Following international agreements, the USMC will begin relocating units from Okinawa to Guam in the first half of the 2020s. The planning and progression of this multi-billion dollar investment are underway to ensure the operational readiness of the III Marine Expeditionary Force is maintained throughout the transition.

Labor Shortage on Guam Addressed: ASN (EI&E) brokered an agreement with the State Department to exempt military construction workers from the Presidential Executive Order suspending temporary immigration visas, averting the loss of 3,000 construction laborers on the island of Guam and in the Commonwealth of Northern Mariana Islands.

Cost Savings Realized for Explosives Safety on Guam: ASN (EI&E) saved over $200 million in construction costs on Guam, solving a five-year impasse impacting construction costs and schedules on Guam. This involved negotiating an agreement between DON, DoD’s Explosives Safety Board, and the Naval Ordnance Safety and Security Activity to address World War II unexploded ordnance in conjunction with construction work supporting USMC relocation from Okinawa.

Largest DoD Energy Contract Awarded: NAVFAC awarded the largest ESPC in DoD history to Naval Station Guantanamo Bay. NAVFAC will construct over $340 million in energy infrastructure, including the DoD’s first 20 megawatts Liquefied Natural Gas power facility and 12 megawatts of solar photovoltaic arrays, providing a projected 18% of the Base’s energy demand.

Parris Island Energy Contract Awarded: A $91 million Parris Island ESPC features a new combined heat and power plant with full system back-up and on-site generation centralized in a cutting-edge microgrid. The project provides 10 megawatts of on-site distributed sources of generation, coupled with battery storage and secure microgrid controls that will reduce or eliminate utility outages and give the Installation the capacity to sustain training operations when the commercial grid falls.

MCAS Yuma Resilience Installed: In return for the use of a small portion of air station land and grid stabilization for Arizona Public Service, MCAS Yuma gained access to a microgrid with ten 2.5 megawatts generator blocks generating 25 megawatts, capable of providing backup power to cover 100% of the Base’s requirements in the event of an outage.

Energy Intensity Reduced: The USMC has reduced facilities energy intensity (consumption per square footage) by 17.93% versus the 2015 baseline and potable water intensity by 32.79% versus the 2007 baseline. Reduction in energy intensity may be attributed to steam decentralization at Marine Corps Base (MCB) Camp Lejeune and Marine Corps Recruit Depot (MCRD) San Diego, along with the ESPC Project at MCRD Parris Island and an overall increase in total square footage of MCICOM installations.
Installations, Energy and Facilities in FY 2020

**Naval Air Facility El Centro, Legislation Prepared:** ASN (El&E) submitted a legislative proposal for the FY 2021 National Defense Authorization Act (NDAA) to extend the land withdrawal of 46,600 acres that comprise the majority of the El Centro Training Range, extending the range availability for 25 years.

**Stennis Riverine Range Expanded:** The DON expanded the Stennis Riverine Range, Mississippi from 3,271 to 4,748 acres. This increase allows Navy Sea, Air, and Land (SEAL) Teams to conduct live fire operations from riverine boats more effectively.

**Community Agreement with Naval Air Weapons Station (NAWS) China Lake Reached:** The DON executed an easement and contract with the city of Ridgecrest, California, to support construction and operation of a new wastewater treatment plant on NAWS China Lake by the city. This agreement will improve treatment standards and reduce costs to the Installation.

**Shore War Room (SWR) Advanced:** The DON advanced the SWR to prioritize shore investments supporting warfighters. SWR analyzed each Navy platform to determine the infrastructure required to field the platforms as well as the infrastructure required for training, maintenance, and personnel development.

**Targeted Investment:** The DON directed FSRM funds to the following notable projects: $192 million for Kings Bay Drydock; $207 million to support shipyards; $79 million provided for Unaccompanied Housing (UH) repairs at Naval Submarine Base New London, Joint Expeditionary Base Little Creek Galley, NB Coronado, and Andersen Air Force Base; $37 million to repair NAS Pensacola Building 633; $22 million for surface ship bridge trainers; $21 million for crane repairs in support of the Nuclear Deterrence Enterprise; and $13 million for Naval Education Enterprise.

**Counter Small Unmanned Aircraft Systems (C-suAS) Deployed:** The DON established the Shore C-suAS battle rhythm to enhance processes for deployment and sustainment of C-suAS systems. OPNAV/N4 executed $109 million in Other Procurement, Navy and $17 million in Operation and Maintenance, Navy in support of C-UAS installations. This execution ensured completion of 100% of all C-UAS site surveys, 96% of design reviews, 73% of approvals, 40% of fixed installations, and 100% of handheld system delivery.

**Camp Blaz, Guam Under Construction:** The $233 million “Utilities and Site Improvements Phase 1 Project” on Camp Blaz is underway. This Project clears over 500 acres of land, constructs roads, and prepares the site for 51 follow-up construction projects.
Installations, Energy and Facilities in FY 2020

**New Platform Capability Support Being Built:** $308 million of new construction was awarded to support the fielding of new aviation and ground platforms. Work included F-35 hangars, training, and supporting infrastructure at MCAS Cherry Point, MCAS Yuma, and MCAS Iwakuni, CH-53K training support at MCAS New River, and a maintenance facility to support the Amphibious Combat Vehicle platform.

**Next Generation Submarine Facilities Secured:** ASN (EI&E) negotiated with the Department of Homeland Security and Office of Management and Budget (OMB) to transfer 75 acres in Olney, Maryland at no cost to the DON, providing NAVSEA space for classified work associated with the next generation of Navy submarines, the “Columbia” class.

**Navy Crane Center (NCC) Operations:** NCC executed over 500,000 crane lifts, approximately 1,400 per day. NCC delivered multiple large crane procurements and certifications, including large-capacity bridge cranes that enabled timely Columbia submarine component manufacturing. NAVFAC implemented remote crane inspection procedures to overcome COVID-19 travel restrictions, and led a 15% improvement in crane safety reporting.

**COVID-19 Response:** The COVID-19 pandemic compelled the DON to demonstrate resilience and agility in new ways. Throughout the pandemic, the DON workforce continued to execute diverse missions and proved that the DON may accomplish administrative tasks and training while implementing widespread telework and using much less administrative office space than ever before. CNIC is leveraging lessons learned from the pandemic to develop a strategy to lower the DON’s future overhead operating costs by reducing building space requirements and off-installation leases.

**Joint Base Anacostia-Bolling (JBAB) Transitioned:** CNIC’s Joint Basing Team spearheaded the Air Force and Navy Memorandum of Agreement (MOA) to transfer lead service of JBAB to the Air Force.

**Cybersecurity Enhanced:** A “Risk Management Framework” process was completed by NAVFAC on 81% of Priority 1 facilities and 21% of Priority 2 facilities.

**Grace Hopper Cybersecurity Center Opened:** NAVFAC completed a $120 million state-of-the-art Cyber Facility MILCON at the U.S. Naval Academy to equip the next generation of Navy Cyber Warriors with the technical skills to lead the Navy.

Honorable Williams speaks at the U.S. Naval Academy’s Grace Hopper Cybersecurity Center’s Ribbon Cutting Ceremony.
Deputy Assistant Secretary of the Navy (Environment)

Mr. Karnig H. Ohannessian
Deputy Assistant Secretary of the Navy (Environment)

Purpose
The Deputy Assistant Secretary of the Navy (Environment) serves as the principal advisor for matters pertaining to environmental planning, protection, conservation, compliance, restoration, and technology, which affect access to essential training ranges, and ship and shore facilities. DASN (E) manages natural and cultural resources for DON activities worldwide.

Environment in 2020

**New DON National Environmental Policy Act (NEPA) Regulations Published**: After four years of coordination with stakeholders including the White House Council on Environmental Quality, ASN (EI&E) published new DON NEPA regulations. The changes will streamline the DON’s environmental planning process and expedite NEPA compliance.

**Mariiana Islands Training and Testing (MITT) Record of Decision (ROD) Signed**: ASN (EI&E) signed a ROD for the MITT Environmental Impact Statement (EIS). The ROD supports the National Marine Fisheries Service (NMFS) to issue a Marine Mammal Protection Act (MMPA) Letter of Authorization that permits the DON to conduct critical training and testing on millions of square miles of sea space in the Western Pacific for the next seven years.

**Pacific Readiness Supported**: ASN (EI&E) signed a MOA with the U.S. Fish and Wildlife Service (USFWS) and the U.S. Geological Survey (USGS) that will allow the establishment of a Live Fire Training Range Complex (LFTRC) on DoD property adjacent to the Ritidian Unit of the Guam National Wildlife Refuge. The MOA supports the USMC relocation to Guam and allows the USFWS and USGS to continue to execute their important missions at the refuge.

**Guam Military Relocation Planned**: At the request of ASN (EI&E), the USFWS provided several clarifications to streamline the environmental review in support of construction on Guam. Most notably, the USFWS reformed the process for DON to obtain permits and receive USFWS approval on work plans when translocating listed plants within DON lands.
Environment in FY 2020

**Environmental Protection Agency (EPA) Hazardous Chemical Rulemaking Informed:** ASN (EI&E)’s ongoing engagement in Toxic Substance Control Act reviews of hazardous chemicals continues to yield data which safeguards mission essential chemicals required for operating tactical equipment and platforms. ASN (EI&E)’s efforts have resulted in safeguarding fuels vital to the naval aviation mission with protective and prudent regulation of the hazardous chemical 2,4,6-tribromophenol (TBBP). A ban on 2,4,6-TBBP would have impacted the DON, which procures approximately 500 million gallons of Jet Propellant-5 (JP-5) per year and relies heavily on its long-duration fuel storage stability. Another mission essential hazardous chemical safeguarded with protective and prudent regulation is Phenol, Isopropylated, Phosphate (3:1) (PIP (3:1)), which enables the performance of lubricants and greases in military aviation and non-aviation applications.

**EPA Safer Choice Award:** Naval Supply Systems Command Weapon Systems Support was recognized as an EPA Safer Choice Partner of the Year. Project 556 increased the number of Safer Choice-certified products available for purchase by 3.5 times and Safer Choice-certified products purchased by 15 times. These changes will impact purchasing at over 70 installations for up to 34,000 personnel worldwide.

**Nationally Consistent Regulations for Navy Ships Ensured:** ASN (EI&E), in conjunction with the EPA, approved 11 performance standards for discharges incidental to the normal operation of Armed Forces Vessels into the navigable waters of the United States, territorial seas, and contiguous zone.

**Veterans Honored:** When the Mare Island Naval Cemetery in Vallejo, California was transferred from the DON to the city of Vallejo as a result of the 1993 BRAC, the city was unable to historically preserve the Cemetery. ASN (EI&E) worked with the city and OSD to restore the property to a state of dignity and will continue to work with the Department of Veterans Affairs to explore avenues for the long-term maintenance, preservation, and operation of the restored property.

**Fallon Range Training Complex (FRTC) ROD Finalized:** PDASN (EI&E) signed a ROD for FRTC Modernization. The EIS supports a FY 2021 legislative proposal for the modernization and expansion of FRTC to enhance the aviation and ground training for a wide range of mission capabilities. If enacted, modernization will allow the use of precision-guided weapons to their required capabilities and a full complement of weapons by SEAL teams, protect the capabilities of the aviation electronic warfare range, and modify existing special use airspace to accommodate additional training capabilities.

*Photo By Petty Officer 1st Class Joseph Vincent; Fallon, NV, United States; F/A-18E Super Hornet*
Environment in FY 2020

Missions Rendered Compatible with Offshore Energy Development: ASN (EI&E) advocated for DON readiness requirements with offshore energy stakeholders such as the Department of the Interior, Bureau of Ocean Energy Management, Congress, and various industries to ensure that energy development activities do not adversely impact current or future operations, testing or training missions.

Tank Upgrade Alternatives Evaluated: The DON made notable progress in tank upgrade alternatives at Red Hill Fuel Farm. NAVFAC Expeditionary Warfare Center is partnering with the University of Hawaii to implement innovative technologies for remote inspection and develop viable solutions for single wall and secondary containment issues.

Proactively Addressed PFAS: The DON is committed to protecting the health of our service members, their families, the DON civilian workforce, and communities surrounding affected installations, and that includes minimizing risk of exposure to Perfluorooctane Sulfonate (PFOS) and Perfluorooctanoic Acid (PFOA). We are continuing to implement a comprehensive strategy to manage and address the known or potential releases of PFOS and PFOA from DON activities. The DON is taking action to address public and private drinking water sources impacted with PFOS and PFOA above the EPA lifetime health advisory levels in those areas where PFOS or PFOA originate from our installations. One of the hallmarks of our proactive strategy is early, transparent communication with the public, state, and federal regulators, and our congressional partners to support timely, informed responses. We appreciate increased congressional appropriations to support our commitments to protect human health.

AFFF Replaced and Disposed: In FY 2019 and FY 2020, approximately $43.3 million of contracts were awarded to replace and dispose of systems with a Military Specification-compliant AFFF product. CNIC has replaced approximately 106 fixed and 98 mobile systems and the replacement of 378 additional systems are underway.

Facilitated In-Water Construction with Streamlined Regulations: MMPA authorizations are required for in-water construction projects that produce sound with the potential to harass marine mammals. Historically, the NMFS issued only one-year authorizations. As a streamlining effort, the DON proposed to use the five-year Letter of Authorization process to reduce the number of requested authorizations and was successful in reducing administrative time and cost while still ensuring protection of marine mammals.
Environment in FY 2020

Reduced Training Encumbrances Through Conservation: The DON is working closely with the USFWS and other federal partners to delist or downlist species on the Endangered Species List, focusing on species that impact training and are close to recovery as a result of long-term and sustained conservation efforts.

Enhanced Training Through Environmental Stewardship: Collaboration between the DON’s natural resources biologists and the USFWS resulted in support for a USFWS proposal to remove four native plant and one bird species at Naval Auxiliary Landing Field San Clemente Island (SCI) and NB Coronado from the Endangered Species List, resulting in enhanced military use of SCI training ranges.

Stephens’ Kangaroo Rat Downlisting Proposed: The USFWS proposed downlisting the Stephens' kangaroo rat from “endangered” to “threatened” under the Endangered Species Act. This will enhance training at MCB Camp Pendleton, NWS Seal Beach, NWS Detachment Fallbrook, and NB Coronado. In the proposal, the USFWS highlighted USMC conservation efforts as part of the joint DoD-USFWS Recovery and Sustainment Partnership Initiative.

Red-Cockaded Woodpecker Downlisted: The USFWS has changed the status of the red-cockaded woodpecker from “endangered” to “threatened” under the Endangered Species Act. While this downlisting will enhance the capability on installations and ranges resulting in improved training, we will sustain our careful management of the threatened species and our conservation efforts to ensure sustained recovery.

Disaster Recovery Executed: The DON delivered $3.84 billion for NAWS China Lake earthquake recovery and $1.17 billion for MCB Camp Lejeune Hurricane recovery. ASN (EI&E) achieved a historic outcome by working with OSD, OMB, and Congress to secure funding that will restore operational capacities and rebuild research and development capabilities. Construction project awards are proceeding on or ahead of schedule and under budget, improving operational readiness and mission capability. 100% of the planned FY 2020 China Lake Earthquake Recovery MILCON projects ($1.4 billion) were awarded in a timely manner in FY 2020.
Table 3 displays spending and budget for the overall environmental portfolio from FY 2019 to PB FY 2021. We efficiently used funds appropriated by Congress to enhance environmental compliance, conservation, pollution prevention, environmental technology, environmental restoration, and BRAC cleanup and property disposal. We will continue to spend where necessary across these categories and ensure high priority issues such as PFAS, AFFF, and offshore energy development are provided ample resources. We greatly appreciate the additional funding Congress provided in FY 2019 and FY 2020, and we judiciously used the funds to expedite the implementation of PFAS response actions on and around our installations.
Purpose

The Acting Deputy Assistant Secretary of the Navy (Safety) is the principal DON advisor on matters related to risk management, occupational safety and health programs, industrial hygiene, acquisition safety, and fire and emergency services. In collaboration with the National Safety Council and other strategic partners, their mission is to ultimately realize the goal of zero mishaps.

Safety in 2020

Military Housing Concerns Addressed: The DON addressed concerns raised by military families regarding safety and health issues with military housing. The military’s housing management system of record, Enterprise Military Housing, continues to develop a health and safety module to track complaints, work orders, and resolutions.

Protected Firefighters from PFAS: ASN (EI&E) facilitated the DON response to congressional mandate (Section 707, NDAA FY 2020) to test all DoD firefighters for PFAS compounds. ASN (EI&E) worked with fire and emergency services, Fleets, and medical personnel to identify the local medical clinics where the testing could occur.

Contributed to Safety Investigation Board: The Safety Team contributed invaluable insights to the USS BONHOMME RICHARD (LHD-6) Safety Investigation Board, which is actively working to determine causal factors and identify process improvements that may be implemented to reduce the risk of similar catastrophes.

Number of Navy Gas Free Engineers (GFEs) Increased: The Navy Gas Free Engineer Certification Board elevated the number of GFEs to sixteen. GFEs provide the equivalent services of certified marine chemists who certify maritime spaces as safe for hotwork and the atmosphere in maritime confined spaces as safe for entry from toxic contaminants. GFEs tested the atmosphere during the USS BONHOMME RICHARD (LHD-6) fire to allow for access to damage assessments.

Honorable Williams recognizes Sailors, civilians, and firefighters for their heroic safety initiatives in the wake of the USS BONHOMME RICHARD fire.
Safety in FY 2020

**Risk Management Information (RMI) Streamlined Incident Reporting (SIR) Launched:** The DON replaced its mishap reporting system, Web Enabled Safety System, with the RMI SIR. RIM SIR is a web-enabled reporting system that reforms the DON’s reporting of mishaps by increasing the use of data analytics in mishap prevention decision making.

**Enterprise Safety Application Management System (ESAMS) and Maximo Merged:** CNIC connected the Navy’s safety management system to NAVFAC’s facilities maintenance management system. This streamlined information exchange drives faster corrective actions to resolve safety issues and increases visibility of facility repairs.

**BOS Safety Manual Published:** CNIC published a manual on traffic, recreational off-duty, and explosives safety, and safety and occupational health. CNIC hosted virtual town halls to ensure installations understand how to apply the content to improve safety.

**Explosives Safety Workforce Analysis Conducted:** The Safety Team and CNIC conducted a Shore Manpower Requirements Determination review of the Navy’s Explosives Safety Workforce to determine if the Workforce is sufficiently staffed to prevent explosive mishaps and safeguard shore installations, ships, and aircraft from explosive mishaps.

**Shore Safety High Velocity Learning Project Executed:** The Safety Team collaborated with CNIC, NAVFAC, and the Naval Safety Center to address deficiencies in the effectiveness of the shore safety program as noted by the Naval Inspector General. This multi-faceted effort included revising OPNAV/N4 policy, enhancing professional training, formulating installation safety councils, and integrating information technology systems.

**Contributed to Safe Actions For Employee Returns (SAFER):** The DON contributed to the development of over 200 risk mitigation actions for the National Safety Council’s SAFER Task Force, a leader for highlighting best workplace strategies as employees return to traditional work environments in a post-quarantine world.

**Professional Development Series Established:** ASN (EI&E) and the Naval Safety and Environmental Training Center established a webinar series for the DON Safety and Occupational Health Community to exchange safety and occupational health information.

**Safety Campaign Plan Produced:** The DON produced safety videos and posters for a Safety Awareness Campaign to remind the DON to be safe on and off duty. The videos covered the following: Culture of Reporting, Procedural Compliance, Risk Management, Hearing Loss, Motorcycle Safety, Safety Inspections, Slips Trips and Falls.
Tables 4 and 5 highlight the 46.79% and 44.79% respective reductions in lost civilian work days while Tables 6 and 7 highlight the 23.03% and 7.15% respective reductions in lost military time cases in comparison to FY 2015. These reductions equate to far fewer and less severe mishaps. This success means increased readiness, less reliance on overtime, and greater productivity. Although some of the reductions in FY 2020 can be attributed to the COVID-19 pandemic, individuals performing the most hazardous types of work were essential employees that remained in their industrial workplaces, and the downward trend keeps with a steady decrease for the mishaps among the DON over the past five years.
Executive Director (Public Private Partnership Reviews)

Ms. Donjette L. Gilmore
Executive Director
(Public Private Partnership Reviews)

Purpose

The Office of Public Private Partnership Reviews (OPPPR) conducts financial analyses on the viability of DON military housing to ensure compliance with applicable business agreements and federal laws. OPPPR coordinates with the Secretariat, Congress, and other key federal and international organizations to ensure Sailors, Marines, and their families have quality housing.

OPPPR in FY 2020

Additional Oversight Established: At the direction of the Secretary of the Navy (SECNAV), the DON established the OPPPR to determine the long-term financial viability of the DON’s privatized housing partners. The portfolio includes 62,009 total family housing units, 6,080 total UH beds, and $7.6 billion in private debt and equity.

Special Item Reports Authored: OPPPR provided three reports on: the financial relationship between Public Private Venture housing and Limited Liability Corporations; insurance coverage; tax allocation for net losses; requirements for partners returning property to the DON; and debt service coverage ratios.

Financial Assessments on Housing Conducted: OPPPR conducted two financial assessments of one of seven DON partners and two of fifteen housing agreements. The initial reviews focused on the financial viability of our housing partners as outlined by the military housing business agreements. The results included two business sensitive, proprietary letter reports, illuminating high-risk and vulnerable areas.

Resources Maximized: OPPPR partnered with the Defense Contract Management Agency, Defense Contract Audit Agency, and Army Audit Agency to assist with the financial analyses on the viability of DON military housing. OPPPR leveraged military personnel augmentees to increase manning, including the requirement to analyze 7,430 page agreements.

Rotational Development Program Developed: OPPPR developed a DoD Rotational Development Program to provide opportunities for DoD employees to assist OPPPR while also obtaining leadership and program management credit towards their assigned discipline. As of August 2020, OPPPR selected 12 employees for this detailed assignment.
SECNAV Energy Excellence Awards

The SECNAV Energy Excellence Awards promote excellence in energy security, technology, innovation, program management, and efficiency in the DON.

<table>
<thead>
<tr>
<th>Large Shore Installation</th>
<th>U.S. Navy (USN): Joint Base Pearl Harbor Hickam USMC: Marine Corps Air Ground Combat Center Twentynine Palms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Shore Installation</td>
<td>USN: Naval Undersea Warfare Center Keyport USMC: Marine Corps Air Station Miramar</td>
</tr>
<tr>
<td>Afloat (Large)</td>
<td>USS BATAAN (LHD 5)</td>
</tr>
<tr>
<td>Afloat (Small)</td>
<td>USS MICHAEL MURPHY (DDG 112)</td>
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<tr>
<td>Afloat (Logistics)</td>
<td>USNS PATUXENT (T-AO 201)</td>
</tr>
<tr>
<td>Expeditionary (Deployed)</td>
<td>Naval Mobile Construction Battalion (NMCB) 11</td>
</tr>
<tr>
<td>Technology Development</td>
<td>USS PORTLAND (LPD27) SSL-TM Energy Storage Module Team</td>
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</tbody>
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SECNAV Safety Excellence Awards

The SECNAV Safety Excellence Awards recognize units that achieved unparalleled safety and occupational program performance.

<table>
<thead>
<tr>
<th>Afloat</th>
<th>USS WASP (LHD 1)</th>
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<tbody>
<tr>
<td>Ashore</td>
<td>Blount Island Command</td>
</tr>
<tr>
<td>Aviation</td>
<td>Marine Medium Tiltrotor Squadron 365 (REINFORCED) (VMM-365 (REIN))</td>
</tr>
<tr>
<td>Emerging Center of Excellence</td>
<td>Submarine Forces</td>
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<tr>
<td>Emerging Center of Excellence</td>
<td>Commander, Fleet Readiness Centers</td>
</tr>
<tr>
<td>Expeditionary</td>
<td>Naval Mobile Construction Battalion ONE THREE THREE (NMCB 133)</td>
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<tr>
<td>Off-Duty</td>
<td>Marine Corps Logistics Base Albany</td>
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## SECNAV Environmental Awards

The SECNAV Environmental Awards recognize units that have exemplified outstanding environmental stewardship and dedication to conservation and preservation worldwide.

<table>
<thead>
<tr>
<th>Category</th>
<th>USN</th>
<th>USMC</th>
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<tbody>
<tr>
<td>Natural Resources Conservation (Small Installation)</td>
<td>NWS Seal Beach Detachment Fallbrook</td>
<td>MCB Hawaii</td>
</tr>
<tr>
<td>Natural Resources Conservation (Individual/Team)</td>
<td>Natural Resources Common Tern Nesting Team Naval Station Great Lakes</td>
<td>Resource Enforcement/Compliance Section MCB Camp Pendleton</td>
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<tr>
<td>Environmental Quality (Non-Industrial Installation)</td>
<td>NAS Whiting Field</td>
<td>MCAS Miramar</td>
</tr>
<tr>
<td>Environmental Quality (Individual/Team)</td>
<td>Environmental Information Management System Program Team, U.S. Fleet Forces Command</td>
<td>He Xu-Sadri, Lead Engineer of Environmental Protection and Compliance Division, MCB Hawaii</td>
</tr>
<tr>
<td>Sustainability (Industrial Installation)</td>
<td>NB Kitsap</td>
<td></td>
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<tr>
<td>Environmental Restoration (Installation)</td>
<td>NWS Yorktown</td>
<td></td>
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<tr>
<td>Environmental Restoration (Individual/Team)</td>
<td>Vieques Environmental Restoration Team, Puerto Rico</td>
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<tr>
<td>Cultural Resources Management (Large Installation)</td>
<td>NAWS China Lake</td>
<td>MCB Camp Smedley D. Butler, Japan</td>
</tr>
<tr>
<td>Afloat Environmental Award</td>
<td>USS TENNESSEE</td>
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RISK FACTORS & LOOKING AHEAD

SAFETY
The DON continues to seek superior safety management by taking proactive analysis of data and near misses in mishap prevention. In FY 2021, the greatest safety risks include the following: 1) aviation, naval vessel, and vehicle collisions, allisions, and groundings, 2) shipboard fires, 3) motorcycle collisions, and 4) heavy metal exposure to materials such as chromium. Through the SAFER Workforce and other organizations, we will continue to work on reducing these risks by surveilling and recording mishaps to prevent potential mishaps in the future.

ENVIRONMENTAL MATTERS
The DON is committed to minimizing the risk from encroachment impacts on our at-sea operations and advocates for DON requirements at-sea with the interagency and industry. The DON is engaged with federal, state, and industry stakeholders to deconflict proposed offshore wind energy and other energy development and exploration activities with DON readiness activities conducted off the coasts of California, Hawaii, and the Atlantic Coast. We will continue to counter the risk posed by restrictions that may inhibit operations that are critical to our defense posture.

ASN (EI&E) highlights our stewardship for protected marine mammals and endangered species during consultation with federal resource protection agencies to ensure Sailors and Marines may operate, test, and train without encumbrances.

The ever evolving identification, assessment, and regulation of Emerging Chemicals of Concern (ECs) in the environment present continual challenges to the DON. The most prevalent, current EC challenge is PFAS, a class of man-made chemicals found in many consumer products and some firefighting foams such as AFFF. Of the 600 PFAS known to be in commerce, three have EPA toxicity information, two have EPA health advisories, and none are yet regulated by EPA. PFAS are the top environmental concern of many in Congress, state regulatory agencies, and communities nationwide due to their ubiquitous nature, occurrence in public drinking water systems, and potential adverse health implications. PFAS will be a risk factor within our environmental compliance and restorations programs for at least the next decade.

INFRASTRUCTURE
Ships and aircraft leave from and return to our bases. Our training and supply chain is tied to our bases. Without investing in our infrastructure, readiness will be jeopardized.

RESILIENCY
MCRD Parris Island resides in South Carolina’s low-country, a coastal region regularly impacted by hurricanes and tropical storms, and increasingly faces the likelihood of rising sea levels exacerbating both of those conditions and negatively impacting MCRD Parris Island’s ability to train and produce Marines. Additionally, the U.S. Naval Academy will require significant investments stemming from rising water levels.
RISK FACTORS & LOOKING AHEAD

MISSION ASSURANCE & CYBERSECURITY

As technology advances and the DON grows and modernizes, the DON must capture all associated costs, to include infrastructure and sustainment, for all new Fleet platforms and weapons systems. Failure to do so will introduce risk to the mission and warfighter.

The DON increasingly depends on integrated, digital control systems to govern and monitor many aspects of military installation and platform operations. While digital technology improves efficiency and cuts cost, it adds risk and increased vulnerability to cyber exploitation or attack. The DON must maintain focus on policies that assure mission assurance and reduce the risk of cyber vulnerabilities for facility related control systems. The DON is focused on policies that assure mission readiness, including cybersecurity standards, microgrid utilization, and resilient utility systems.

ASN (El&E) is working to address risks associated with prospective real estate transactions involving foreign investment on and off DON installations. This effort will provide DON leadership with the most recent threat assessments and legal solutions to minimize risk.

DOMESTIC

The DON must continue its work with Congress to modernize and enlarge the Fallon Range Training Complex. This proposal is essential for aviation training with precision guided munitions and SEAL tactical mobility training. Our training is our most significant advantage over our competition, and the lack of Fallon expansion would be a win for our adversaries.

After active shooting events at NAS Corpus Christi and NAS Pensacola in FY 2020, the DON will continue to increase security and emphasize active shooter safety across all installations.

The COVID-19 pandemic has created new risks and challenges. However, with these risks and challenges come opportunities to broaden telework across the DON, reduce infrastructure, and think more futuristically about utilization of employee work space.

INTERNATIONAL

In FY 2020, NAVFAC’s Expeditionary team displayed extreme agility to a Naval Forces Central Command urgent operational need to deliver 2.1 miles of port water security barrier in Bahrain. The team leveraged technical, acquisition, and programmatic expertise to deliver a completed $18 million project only nine months after requirement identification. Going forward, we will continue to fulfill the needs of and explore expansion opportunities in Bahrain.

We are also looking at establishing a maintenance and logistics base at the Port of Duqm, Oman. This base would be key to maintaining our partnerships in the Middle East while also strategically placing the DON to be prepared to take a defensive or offensive position from the ground.