



Restoration | Appendix R: Cost Recovery

The Department of Defense (DoD) seeks to recover response costs for contamination possibly caused by the actions of other parties. As stated in a February 27, 1998, memorandum, Components are required to annually identify opportunities to recover or share environmental restoration response costs from DoD contractors and other parties—both public and private—that may have contributed to contamination at installations and Formerly Used Defense Sites (FUDS). Components must also investigate each activity in which cost recovery or sharing may be possible, to determine whether the potential for recovering or sharing costs outweighs the expense associated with pursuing a recovery action. If cost recovery or cost sharing activities appear to be cost-effective, Components must pursue such activities to the extent practicable by:

- ▶ Obtaining all relevant data
- ▶ Identifying any contractor negligence or other misconduct that may limit or negate DoD's obligation to indemnify or reimburse the contractor for the costs of environmental restoration at a DoD site
- ▶ Initiating actions, where appropriate, to recover environmental restoration costs incurred, or to be incurred, by the DoD.

The Management Guidance for the Defense Environmental Restoration Program states, "As a matter of policy, Components should pursue recovery of response costs of \$50,000 or more." Components are authorized to credit the amount recovered for response costs to their Environmental Restoration Accounts. Figure R-1 shows the status of the Components' cost recovery actions. Installations included in this table have recovered or shared costs in FY2007, or began the cost recovery process. In FY2007, DoD recovered or shared over \$31 million in environmental remediation response costs.

Those installations or properties that were identified last year for which no recovery or cost sharing actions took place in FY2006 have been removed unless costs were recovered or shared in FY2007. Richmond Naval Air Station was excluded due to no cost recovery actions in FY2007. Twin Cities Army Ammunition Plant (AAP) and Arnold Air Force Base were removed as the cost recovery actions for those installations were completed. Cost sharing activities continue at Twin Cities AAP.

Figure R-1 Cost Recovery Efforts by Component

Army							
Installation Name	Location	Cost Action	Status	Amount Recovered/ Shared in FY2007	Cumulative Amount Recovered/ Shared through FY2007	Cost to Pursue Action in FY2007	Cumulative Cost to Pursue Action through FY2007
Rocky Mountain Arsenal	Adams County, CO	Cost Recovery	Underway	\$7,436,154	\$202,531,877	Not Available	Not Available
Rocky Mountain Arsenal	Adams County, CO	Cost Sharing	Underway	\$8,693,772	\$295,891,399	Not Available	Not Available
Twin Cities Army Ammunition Plant	Arden Hills, MN	Cost Sharing	Underway	\$150,000	\$1,790,478	Not Available	Not Available
Navy							
Installation Name	Location	Cost Action	Status	Amount Recovered/ Shared in FY2007	Cumulative Amount Recovered/ Shared through FY2007	Cost to Pursue Action in FY2007	Cumulative Cost to Pursue Action through FY2007
Allegany Ballistics Lab (ATK)	Rocket Center, WV	Cost Sharing	Underway	\$121,830	\$327,295	Not Available	Not Available
Allegany Ballistics Lab (Hercules)	Rocket Center, WV	Cost Sharing	Complete	\$12,950,000	\$12,950,000	\$291,000	\$1,088,000
Great Lakes Naval Station, Pettibone Creek Site	North Chicago, IL	Cost Sharing	Underway	\$987,000	\$1,034,000	\$10,000	\$356,000
Pearl Harbor Naval Complex, Waipahu Ash Landfill	Honolulu, HI	Cost Recovery	Underway	\$351,606	\$3,593,798	\$10,434	\$160,876
Air Force							
Installation Name	Location	Cost Action	Status	Amount Recovered/ Shared in FY2007	Cumulative Amount Recovered/ Shared through FY2007	Cost to Pursue Action in FY2007	Cumulative Cost to Pursue Action through FY2007
Air Force Plant 44	Tucson, AZ	Cost Recovery	Underway	\$0	\$0	Not Available	Not Available
Air Force Plant PJKS	Littleton, CO	Cost Recovery	Underway	\$350,000	\$2,800,000	\$0	Not Available
Grissom Air Force Base	Miami County, IN	Cost Recovery	Underway	\$0	\$0	Not Available	Not Available
DLA							
Installation Name	Location	Cost Action	Status	Amount Recovered/ Shared in FY2007	Cumulative Amount Recovered/ Shared through FY2007	Cost to Pursue Action in FY2007	Cumulative Cost to Pursue Action through FY2007
Defense Supply Center Philadelphia	Philadelphia, PA	Cost Recovery	Underway	\$0	\$0	\$1,992,932	\$6,216,279
FUDS							
Installation Name	Location	Cost Action	Status	Amount Recovered/ Shared in FY2007	Cumulative Amount Recovered/ Shared through FY2007	Cost to Pursue Action in FY2007	Cumulative Cost to Pursue Action through FY2007
Blaine Naval Ordnance Depot	Adams County, NE	Cost Recovery	Underway	\$0	\$0	Not Available	Not Available
Nebraska Ordnance Plant	Saunders County, NE	Cost Recovery	Underway	\$0	\$0	Not Available	Not Available