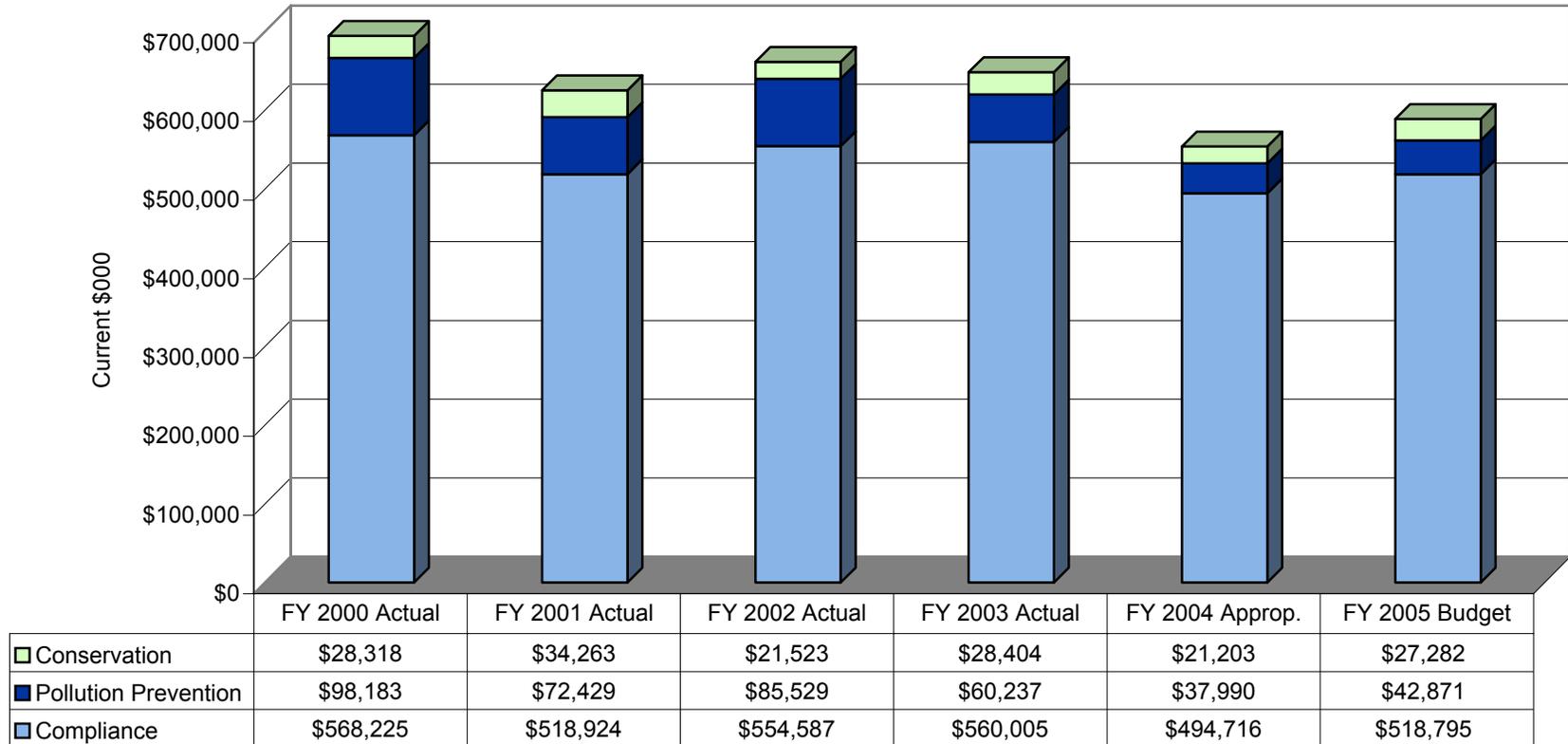
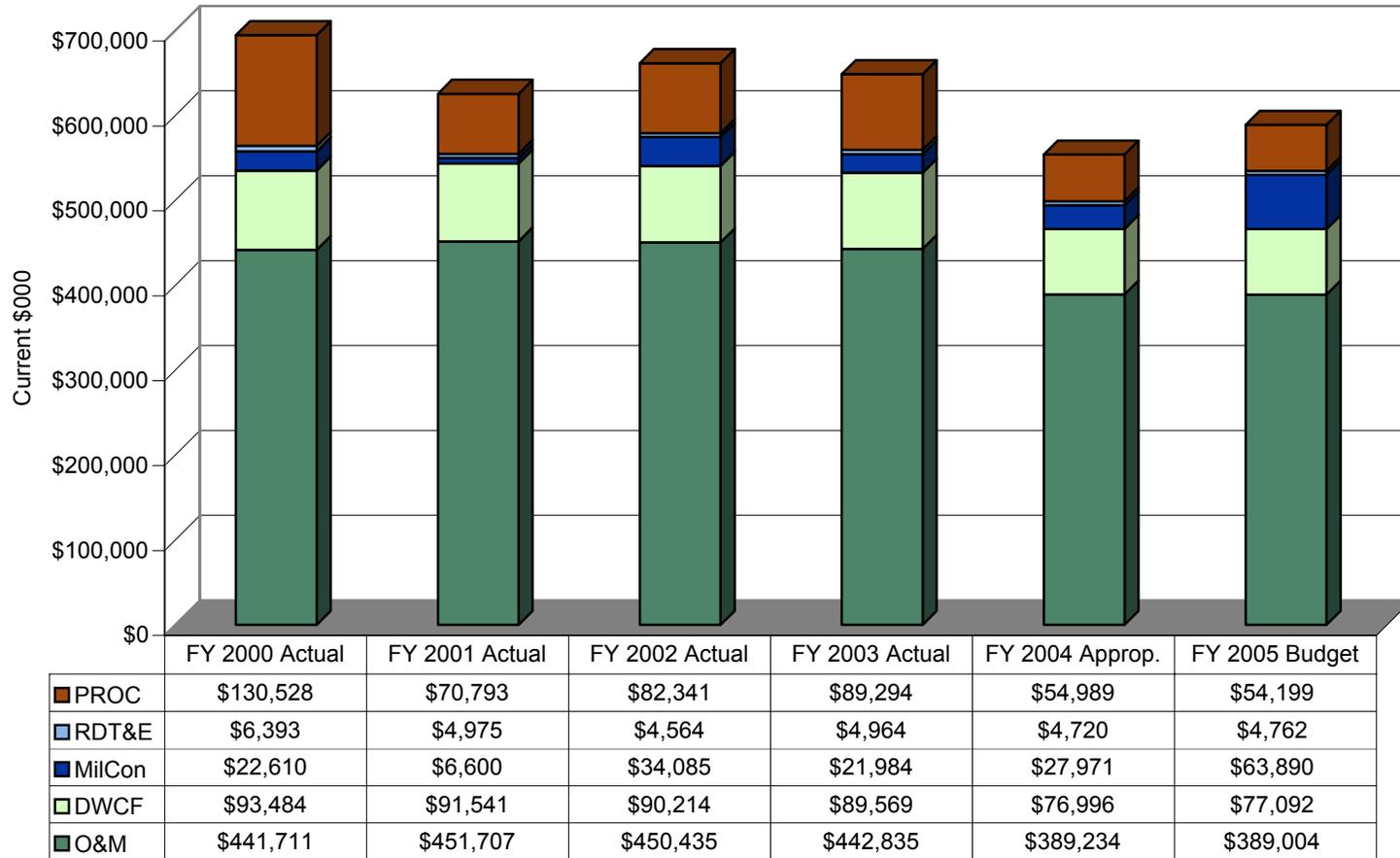


Figure 1
 Department of the Navy Budget Summary
 EQ Budget by Area



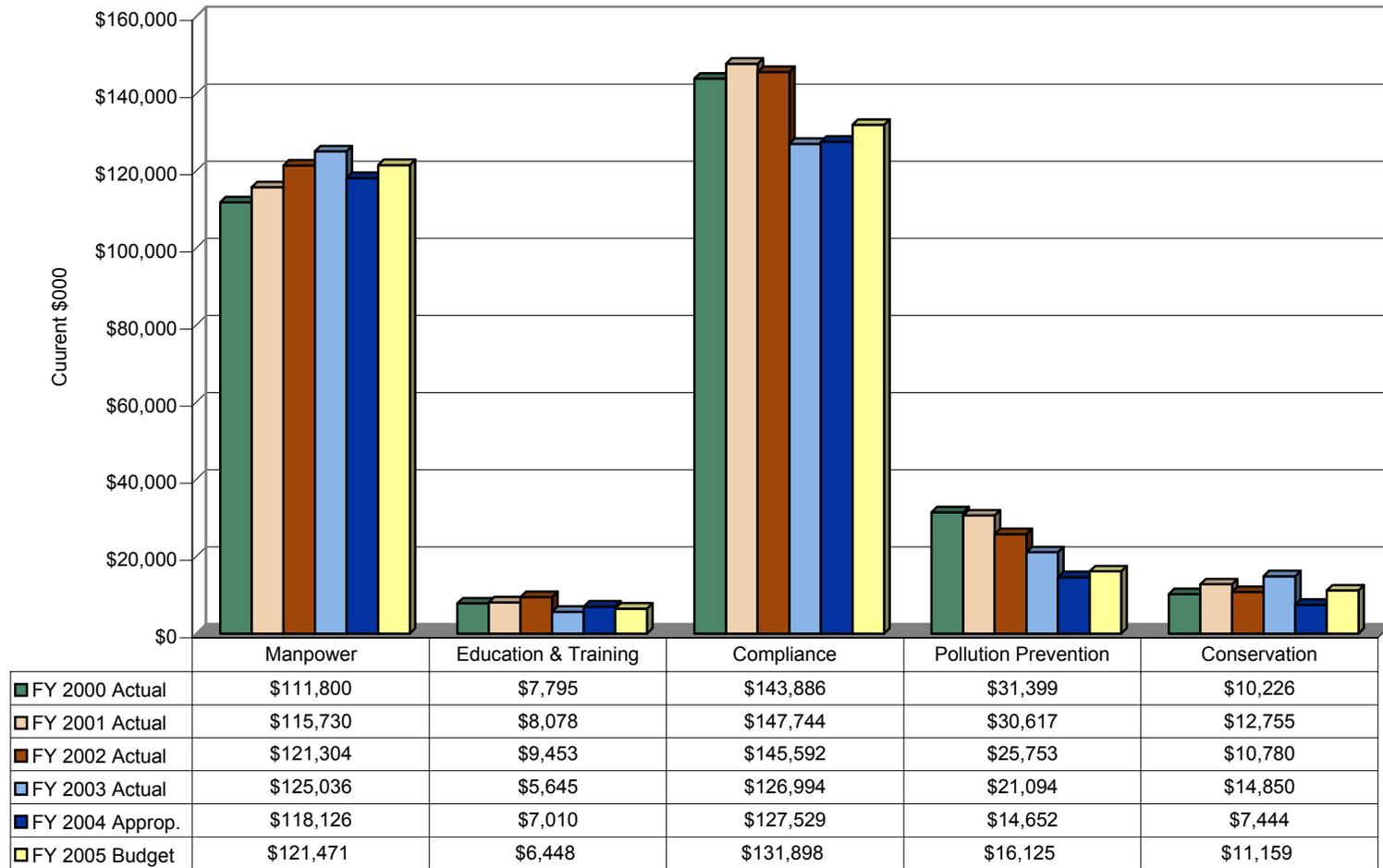
EQ Budget by Area: In FY 2002 through FY 2003 the Department of Navy environmental budget was relatively steady ranging between \$695 million in FY 2000 to \$648 million in FY 2003. The FY 2004 environmental quality request of \$554 million is 14 percent below that of FY 2003. The largest decreases in environmental compliance and pollution prevention funding reflect completion of the Kaho'olawe site restoration and completing procurement of non-ozone depleting cooling and refrigeration equipment for Navy ships. A small increase between FY2004 and FY 2005 reflects conservation funding to meet the need for projects required to implement Integrated Natural Resources Management Plans. Even though overall funding declines, the Department of the Navy FY 2004 environmental quality budget provides sufficient funds to meet all known federal, state and local environmental quality standards.

Figure 2
 Department of the Navy Budget Summary
 EQ Budget by Appropriation



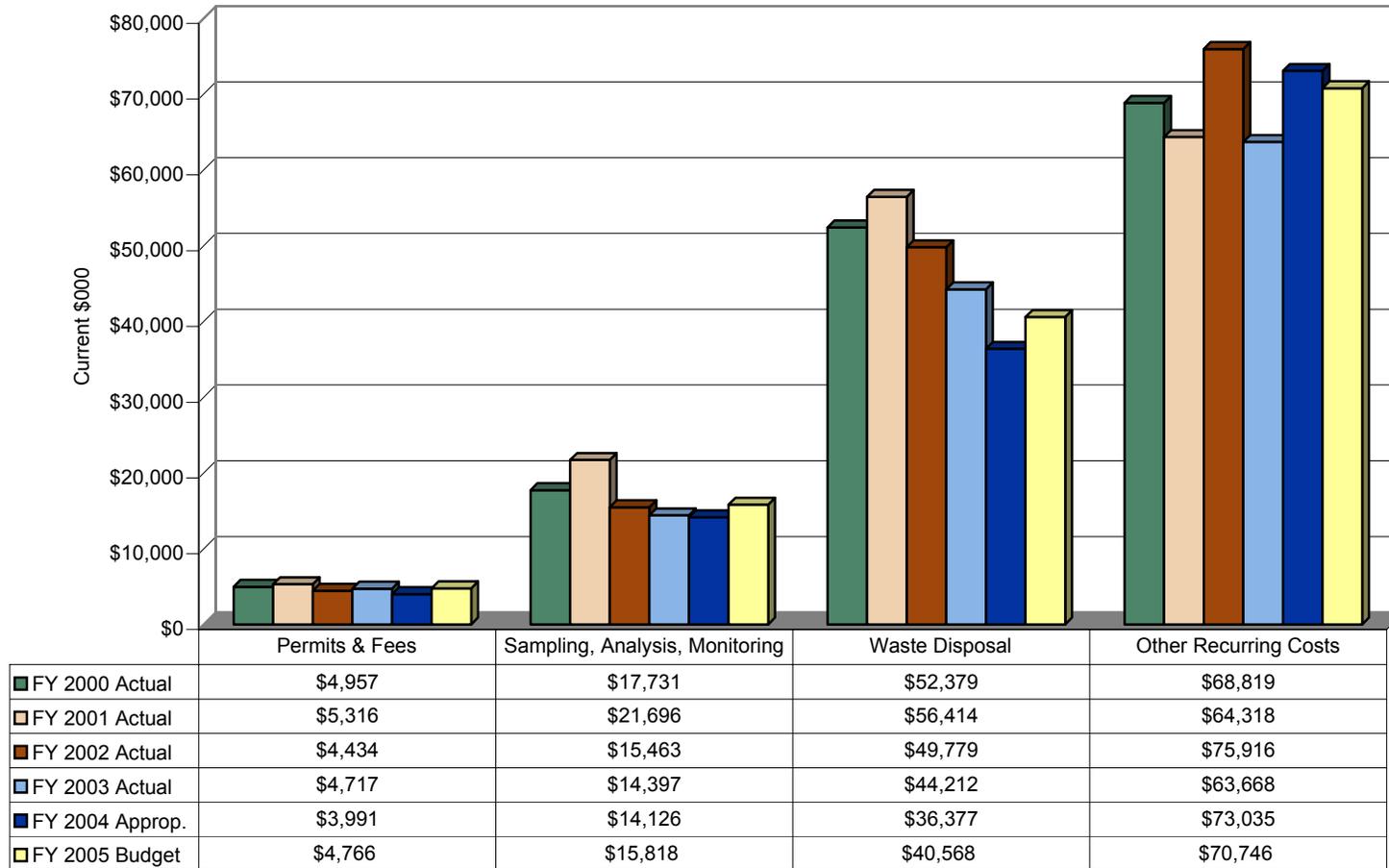
EQ Budget by Appropriation: The decline in environmental quality funding is most evident in the procurement and O&M appropriations. The decline of OPN funding between FY 2003 and FY 2004 is primarily due to completing procurement and installation of non-ozone depleting cooling and refrigeration equipment aboard Navy surface ships. The decline in Operations and Maintenance account is due the completion of the Kaho'olawe site restoration.

Figure 3
Department of the Navy Budget Summary
EQ Recurring Costs



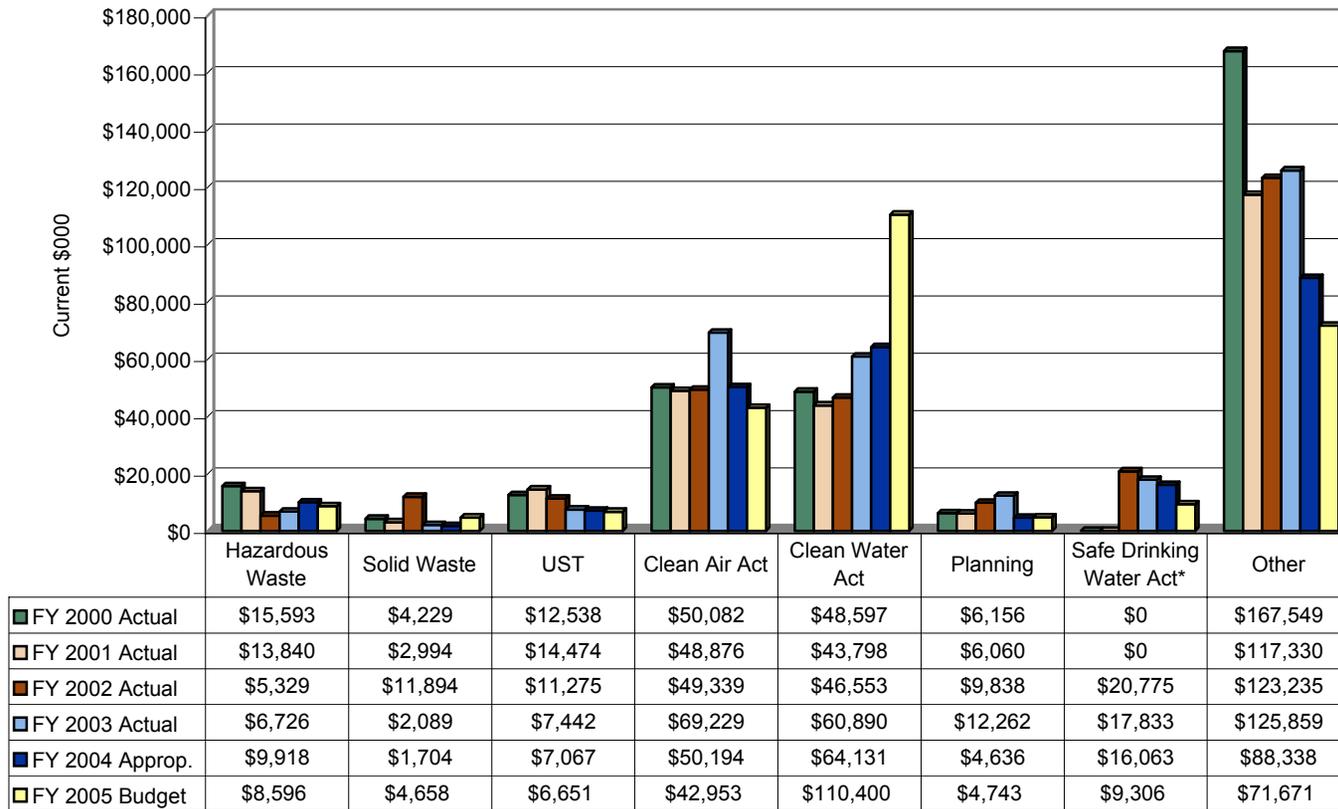
EQ Recurring Costs: Recurring costs remain remarkably steady across the six-year time frame. The small growth in manpower costs is primarily due to higher salary costs for all federal employees. The decline in pollution prevention recurring costs is due to fewer opportunities for cost effective pollution prevention solutions.

Figure 4
 Department of the Navy Budget Summary
 Compliance Recurring Costs



Compliance Recurring Costs: Recurring costs remain remarkably steady across the six-year time frame. Fluctuations in other recurring costs reflect cyclic data collection and reporting costs.

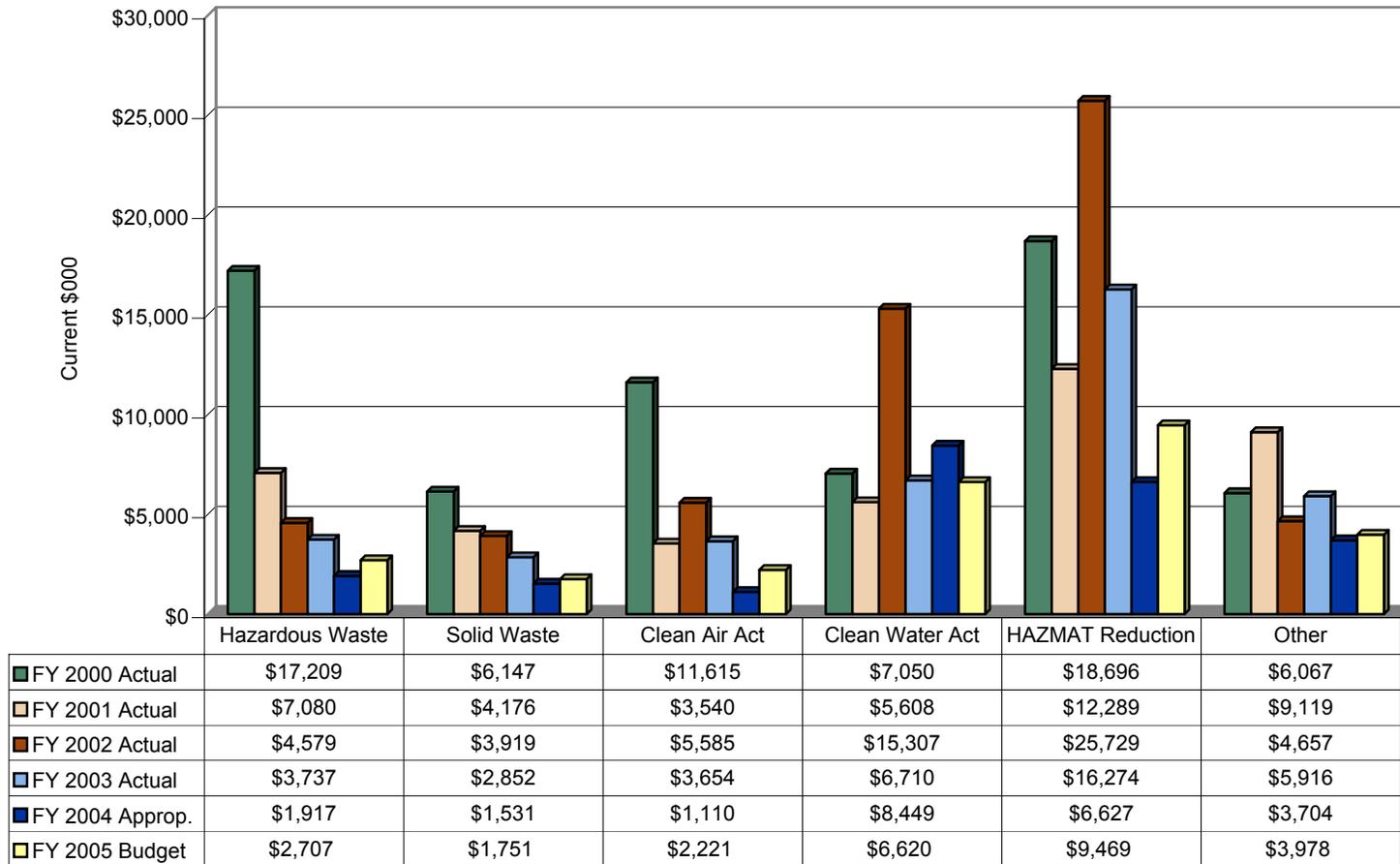
Figure 5
Department of the Navy Budget Summary
Compliance Nonrecurring Costs



*The Safe Drinking Water Act data were included in "Other" prior to FY 2002.

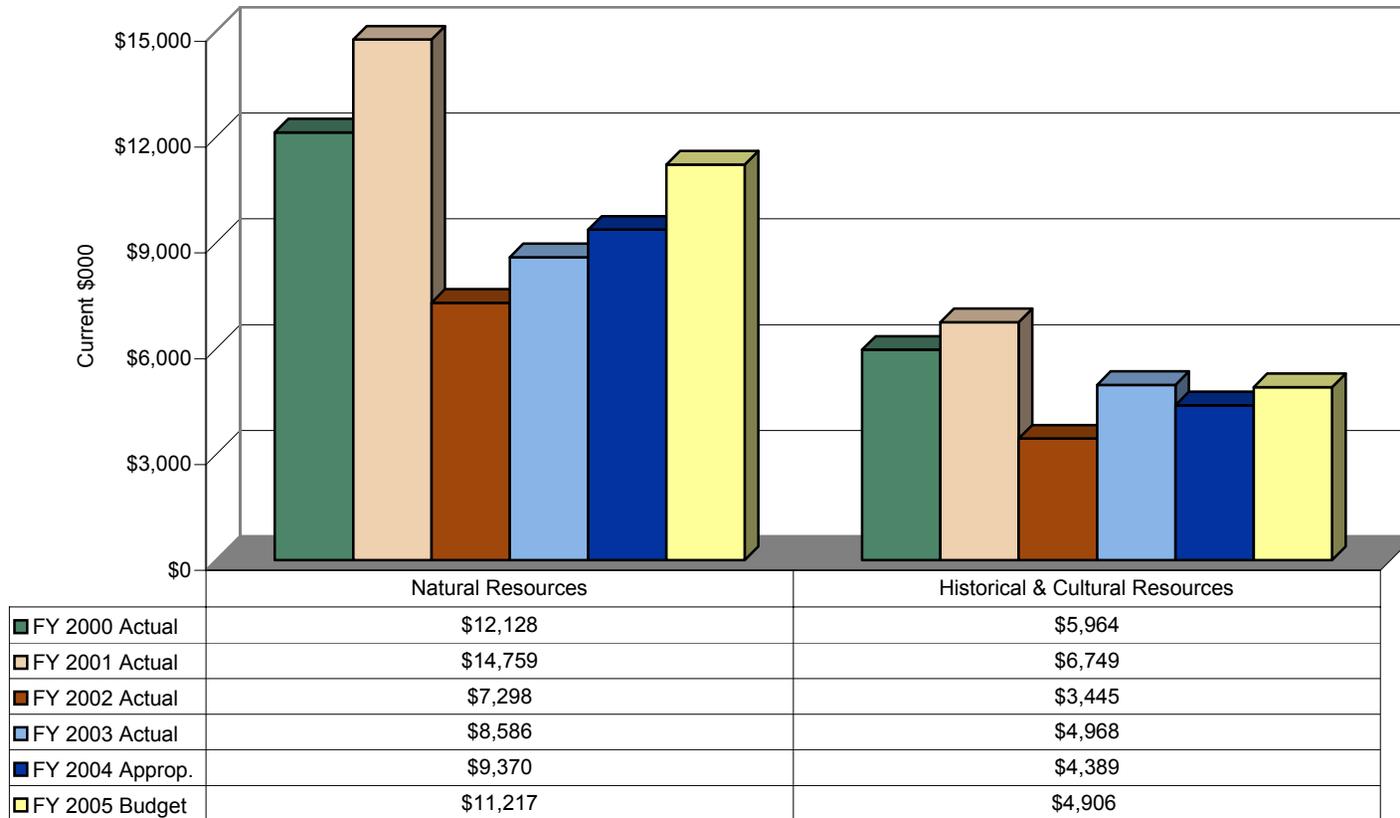
Compliance Nonrecurring Costs: The decline in hazardous waste projects reflect the success of Navy and Marine Corps activities to substitute non-hazardous materials, and to better manage the procurement, distribution, control, and disposal of necessary hazardous materials. The decline in underground storage tank projects is due to attainment of standards, with remaining funds to meet tank closure monitoring needs. The large increase in FY 2005 Clean Water Act projects is related to two military construction water treatment projects planned for Guam and Diego Garcia. The decline in Other is due to the conclusion of the cleanup of Kaho'olawe, completing the procurement and installation of solid waste equipment on ships, and completing procurement and installation of non-ozone depleting cooling and refrigeration equipment aboard Navy surface ships.

Figure 6
 Department of the Navy Budget Summary
 Pollution Prevention Nonrecurring Costs



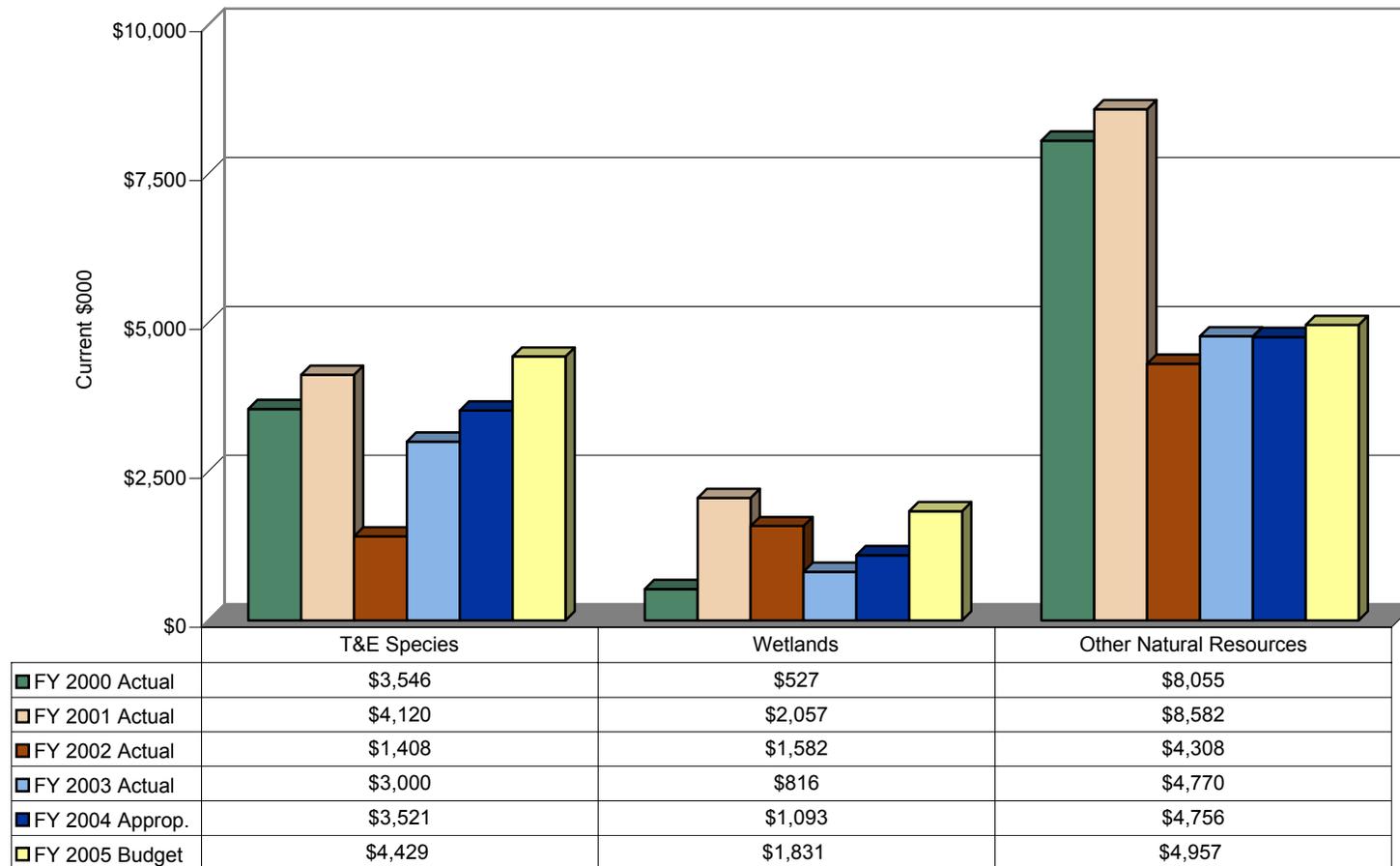
Pollution Prevention Nonrecurring Costs: The decline in the pollution prevention funding in all categories is a result of having attained, and exceeded, the Executive Order 12856 which required a 50 percent reduction in the release or off-site transfer of toxic chemicals. The most promising and cost beneficial one-time pollution prevention projects have been accomplished. The Department of the Navy is evaluating new opportunities to comply with Executive Order 13148, which calls for a further 40 percent decline by FY 2006.

Figure 7
 Department of the Navy Budget Summary
 Natural Resources vs. Historical/Cultural Resources
 Nonrecurring Costs



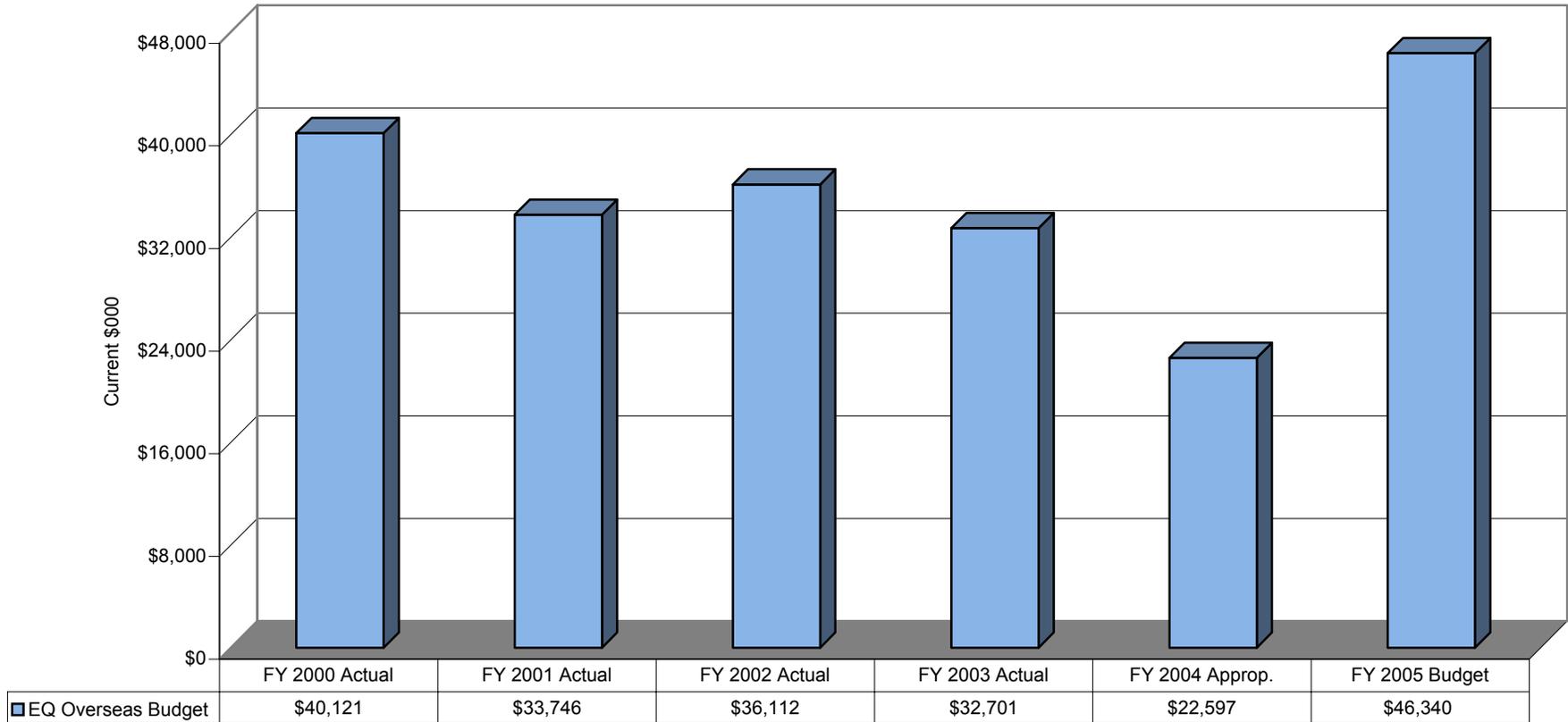
Natural Resources vs. Historical/Cultural Resources: There was an increase in FY 2000 and FY 2001 funding for base line inventories, surveys and assessments for preparation of Integrated Natural Resource Managements Plans (INRMP) and Integrated Cultural Resource Management Plans. The small, step-like increases in natural resource funding between FY 2002 and the planned FY 2005 budget represent implementation of one-time projects contained in the INRMPs.

Figure 8
 Department of the Navy Budget Summary
 Natural Resource Investment by Category



Natural Resource Investment by Category: There has been a greater emphasis on emergent requirements for wetlands protection and increased threatened and endangered species expenditures as part of INRMP.

Figure 9
 Department of the Navy Budget Summary
 EQ Overseas Budget



EQ Overseas Budget: The Department of the Navy has a relatively small presence overseas in comparison to the other military services, with the major Navy presence in Europe, and the Marine Corps in Japan. The FY2005 increase reflects increased requirements in Italy, Spain, Greece and the UK due to European Union/Host Nation requirements and the planned military construction wastewater treatment project at Diego Garcia. The Department of the Navy budget includes sufficient funds to meet the DoD Final Governing Standards for environmental compliance, or the Host Nation Standards.