



ASSISTANT SECRETARY OF DEFENSE

3400 DEFENSE PENTAGON
WASHINGTON, DC 20301-3400

ENERGY, INSTALLATIONS,
AND ENVIRONMENT

April 8, 2025

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY
(ENVIRONMENT, SAFETY AND OCCUPATIONAL HEALTH)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(ENVIRONMENT AND MISSION READINESS)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(INFRASTRUCTURE, ENERGY AND ENVIRONMENT)
DIRECTOR, DEFENSE LOGISTICS AGENCY (INSTALLATION
MANAGEMENT)
DIRECTOR, NATIONAL GUARD BUREAU (JOINT STAFF, J4)

SUBJECT: Environmental Estimating Community of Practice Operating Principles

In order for the Department to achieve audit acceleration, DoD needs joint-service environmental estimating capabilities that meet present and future needs for the Department to produce reliable, accurate, and reproducible cost estimates to support environmental and disposal liabilities (E&DL) reporting requirements. These capabilities are overseen and managed through the Environmental Estimating Community of Practice (EECoP), which is a joint-service collaborative group that identifies, evaluates, and supports the needs of DoD's environmental cost estimating community.

The EECoP serves as a forum for the Components to share information on best practices and collaborate on finding solutions to common challenges in estimating and reporting E&DL. The purpose of the Operating Principles is to establish a governance structure for the EECoP to advance and implement enhanced environmental estimating capabilities that meet audit standards. The Operating Principles define the composition of the EECoP members, including formal roles and responsibilities for the Chairpersons, Senior Accountable Official, Senior Advisory Group, Mission Area Manager Representatives, Execution Agent, and Team Members.


The Operating Principles also lay out funding expectations. As the EECoP was established primarily to support E&DL associated with the Defense Environmental Restoration Accounts and Base Realignment and Closure account, DoD Components shall provide funding for environmental estimating capabilities as agreed to through the Defense Environmental Restoration Program "Fair Share Process" defined in the Operating Principles.

CLEARED
For Open Publication

Sep 12, 2025

These responsibilities and procedures are effective immediately. My point of contact for this matter is Ms. Patricia Huheey, who can be reached at 571-372-7548 or patricia.e.huheey.civ@mail.mil.

THOMPSON.ROBE
RT.E.1044046578



Digitally signed by
THOMPSON.ROBERT.E.104404
6578
Date: 2025.04.08 13:43:07 -04'00'

Robert E. Thompson
Acting

Attachment:
As stated

DISTRIBUTION:
UNDER SECRETARY OF DEFENSE (COMPTROLLER) / CHIEF FINANCIAL OFFICER
OF THE DEPARTMENT OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
DIRECTOR OF COST ASSESSMENT AND PROGRAM EVALUATION
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
CHIEF INFORMATION OFFICER OF THE DEPARTMENT OF DEFENSE
DIRECTORS OF THE DEPARTMENT OF DEFENSE FIELD ACTIVITIES

Environmental Estimating Community of Practice (EECoP) Operating Principles



MARCH 2025

Environmental Estimating Community of Practice (EECoP) Operating Principles

March 2025

Table of Contents


Approval	2
Purpose and Scope	3
Authorities.....	3
Community of Practice Functions	3
Membership	4
EECoP Membership Roles and Responsibilities	5
Voting Procedures	6
Voting Responsibilities	7
Appointing Voting Team Members	7
Resources	7
Appendix A: Fair Share Process for Funding the EECoP	8
Appendix B: Membership for the EECoP	10

Approval

These Operating Principles establish a governance structure for the Environmental Estimating Community of Practice (EECoP) to advance and implement enhanced environmental estimating capabilities that meet critical needs of the Department of Defense (DoD) to produce reliable, accurate, and reproducible cost estimates to support Environmental and Disposal Liabilities (E&DL) reporting requirements.

The signature below represents approval of these Operating Principles, which will be periodically reviewed and updated.

THOMPSON.ROBE
RT.E.1044046578



Digitally signed by
THOMPSON.ROBERT.E.104404
6578
Date: 2025.04.17 13:07:42 -04'00'

Robert E. Thompson
Acting, Assistant Secretary of Defense
(Energy, Installations, and Environment)

Senior Accountable Official, Environmental and
Disposal Liabilities

Purpose and Scope

The purpose of the Operating Principles is to establish a governance structure for the EECop to advance and implement enhanced environmental estimating capabilities that meet critical needs of the DoD to produce reliable, accurate, and reproducible cost estimates to support E&DL reporting requirements. The EECop serves as a forum for the Components to share information on best practices and collaborate on finding solutions to common challenges in estimating and reporting E&DL.

The Deputy Assistant Secretary of Defense for Environmental Management and Restoration (DASD(EMR)) established the EECop to primarily support liabilities associated with the Defense Environmental Restoration Account (DERA) and Base Realignment and Closure (BRAC) account. DoD Components shall provide funding for environmental estimating capabilities as agreed to through the “Fair Share Process” defined in Appendix A.

Participation in the EECop and use of the estimating capabilities developed by the EECop to address E&DL not eligible for the Defense Environmental Restoration Program (DERP) requires funding via Appendix A.

Authorities

DoD is required to measure, recognize, record, and disclose its E&DL in accordance with Generally Accepted Accounting Principles (GAAP), the Federal Accounting Standards Advisory Board (FASAB) guidance, DoD 7000.14-R, DoD Financial Management Regulation, and federal policy. DoD estimates the environmental cleanup, closure, and/or disposal costs that are probable and reasonably estimable based on site-specific information using engineering estimates; comparison with similar sites, contaminants, and equipment; recent contract costs; or cost models validated in accordance with DoD Instruction (DoDI) 5000.61, DoD Modeling and Simulation (M&S) Verification, Validation, and Accreditation (VV&A) or other applicable and appropriate guidance.

The Assistant Secretary of Defense for Energy, Installations, and Environment (ASD(EI&E)) designated the Assistant Secretary of the Army for Installations, Energy and Environment (ASA(IE&E)) as the Lead Agent for environmental estimating capabilities, including, but not limited to, programmatic policy and oversight authority.

Community of Practice Functions

The EECop will focus their expertise in the following functional areas:

- 1) **Development.** Continually improve and enhance environmental estimating capabilities to achieve dependable DoD-wide tools to improve consistency, accuracy, and reliability of E&DL cost estimates.
- 2) **Communication.** Demonstrate the value of environmental estimating capabilities to DoD leadership and other enterprise executives as required. This includes sharing best practices and

information about effective estimating processes, methodologies, or approaches between members to promote learning, efficiency, and continuous improvement.

3) **Governance.** Structure appropriate oversight authority and prepare the necessary documents to support defensible environmental estimating capabilities.

4) **Management.** Identify minimum training requirements and controls to support proper use of the environmental estimating capabilities; and establish subgroups to perform specific tasks or develop specific products as needed.

5) **Information Sources.** Ensure the validity, applicability, and accessibility of information sources used to support environmental estimating capabilities.

6) **Partnering.** Collaborate and share information with the cost estimating, financial management and accounting, and acquisition communities to reduce redundancy and ensure environmental estimating requirements are met.

Membership

The EECop is composed of DoD Component lead representatives (Mission Area Manager Representatives) with a direct role in development and maintenance of processes, procedures, and tools and are responsible for environmental liability cost management. The EECop Chair and Co-Chair are representatives from the offices of the DASD(EMR) and the Deputy Assistant Secretary of the Army for Environment, Safety and Occupational Health (DASA(ESOH)).

Membership is open to DoD Components and Federal agencies that engage in the preparation of E&DL cost estimates. Benefits of membership include participation in meetings and the opportunity to represent DoD Component interests in the development and enhancement of the capability as well as compare and discuss cross-DoD Component best practices.

Per the terms of the operating principles, the EECop may request advice and/or information from advisory personnel on an as-needed basis. Service entities are responsible for ensuring contractors participating in the EECop have appropriate non-disclosures in place.

The Membership Roster will be updated at least annually and maintained in Appendix B. The following represents the membership of the EECop:

1. Senior Accountable Official (SAO) for E&DL
2. Senior Advisory Group (SAG)
3. Execution Agent representative, US Army Corps of Engineers (USACE)
4. Mission Area Manager Representative:
 - a. Air Force
 - b. Army
 - c. Navy
 - d. Defense Logistics Agency (DLA)
 - e. Formerly Used Defense Sites (FUDS)
5. Team Members:

- a. Acquisition representatives
- b. Federal Agencies DERP E&DL representatives
- c. Financial and Accounting Management representatives
- d. Non-DERP E&DL representatives who choose to participate per the “Fair Share Process”

EECoP Membership Roles and Responsibilities

The primary EECoP roles and responsibilities are described in the following table:

Role	Responsibilities
Chairperson & Co-Chair	<ul style="list-style-type: none"> • Coordinate and facilitate meetings. • Develop and approve agendas. • Present and represent the positions of the EECoP as needed in other forums. • Assign actions and tasks. • Convene and assign teams to perform specific tasks or develop specific products as needed by the EECoP. • Task and coordinate subgroups to address specific aspects as needed by EECoP. • Collaborate and share information with other entities as needed. • Report progress, issues, and recommendations to the SAO or SAG. • Execute other actions and tasks as assigned by the SAO and SAG. • Resolve other issues as required. • Seek EECoP consensus on issues. • Approve meeting summaries. • Prepare and distribute EECoP meeting summaries. • Call vote as needed to ensure EECoP initiatives are funded per the terms of the Operating Principles. • Announce and hold meetings. • Disseminate decisions reached by the Chair and EECoP as appropriate.
Senior Accountable Official (SAO) for E&DL, or designated representative	<ul style="list-style-type: none"> • Oversight and management of the EECoP consistent with the Operating Principles. • Leadership for the institutionalization of the EECoP throughout the DoD, briefing committees/working groups, peers and other executives, as necessary.
Senior Advisory Group (SAG): Senior-level government or officials comparable in military rank to the Component’s Deputy Assistant Secretary level	<ul style="list-style-type: none"> • As necessary, task and advise the EECoP. • Provide advice, briefings and recommendation to the SAO and other DoD executives within their home organizations in support of the EECoP as needed. • Support and facilitate the coordination and institutionalization of the results of the EECoP.
Execution Agent: USACE	<ul style="list-style-type: none"> • Assist the Chairs to manage, task and coordinate subgroups to address EECoP issues. • Collaborate and share information relevant to the EECoP. • Identify issues and propose processes to support the functions of the EECoP. • Conduct reviews of estimating capabilities and needs, requirements, resource allocations, reference models and relevant guidance as directed by the Chairs or the EECoP. • Provide advice to the Chairs on EECoP matters.

Role	Responsibilities
	<ul style="list-style-type: none"> • At the direction of the Chairs, formulate, research and present on issues before the EECOP. • Perform studies and analyses and assemble, prepare, and distribute material as directed by the EECOP. • Structure issues and ensure proper representation on items before the EECOP. • Monitor and track follow-on actions taken to ensure that decisions and assignments made by the Chairs and EECOP are properly implemented per applicable guidance and regulations. • Maintain and safeguard documents to ensure appropriate disposition. • Aid in maintaining contact lists of EECOP members to include subgroups and the voting roster. • Advise on technical, security and legal matters as requested by the EECOP. • Identify the Fair Share funding needed to complete Execution Agent duties. • Maintain and share the EECOP Management Plan.
Mission Area Manager Representatives – the person/office responsible for executing E&DL requirements for each stakeholder/fund owner	<ul style="list-style-type: none"> • Ensure respective Component participates and is represented in the EECOP and subgroups. • Provide a representative who is authorized to vote to approve funding as defined in Appendix A. • Provide Subject Matter Experts as needed to support subordinate bodies as requested by the EECOP. • As offices of principal responsibility (OPRs), sponsor items and issues for meetings, including preparation of position papers and read-ahead materials, and presentation of briefings. • Identify and nominate agenda items and issues to the Chairs' consideration. • Provide adequate advisors and/or team members to EECOP as necessary to include timely support for testing of software and document reviews. • Conduct reviews of estimating capabilities and needs, requirements, resource allocations, reference models and relevant guidance as directed by the Chairs or the EECOP. • At the direction of the Chairs, formulate, research and present on issues before the EECOP.
Team Members	<ul style="list-style-type: none"> • Assist the Mission Area Manager Representatives with task and coordinate subgroups to address EECOP issues. • Collaborate and share information relevant to the EECOP. • Review position papers and read-ahead materials, and briefings. • Represent their organizations' positions on EECOP issues. • Convey and support the positions and decisions of the EECOP to their organizations. • Execute actions and tasks as directed by the Chairs. • Ensure respective organizations are represented on appropriate subordinate bodies. • Represent and advocate the EECOP's positions within home organizations. • Keep the EECOP apprised of relevant and significant matters arising from related EECOP groups. • Review meeting summaries.

Voting Procedures

Votes are required for, but not limited to, the following instances: estimating capability changes and enhancements, maintenance, priorities, development, funding and releases.

Voting shall require at least 50% of membership participation. Roll call will be taken at the beginning of the EECOP meetings to determine if 50% of the voting components are present.

EECoP voting membership consists of government personnel only. Contractors who have been identified as DoD Component representatives may attend meetings and provide recommendations and feedback to EECOP but cannot vote.

Roll call and voting decisions will be documented in the EECOP meeting summaries.

In the case the EECOP is unable to obtain consensus on actions voted upon, either via a tied vote or dispute, the issue will be elevated to the SAG level for decision. If the SAG level does not agree, the issue will be raised to the SAO in charge for final decision.

Voting Responsibilities

Voting members represent their respective organizations' positions regarding the EECOP and have the designated authority to commit their organization to funding their fair share in support of the capability governed by the EECOP.

Mission Area Manager Representatives participating in the EECOP will regularly review the voting roster and ensure changes to voting members are communicated to the Co-Chairs and Execution Agent.

Appointing Voting Team Members

Each participating Mission Area Manager Representative will name a primary and optional alternate representative who is designated the authority to vote on behalf of their organization within the EECOP. Each organization will have one vote.

Resources

Meeting attendance and participation in EECOP initiatives (travel and labor) is the sole responsibility of the respective DoD Component. Participating Components will program to provide funding in accordance with the requirements of Appendix A.

Appendix A: Fair Share Process for Funding the EECOP

Purpose

The purpose of the Fair Share Process is to define the funding and approval processes to support the EECOP and environmental estimating capabilities (the capability) governed by the EECOP Operating Principles.

The Fair Share Process will be reviewed annually, at minimum, and updated as needed.

Costs Identification

Under the direction of the Co-Chairs, EECOP Execution Agent is responsible for identifying costs associated with EECOP management and the capability as defined in the Operating Principles.

A Fair Share contribution to fund management of the EECOP is required of all voting members. EECOP management includes activities like meeting support, subgroup management, research and identification of applicable regulations and best industry practices for the capability, validation of the capability, and Cost Book maintenance.

The Execution Agent shall identify the annual “Fair Share” funding owed by each Component to include a description of how the funding will be used. Once this identification is made, the Execution Agent will engage the Co-Chairs to bring the Fair Share before the EECOP to approve final amounts from each Component or agency on an annual basis, at a minimum. The Execution Agent is responsible for tracking and reporting EECOP funding execution.

To the extent possible, the Execution Agent will provide cost estimates for the next fiscal year in the start of second quarter of the prior fiscal year. The Services will discuss, approve, program and plan for costs in the year of execution.

The Office of the Deputy Assistant Secretary of Defense for Environmental Management and Restoration (ODASD(EMR)) will provide the Fair Share percentages.

Other Cost Considerations

The capability will continue to be funded via the respective DERA and BRAC account as estimates supporting DERP liabilities represent a significant portion of the DoD’s E&DL. However, it may be to DoD’s benefit to use the capability in non-DERP E&DL funding categories as there are many overlaps in the costing methodologies and technologies. Representatives of non-DERP E&DL categories are welcome to join the EECOP and must contribute to the Fair Share funding breakout to vote. Non-DERP DoD Components may use the Remedial Action Cost Engineering and Requirements (RACER®) software without contributing funding to the Fair Share per the terms of the RACER® contract.

It may be necessary to break out some modifications by DERP and non-DERP funding lines. If this scenario occurs, the EECOP will discuss how to track and manage such funding source.

Non-DoD Federal Agencies may also use RACER® without contributing to the Fair Share per the terms of the RACER® contract. If non-DoD Federal Agencies would like to participate in the EECOP and vote, the EECOP will need to set up an appropriate Fair Share funding vehicle/agreement with interested agencies.

Fair Share Calculation

The Fair Share is currently calculated based on the percentage of each respective Services planned annual President’s Budget (PresBud) Requested for its respective account (i.e., ERA, ERN, ERF, BRAC, etc.). ODASD(EMR) provides the DERA and BRAC account amounts with the percentage breakouts and the costs are divided accordingly. The Fair Share calculation for percentage is the Component PresBud Requested divided by the DERA plus BRAC account total minus the Navy’s PresBud Requested. The Navy is currently not part of the Fair Share. Table 1 provides an example of the calculation for FY 2025.

Table 1: Fair Share Example

Service Component	FY2025 PresBud requested (millions)	FY25 Calculated Fair Share Percentage	FY25 Fair Share Rounded to 100%
Formerly Used Defense Sites (FUDS) DERA	\$234.5	20.3%	20%
Air Force DERA	\$438.3	37.9%	38%
Defense Logistics Agency (DLA) DERA	\$6.4	0.6%	1%
Army DERA	\$472.1	40.8%	41%
Navy DERA*	\$443.6	0%	0%
Coast Guard	\$0.0	0%	0%
Department of Energy	\$0.0	0%	0%

*Historically, the EECOP focused only on the RACER® software which Navy opted not to use.

Appendix B: Membership for the EECOP

EECoP Membership	Name ¹	Organization
Senior Accountable Official, Environmental and Disposal Liabilities	Mr. Robert E. Thompson	Acting, Assistant Secretary of Defense for Energy, Installations, and Environment
Senior Advisory Group	Mr. Ronald E. Tickle	Deputy Assistant Secretary of Defense for Environmental Management & Restoration
	Ms. Amy L. Borman	Deputy Assistant Secretary of the Army for Environment Safety and Occupational Health
	Ms. Nancy J. Balkus	Deputy Assistant Secretary of the Air Force for Environment, Safety and Infrastructure
	Mr. Karnig H. Ohannessian	Deputy Assistant Secretary of the Navy for Environment and Mission Readiness
	Mr. Ian Kelley	Director, DLA Installation Management
	Ms. Antonia R. Giardina	Interim Chief of the Environmental Division at Headquarters, U.S. Army Corps of Engineers (USACE)
Execution Agent	Mr. David Morrow	USACE, Director of Military Programs
Mission Area Manager Representatives	Ms. Jody Murata	Army
	Mr. Patrick Kelly	Air Force
	Mr. Kevin Kivimaki	DLA
	Ms. Teresa Silence	USACE FUDS
	TBD	Navy
Co-Chairs	Ms. Patricia Huheey	ODASD(EMR)
	Ms. Anna Hudson	ODASA(ESOH)

¹ Names of persons filling these roles will be updated, as necessary.