

MEMO TO: Secretary Rumsfeld

DATE: September 17, 2003

FROM: Paul Wolfowitz *PW*

SUBJECT: Army Corps of Engineers – Task Force RIE (Restore Iraqi Electricity)

Don,

You may want to mention to the President that:

- At Abizaid's suggestion, Bremer has asked to have the Army Corps of Engineers take over the electricity job in Iraq.
- We have gone to the Hill for a \$300 M reprogramming for initial start up.
- This should substantially increase electricity production rapidly – adding 1,000 mw in a few months.
- CPA target of pre-war levels by end of September won't be reached by that date, but we now may be able to move close.
- Corps of Engineers has been tasked to come back with metrics and milestones.



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MEMO TO: Secretary Rumsfeld

DATE: September 15, 2003

FROM: Paul Wolfowitz

SUBJECT: Update on Army Corps of Engineers Support to Restore Iraqi Electricity (RIE)

Don,

Wanted to provide an update on where we are with regard to Army Corps of Engineers support to RIE and the status of funding for Task Force RIE.

Task Force RIE Status:

- Plan is for TF RIE (Main Element) to travel today or soon after to Iraq to support CPA in achieving 4400MW of generation capability by Sept. 30.
- HQ Section and one contractor arrived BIAP this morning to begin planning
- Second increment of personnel have assembled in Corps facility at Winchester, VA to begin training and planning to travel to Iraq at weeks end.
- Remainder of TF RIE will arrive at increments over next 2 weeks.

Projects to be Accomplished:

- Nine power generation projects (\$444M)
- Twelve transmission and distribution projects (\$575M)
- Management, Logistics, Security and Communications projects (\$35M)
- Total cost is \$1.054B to restore 1070MW (Current status of Iraq power is 3301MW as of 14 Sept. Avg. weekly generation capability about 3400MW)
- Ministry of Electricity assures that there is no duplication between RIE and USAID

Funding and Contracts:

- USACE is not charging HQ overhead costs associated with operations in Iraq, (\$20M) premium for administrative costs over 90-day in country period; 2% after exceeding \$1B.
- \$300M Provides initial start-up funding
- Existing competitively bid contracts that are Indefinite Delivery/Indefinite Quantity (ID/IQ) with the contract ceilings, remaining capacity of:
 - Flour International, Inc. - \$450M
 - Washington Group International - \$470M
 - Perini Corporation - \$465M
- IAP Worldwide Services – remaining capacity is \$5M increasing to \$500M



Status of Funding:

- Solution worked out with OMB:
 - Propose a reprogramming action of \$300M from Iraq Freedom Fund (IFF) into the Natural Resources Risk Remediation Fund (NRRRF)
 - This will finance efforts committed under IFF
 - IRRF can provide the \$300M to the DoD to cover Corps of Engineers TF RIE
- Current Status
 - DoD received \$300M on Friday to pass to Corps of Engineers
 - Hill approval of transfer requires 5 day notification to Congress
 - Letters requesting reprogramming provide to Hill on Friday 12 September
 - Dov Zahkeim is working hill today to secure approval – Having lunch with Appropriation Staff Directors
- Box Score State of Play:
 - Sympathetic toward the reprogramming
 - Cong. Jerry Lewis - HAC D
 - Dave Morrison – HAC D Minority
 - Robert Rangel – HASC Majority
 - Jim Schweiter – HASC Minority
 - Sid Ashworth – SAC D Majority
 - Jim Morhard – SAC Majority
 - Non-committal, but not negative
 - Scott Lilly – HAC Minority
 - Terry Sauvain – SAC Minority
 - Rick DeBobes – SASC Minority
 - Charlie Houy – SAC D Minority

