



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE
WASHINGTON, DC

MEMORANDUM FOR ALMAJCOM/XP/CE

7 Jan 99

FROM: HQ USAF/XPM
1070 Air Force Pentagon
Washington, DC 20330-1070

SUBJECT: Utilities A-76 Cancellation and Abeyance Policy

DRID #49 directs privatization of all DoD utilities by 30 Sep 03, unless restricted by security or economic reasons. The accelerated privatization program will overlap current and future Air Force utility A-76 projects. The overlapped A-76 projects should be canceled or held in abeyance pending the results of associated privatization feasibility analyses. The A-76 / Privatization Deconfliction Analysis (atch 1) identifies your utility A-76 projects affected by the accelerated privatization program. Each MAJCOM XP & CE should validate the attachment and fill in the manpower affected by privatization.

Use the following guidelines as a basis for deconflicting your utilities A-76 studies with the Air Force Utility Privatization program.

1. A shift from A-76 to privatization will not drive a dollar or end-strength bill for the MAJCOM. In some cases this shift may result in greater manpower and dollar savings if privatization proves successful.
2. Cancel all started and defer (until privatization determination is made) all future stand-alone utility A-76 projects.
3. Separate and exclude the four utility systems (electric, water, wastewater, and natural gas) and plants from all A-76 BOS studies prior to releasing the RFP. Four A-76 projects identified in Atch 1 fall outside this guideline and should proceed as scheduled. They are the CE squadron studies at Tinker, MacDill, and Eglin AFBs and the BOS study at Maxwell AFB. Utilities privatization studies for these bases will be completed. Based on the determination of the utilities privatization studies, privatization of the utilities plants, where appropriate, will occur at an appropriate break point within the A-76 contract awarded at these installations.

The Utilities Privatization Manpower Savings Summary (atch 2) is a template to show the projected utility systems to be privatized in your MAJCOM by FY. We need your help to fill in the template by identifying or projecting the associated manpower savings with each privatization project.

We will use the A-76 /Privatization Deconfliction Analysis and your Utilities Privatization Manpower Savings Summary to adjust the net projected manpower savings in the FY01 APOM. We need your attachments (one and two) filled in and returned to HQ USAF/XPM by 15 Feb 99 to meet the FY01 APOM input suspense.

This is a coordinated XPM/ILE letter. Please contact Colonel Len Campbell, AF/XPMS, DSN 227-2816 or Colonel David Sweat, AF/ILEI, DSN 664-4010, if you have any questions or concerns.

~ Signed ~

ROBERT E. CORSI, JR.
Deputy Director
Manpower, Organization and Quality
Deputy Chief of Staff, Plans and Programs

Attachments:

1. A-76/Privatization Deconfliction Analysis
2. Utilities Privatization Manpower Savings
Summary

cc:
AF/ILE