



The Defense Production Act Committee Report to Congress

September 16, 2015



Homeland
Security

Table of Contents

Message from the Chairperson	ii
Executive Summary	iii
1. Introduction	1
1.1 Reporting Requirements and Report Overview.....	1
1.2 Overview of the Priorities and Allocations Authorities.....	2
1.3 Defense Production Act Committee.....	3
2. Use of the Priorities and Allocations Authorities	5
2.1 Use of Rated Orders.....	5
2.1.1 Support for Military and Space Programs.....	5
2.1.2 Support for Homeland Security Programs.....	6
2.2 Allocation of Resources.....	7
3. Information Sharing and Coordination	8
3.1 DPA-Related Guidance and Procedures Involving Information Sharing.....	8
3.1.1 DPA Websites.....	8
3.2 Interagency Coordination.....	9
3.2.1 Interagency Working Groups and Agreements.....	9
4. Contingency Planning	11
4.1 National Preparedness System.....	11
4.1.1 Planning for Homeland Security.....	12
4.1.2 Planning for Space Programs.....	13
4.2 Critical Infrastructure Security and Resilience.....	14
4.2.1 Space Program Critical Infrastructure Planning.....	15
Appendix A Federal Priorities and Allocations System Rules.....	A-1
Appendix B DPAC Member Concurrences with the DPAC Report.....	B-1

Message from the Chairperson

I am pleased to present the following report, *The Defense Production Act Committee Report to Congress* for calendar year 2014. This report is required by subsection 722(d) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)].

The report is an interagency effort involving the 17 departments and agencies that are members of the Defense Production Act Committee (DPAC).

Pursuant to statutory requirements, this report is being provided to the following Members of Congress:



The Honorable Richard Shelby
Chairman, Senate Committee on Banking, Housing, and Urban Affairs

The Honorable Sherrod Brown
Ranking Member, Senate Committee on Banking, Housing, and Urban Affairs

The Honorable Jeb Hensarling
Chairman, House Committee on Financial Services

The Honorable Maxine Waters
Ranking Member, House Committee on Financial Services

Inquiries regarding to this report may be directed to me at (202) 646-3900 or the DPAC Coordinator, David Bibo, Acting Associate Administrator for Policy, Program Analysis, and International Affairs in the Federal Emergency Management Agency at (202) 646-3350.

Sincerely,

W. Craig Fugate
Administrator
Federal Emergency Management Agency

Executive Summary

Subsection 722 of the Defense Production Act (DPA) establishes the Defense Production Act Committee (DPAC) to coordinate and plan for the effective use of the DPA priorities and allocations authorities. The DPAC is directed to issue an annual report to Congress that describes Government contingency planning for events that might require the use of the priorities and allocations authorities, provides recommendations for effective use of the priorities and allocations authorities, and provides recommendations for improving information sharing among Federal departments and agencies relating to the use of the priorities and allocations authorities.

The DPA was reauthorized and amended in September 2014. The 2014 amendments made changes to the priorities and allocations rule-making requirements and narrowed the focus of DPAC activities to only one of the three active titles in the DPA. Given the 2014 amendments to the DPA, the DPAC has no recommendations for additional amendments or other congressional actions involving use of the priorities and allocations authorities, at this time.

While this report does not contain recommendations for additional legislative actions, it does describe how the priorities and allocations authorities are currently being used. In accordance with the reporting requirements listed in DPA subsection 722(d), it provides an overview of contingency planning by Federal departments and agencies for events that might require the use of the priorities and allocations authorities and describes the wide variety of means used to promote information sharing among departments and agencies with DPA responsibilities. Also in accordance with the reporting requirements, up-to-date web links of priorities and allocations system rules and attestations of each DPAC Member's concurrence with this report are included in the appendices.

1. Introduction

1.1 Reporting Requirements and Report Overview

This report addresses the subjects listed in subsection 722(d) of the DPA which directs that the DPAC shall issue an annual report that contains:

- **“A description of the contingency planning by each department, agency, or independent establishment of the Federal Government to which the President has delegated authority under this Act [50 U.S.C. App. § 2061-2171] for events that might require the use of the priorities and allocations authorities.”** An overview of such planning is provided in Chapter 4. The focus is on contingency planning based on Presidential Policy Directive-(PPD) 8 *National Preparedness* and PPD-21 *Critical Infrastructure Security and Resilience*.
- **“Recommendations for the effective use of the priorities and allocations authorities in this Act in a manner consistent with the statement of policy under section 2(b).”** The DPAC has no recommendations, at this time, for congressional actions to support use of these authorities. Ongoing activities by Federal departments and agencies to make effective use of these authorities are described in Chapter 2.
- **“Recommendations for improving information sharing between departments, agencies, and independent establishments of the Federal Government relating to the use of the priorities and allocations authorities in this Act.”** The DPAC has no recommendations, at this time, for congressional actions to improve information sharing among Federal departments and agencies. Ongoing information sharing activities relating to the use of the priorities and allocations authorities are described in Chapter 3.
- **“Recommendations for legislation actions, as appropriate, to support the effective use of the priorities and allocations authorities in this Act.”** The DPAC has no recommendations for additional amendments or other congressional actions involving use of the priorities and allocations authorities, at this time.
- **“Up-to-date copies of the rules described under section 101(d)(1).”** Uniform resource locators for the Federal Priorities and Allocations System (FPAS) rules are provided in Appendix A.
- **“Short attestations signed by each member of the Committee stating their concurrence in the report.”** These attestations are provided in Appendix B.

1.2 Overview of the Priorities and Allocations Authorities

This report focuses on use of the priorities and allocations authorities provided in section 101 of the DPA to support “national defense”¹ programs. Section 101 authorizes the President “(1) to require that performance under contracts or orders (other than contracts of employment) which he deems necessary or appropriate to promote the national defense shall take priority over performance under any other contract or order, and, for the purpose of assuring such priority, to require acceptance and performance of such contracts or orders in preference to other contracts or orders by any person he finds to be capable of their performance, and (2) to allocate materials, services, and facilities in such manner, upon such conditions, and to such extent as he shall deem necessary or appropriate to promote the national defense.” Section 101 also authorizes the President to “require the allocation of, or the priority performance under contracts or orders (other than contracts of employment) relating to, materials, equipments, and services in order to maximize domestic energy supplies.”

In Executive Order (E.O.) 13603, the President delegates the section 101 authority to the following agency heads:

1. The Secretary of Agriculture with respect to food resources including potable water packaged in commercially marketable containers, food resource facilities, livestock resources, veterinary resources, plant health resources, and the domestic distribution of farm equipment and commercial fertilizers;
2. The Secretary of Energy with respect to all forms of energy;
3. The Secretary of Health and Human Services with respect to health resources;
4. The Secretary of Transportation with respect to all forms of civil transportation;
5. The Secretary of Defense with respect to water resources; and
6. The Secretary of Commerce with respect to all other materials, services, and facilities, including construction materials.

The six departments headed by these individuals are referred to as “Resource Departments” throughout this report. The six Resource Departments are directed by law and Executive order to issue regulations to establish standards and procedures by which the priorities and allocations authorities shall be used to promote the national defense, under both emergency and non-emergency conditions. Regulations have been issued by the Departments of Commerce (DOC), Energy (DOE), and Transportation (DOE). The Department of Agriculture (USDA) has published proposed regulations and both USDA and the Department of Health and Human

¹ As defined in section 722 of the DPA, the term “national defense” means programs for military and energy production or construction, military or critical infrastructure assistance to any foreign nation, homeland security, stockpiling, space, and any directly related activity. Such term includes emergency preparedness activities conducted pursuant to Title VI of The Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. 5195 et seq.] and critical infrastructure protection and restoration.

Services expect to issue final regulations in 2015. Together, these regulations constitute the FPAS.

The priorities and allocations authorities of the Resource Departments are limited in several ways:

- Subsection 101(b) of the DPA provides that the priorities and allocations authorities may not be used to control the general distribution of any material in the civilian market unless a finding is made (1) that such material is a scarce and critical material essential to the national defense, and (2) that the requirements of the national defense for such material cannot otherwise be met without creating a significant dislocation of the normal distribution of such material in the civilian market to such a degree as to create appreciable hardship. Subsection 201(e) of E.O. 13603 assigns responsibility for making this finding to the head of each Resource Department but provides, further, that the finding must be approved by the President before an action is taken involving control of the general distribution of a material in the civilian market.
- Section 202 of E.O. 13603 provides that the priorities and allocations authorities may be used only to support programs that have been determined in writing as necessary or appropriate to promote the national defense by:
 - The Department of Defense (DOD) with respect to military production and construction, military assistance to foreign nations, military use of civil transportation, stockpiles managed by the DOD, space, and directly related activities;
 - DOE with respect to energy production and construction, distribution and use, and directly related activities; and
 - The Department of Homeland Security (DHS) with respect to all other national defense programs, including civil defense and continuity of Government.

Under E.O. 13603, it is possible for Resource Departments to authorize the heads of other agencies, as appropriate, to place priority ratings on contracts and orders for materials, services, and facilities needed in support of eligible programs. As an example, agencies that have been delegated authority by DOC to place priority-rated contracts and orders (hereinafter “rated orders”) under DPAS regulations include the DOD, DOE, DHS, and the General Services Administration.

1.3 Defense Production Act Committee

The DPAC is established by section 722 of the DPA to advise the President on the effective use of these authorities in support of the national defense. The Administrator of the Federal Emergency Management Agency (FEMA) is Chairperson of the DPAC, in accordance with

subsection 722(b)(2).² The DPAC is comprised of the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Attorney General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Transportation, the Secretary of Energy, the Secretary of Homeland Security, the Director of National Intelligence, the Director of the Central Intelligence Agency, the Chair of the Council of Economic Advisers, the Administrator of the National Aeronautics and Space Administration, and the Administrator of General Services.

The Director of the Office of Management and Budget and the Director of the Office of Science and Technology Policy may be invited to participate in Committee meetings and activities in an advisory role. The DPAC Chairperson may also invite the heads of other departments and agencies to participate in DPAC meetings, as appropriate.

Most interagency activities to address and coordinate priorities and allocations issues are conducted by working groups composed of representatives from various DPAC Member agencies. The DPAC Principals meet only when such issues cannot be resolved via interagency meetings at a lower level. No unresolved issues that required decisions by the DPAC Principals were identified during 2014, so no meeting of the Principals was held during the past year.

² Subsection 722(b)(2) states: “The Chairperson of the Committee shall be the head of the agency to which the President has delegated primary responsibility for Government-wide coordination of the authorities in this Act.” In E.O. 13603, the President delegates primary responsibility for Government-wide coordination of the DPA authorities to the Secretary of Homeland Security. The Secretary’s DPA authorities and functions, including the responsibilities of DPAC Chairperson, have been re-delegated by the Secretary to the FEMA Administrator.

2. Use of the Priorities and Allocations Authorities

This chapter describes activities of Federal departments and agencies to implement the DPA priorities and allocations authorities in support of military, space, energy, critical infrastructure, and homeland security programs. While the allocations authority has not been used since the end of the Cold War era, standards and procedures for the use of this authority have been established to support its effective use, when needed.

2.1 Use of Rated Orders

Priorities authority is used to ensure that contracts and orders that support national defense programs are performed on time. Preferential treatment of rated orders is only required in cases when deliveries would not be made on time without such treatment. For almost all rated orders, contractors and suppliers act on their own to fulfill their obligations without further action required by the Government. However, FPAS regulations provide for special priorities assistance, when problems occur that cannot be resolved by the contractors and suppliers.

Since the DPA was first enacted in 1950, DOD has been using the DPA priorities authority continuously and extensively to support military programs. DOD includes a priority rating as a standard clause in virtually all eligible contracts and orders for items under DOC's resource jurisdiction. Use of priority authorities to support non-military programs is more limited but has been increasing over the past 20 years to ensure timely procurement of resources to save lives and property under emergency conditions; protect or restore critical infrastructure operations; and to counter threats of terrorism within the United States (U.S.).

2.1.1 Support for Military and Space Programs

Military Programs: DOC has authorized DOD to use DPAS to support military and space programs. It is DOD policy to include a DPAS priority rating in all eligible DOD contracts except for end items commonly available in commercial markets in sufficient supply and for items to be used primarily for administrative purposes. Virtually all DOD contracts for resources covered under DPAS (including foreign military sales contracts) include a DPAS priority rating. DOD's priorities authority under DPAS cannot be used to rate contracts and orders for energy, civil transportation, or health resources, which are covered under other FPAS regulations. However, DPA authorities are used to make civil transportation assets available to support military transportation needs, through the Civil Reserve Air Fleet Program and voluntary agreements involving sealift capabilities.

In addition, DOD use of the priorities authority for resources not covered under DPAS can be granted by other Resource Departments. For example, during 2014, the Secretary of Health and Human Services granted authority to DOD to place priority ratings on orders for the Adenovirus vaccine. This authority was enabled by a new program determination by DOD for health resources.

Space Programs: Except for end items commonly available in commercial markets in sufficient supply and for items to be used primarily for administrative purposes, the National Aeronautics

and Space Administration (NASA) considers using a DPAS priority rating in contracts that affect programs with multi-agency applicability, in consultation with that interagency partner to ensure the appropriate priority is assigned. DOD is the “Delegate Agency” for NASA, pursuant to initial delegations of October 21, 1958. Consistent with provisions enumerated in the NASA Federal Acquisition Regulations Supplement, NASA coordinates the use of rated orders with DOD, as necessary, to ensure that any DOD requirements are addressed. Under NASA’s procedures, rated orders may be used by NASA only as provided in the DPAS regulations and subject to their limitations. Priority ratings are assigned on individual contracts and purchase orders by the contracting officer. In addition, NASA rated orders may generally only be assigned a first-level (“DO”) priority rating, unless NASA has obtained a higher-level (“DX”) priority rating from DOD.

2.1.2 Support for Homeland Security Programs

Most use of the priorities authority in support of homeland security programs has been on an as-needed basis to support timely procurement of resources needed for projects with short completion deadlines or to address known supply problems. Two examples of how the priorities authorities have been used to support homeland security programs are included below:

- In 2008, the U.S. Army Corps of Engineers was directed by Congress to restore the New Orleans Hurricane and Storm Damage and Risk Reduction System (HSDRRS) to withstand a 100-year storm event. This was one of the largest repair and construction jobs in civil works history with a goal to complete the work, estimated at \$14.6 billion, within three years. Most civil works projects of this magnitude typically take 8-10 years to complete. This project involved restoration of 325 miles of floodwalls, three outfall canals, 73 pump stations, and related flood control infrastructure involving 292 projects. With the assistance of DPAS priority ratings, the HSDRRS was completed on time resulting in effective control of floodwaters from a 100-year storm event.
- As a result of Hurricane Katrina striking the Gulf Coast on August 29, 2005, a large railroad company sustained extensive damage to its infrastructure in Louisiana. This shut down rail service in areas impacted by Hurricane Katrina. The company needed six generators and six transfer switches to restore rail service to the Gulf Coast area. In conversations with the suppliers of this equipment, the company discovered there was a backlog for this equipment and it would take 90 days for delivery. With the DPAS priority rating, the railroad company received the switching gear and signaling equipment within 10 days, and service was restored to the impacted areas 80 days sooner than would have been without the rating.

In addition to DHS, other non-military agencies, such as the Departments of Justice, Interior, State (DOS), DOE, DOC, and even the Architect of the Capitol, use the priorities authority to support various programs involving emergency preparedness and response, critical infrastructure protection and restoration, and counterterrorism activities. Use by these other agencies has been authorized on a program-by-program basis. In each case, FEMA has determined that a program is necessary or appropriate to promote the national defense, and DOC has authorized use of DPAS priority ratings for various procurement activities in support of the program.

2.2 Allocation of Resources

DPA allocations authority may be used to control use of materials, services, and facilities. As with the priorities authority, the allocations authority may only be used to support programs that are determined to be necessary or appropriate to promote the national defense. The allocations authority would only be used when there is insufficient supply of a material, service, or facility to satisfy national defense requirements through the use of the priorities authority, or when the allocations authority is needed to mitigate severe or prolonged disruptions caused by the use of the priorities authority alone. While procedures for the use of this authority have been established, as in the DPAS regulations at 15 CFR 700, no allocation action has been taken since the end of the Cold War.

As the statutory scope of DPA authorities has broadened over the past two decades to include emergency preparedness and response activities and other homeland security programs, it is possible that the allocations authority may someday be used to address supply shortfalls for domestic requirements. For example, the allocations authority could be used to control the distribution and use of information technology equipment needed to recover from a large-scale cyber-attack on the U.S. homeland.

3. Information Sharing and Coordination

There are a wide variety of guidance, procedures, and activities that promote information sharing on DPA issues among Federal departments and agencies. Guidance and procedures are provided in a number of orders, directives, regulations, interagency agreements, and other guidance documents. Information is also shared on a continuing basis via Government websites and meetings between representatives of the Federal departments and agencies engaged in DPA plans and programs.

3.1 DPA-Related Guidance and Procedures Involving Information Sharing

Executive orders, beginning with E.O. 10161 (September 9, 1950) and continuing with E.O. 13603 (March 16, 2012) have provided for DPA information sharing among Federal departments and agencies for more than 60 years. E.O.13603 alone contains more than 20 separate provisions for coordination, consultation, assistance, and information sharing among Federal departments and agencies on the use of DPA authorities. Both E.O.13618 and E.O.12656 contain numerous similar provisions relating specifically to DPA authorities and more generally to emergency preparedness plans and guidance.

3.1.1 DPA Websites

Federal departments and agencies maintain a number of websites and web pages focused on DPA issues:

- DOD Websites
 - o Deputy Assistant Secretary of Defense for Manufacturing and Industrial Base Policy – <http://www.acq.osd.mil/mibp/>
 - o Defense Contract Management Agency (DCMA): “Defense Priorities and Allocations System (DPAS)” – <http://www.dcma.mil/DPAS/index.cfm>
 - o DOD/Office of the Secretary of Defense: “Defense Production Act Committee” – <http://www.acq.osd.mil/mibp/dpac.html>
 - o DOD/OSD: “Defense Production Act Title III Homepage” – http://www.dpatitle3.com/dpa_db/
- DHS Websites
 - o FEMA, Office of Policy and Program Analysis – <http://www.fema.gov/defense-production-act-program>
 - o Emergency Management Institute Courses:
 - IS-245.a - Introduction to the Defense Priorities and Allocations System (DPAS) – <http://training.fema.gov/is/courseoverview.aspx?code=IS-245.a>
 - IS-246.15 - Implementing the Defense Priorities and Allocations System (DPAS) – <http://training.fema.gov/is/courseoverview.aspx?code=IS-246.15>
- DOC Website

- o DOC/Bureau of Industry and Security: “Defense Priorities and Allocations System (DPAS) Program” – <http://www.bis.doc.gov/index.php/other-areas/strategic-industries-and-economic-security-sies/defense-priorities-a-allocations-system-program-dpas>

3.2 Interagency Coordination

E.O. 13603 directs the Secretary of Homeland Security to provide central coordination and guidance for use of DPA by Federal departments and agencies. The Secretary’s DPA authorities and functions, including the coordination and guidance functions and the responsibilities of DPAC Chairperson, have been re-delegated by the Secretary to the FEMA Administrator. In accordance with subsection 722(c) of the DPA, the Administrator has appointed FEMA’s Associate Administrator for Policy, Program Analysis, and International Affairs (OPPA) to coordinate DPAC activities. The DPA Program Division within OPPA supports the DPAC functions of the Associate Administrator through an interagency working group (IWG) focused on the development and implementation of a consistent and unified FPAS, as appropriate and to the extent practicable, and through day-to-day meetings and other communications with personnel throughout the Government involved in developing FPAS policy and procedures and implementing the priorities and allocations authorities.

3.2.1 Interagency Working Groups and Agreements

DHS is directed by a number of Presidential orders and directives³ to provide coordination and guidance for DPA and other emergency preparedness plans and programs. DHS carries out its coordination functions by convening periodic IWGs and meetings with representatives of individual agencies. Listed below are examples of interagency coordination among DPA interagency partners:

- In March 2014, FEMA facilitated interagency DPA participation in the 2014 Capstone Exercise. The DPA interagency group tested and evaluated priorities and allocations procedures used to expedite the delivery of critical goods and services to respond to and recover from a simulated earthquake in Alaska.
- In cooperation with DHS, DOC, DOD, and DOT, DOE held a seminar in July 2014 with industry participation to review the authorities provided by Title I of the DPA. Follow-up discussions were held with representatives of the electricity, oil, and natural gas subsectors. Discussions were also held with DOT on the possible use of the DPA to facilitate the transportation of very large transformers during emergencies.
- In September 2014, DOC provided a DPA overview to the International Critical Infrastructure Security and Resilience IWG, which is co-chaired by DHS and DOS. DHS’s collaboration with international partners pertaining to critical infrastructure resilience best practices helps build on DHS’s approach to securing U.S. national critical infrastructure and further contributes to international security. DOC discussed its DPAS

³ See discussion of PPDs-8 and -21 in Chapter 4.

Programs, including how DPAS can be used to support domestic and foreign critical infrastructure requirements.

- In October 2014, the FPAS IWG convened a regional exercise designed to address the challenges of responding to and recovering from a simulated improvised nuclear detonation in Washington, D.C. The IWG discussed how the DPA priorities and allocations authorities could be used to support response and recovery efforts.
- USDA and DOC worked together to extend the authorization to use DPAS allowing the placement of priority ratings on contracts for food resources to include “potable water in commercially marketable containers.” This action was requested by FEMA due to recent changes in E.O.13603 to address bottled water requirements for populations impacted by emergencies and disasters within the U.S. This authorization will continue until USDA issues a final priorities and allocations rule with respect to food resources.
- DHS convenes an IWG each year to share information and prepare a report to Congress on the use of the priorities and allocations authorities to ensure the preparedness of industry to reduce interruptions in critical infrastructure and key resource operations during emergencies.

4. Contingency Planning

This chapter focuses on contingency planning involving homeland security programs. In particular the focus is on contingency planning based on PPD-8 *National Preparedness* and PPD-21 *Critical Infrastructure Security and Resilience*, which call for the establishment of the National Preparedness System (NPS) and the National Infrastructure Protection Plan (NIPP), respectively. Because DOD already makes full use of DPAS priority ratings in all eligible contracts, use of the priorities authority to support military programs would not change under different national security scenarios. Overviews of the NPS and the NIPP are provided below.

4.1 National Preparedness System

PPD-8 is aimed at strengthening the security and resilience of the U.S. through systematic preparation for the threats that pose the greatest risk to the security of the Nation, including acts of terrorism, cyber-attacks, pandemics, and catastrophic natural disasters. PPD-8 directs the creation of a national preparedness goal and a national preparedness system to guide activities that will enable the Nation to achieve the goal.

The National Preparedness Goal document identifies 31 Core Capabilities, beginning with Planning, which are divided into the following five mission areas:

- 1) Prevention: Prevent, avoid, or stop an imminent, threatened, or actual act of terrorism.
- 2) Protection: Protect our citizens, residents, visitors, and assets against the greatest threats and hazards in a manner that allows our interests, aspirations, and way of life to thrive.
- 3) Mitigation: Reduce the loss of life and property by lessening the impact of future disasters.
- 4) Response: Respond quickly to save lives, protect property and the environment, and meet basic human needs in the aftermath of a catastrophic incident.
- 5) Recovery: Recover through a focus on the timely restoration, strengthening, and revitalization of infrastructure, housing, a sustainable economy, as well as the health, social, cultural, historic, and environmental fabric of communities affected by a catastrophic incident.

The NPS was established as an organized process for the “whole community” to move forward with their preparedness activities and achieve the National Preparedness Goal. The NPS has six parts:

- 1) Identifying and Assessing Risk: Collecting historical and recent data on existing, potential, and perceived threats and hazards. The results of these risk assessments form the basis for the remaining steps.

- 2) **Estimating Capability Requirements:** Determining the specific capabilities and activities to best address those risks. Some capabilities may already exist and some may need to be built or improved. FEMA provides a list of core capabilities related to prevention, protection, mitigation, response, and recovery, the five mission areas of preparedness. To see a full list of the core capabilities, including details about each one, visit <https://www.fema.gov/national-preparedness-system>.
- 3) **Building and Sustaining Capabilities:** Figuring out the best way to use limited resources to build capabilities. The risk assessment can be used to prioritize resources to address the highest probability or highest consequence threats.
- 4) **Planning to Deliver Capabilities:** Coordinating plans with other organizations because preparedness efforts involve and affect the whole community. This includes all parts of the whole community: individuals, businesses, nonprofits, community and faith-based groups, and all levels of Government.
- 5) **Validating Capabilities:** Participating in exercises, simulations, or other activities to identify plans, capabilities gaps, and recognize progress toward meeting preparedness goals.
- 6) **Reviewing and Updating:** Regularly reviewing and updating all capabilities, resources, and plans.

The National Incident Management System (NIMS)⁴ serves as the foundation for the NPS and provides the template for the management of incidents and operations in support of the five National Planning Frameworks, which correspond to the five mission areas described in the National Preparedness Goal document. Federal Interagency Operational Plans (FIOP(s)) have been developed for four of the five mission areas—Prevention, Mitigation, Response, and Recovery. The Protection FIOP will be released at a later date to ensure it aligns with emerging national protection policy. Each FIOP describes the concept of operations for integrating and synchronizing existing Federal capabilities to support state, local, tribal, territorial, insular area, and Federal plans, and is supported by Federal department-level operational plans, where appropriate.

4.1.1 Planning for Homeland Security

DHS is continually engaged in contingency planning to strengthen our Nation’s security and resilience against acts of terrorism, cyber-attacks, pandemics, and catastrophic natural disasters. The priorities and allocations authorities provided in the DPA are used to prevent, protect against, mitigate, respond to, and recover from any of these events. The DPA Program Division within FEMA promotes awareness and understanding of these authorities throughout DHS and other Federal agencies with training courses, exercises, IWGs, and other outreach efforts. The

⁴ NIMS is a systematic, proactive approach to guide departments and agencies at all levels of Government, nongovernmental organizations, and the private sector to work together seamlessly and manage incidents involving all threats and hazards—regardless of cause, size, location, or complexity—in order to reduce loss of life, property and harm to the environment.

primary purpose of the ongoing outreach efforts is to promote effective use of the DPA authorities, including the priorities and allocations authorities, in NPS and NIPP planning and operations.

DHS/FEMA is responsible for contingency planning for three of the NPS mission areas: Response, Recovery, and Mitigation. The DPA is one of several tools included by planners in the contingency plans. The lists below provide the status of NPS plans developed over the past year and plans that are scheduled to be completed during calendar year 2015:

- Plans completed in CY 2014:
 - Oil and Chemical Incident Annex to the Response Federal Interagency Operations Plan
 - FEMA Region I (Boston) Improvised Nuclear Detonation Annex
 - FEMA Region II (New York and New Jersey) Medical Counter Measure Annex
 - FEMA Region III Hurricane Annex
 - FEMA Region III African Leader's Summit Crisis Action Plan
 - FEMA Region VI (Dallas-Fort Worth) Medical Counter Measure Annex
 - FEMA Region VI (Houston) Improvised Nuclear Detonation Annex
 - FEMA Region VII Food-Agriculture-Veterinary Annex
 - FEMA Region IX Hawaii Catastrophic Annex
 - FEMA Region X Alaska Catastrophic Annex

- Plans scheduled for completion in CY 2015:
 - Nuclear and Radiological Incident Annex to the Response and Recovery FIOF
 - Biological Incident Annex to the Response and Recovery FIOF
 - Region I (Boston) Medical Counter Measure Annex
 - Region I Hurricane Response and Recovery Plan
 - Region II (New York City) Improvised Nuclear Device Annex
 - Region III (National Capital Region) Medical Counter Measure Annex
 - Region III (Philadelphia) Medical Counter Measure Annex
 - Region IV Nuclear Radiological Incident Annex
 - Region V Republic National Convention
 - Region VI Rio Grande Flood Annex
 - Region VI Houston Medical Counter Measure Annex
 - Region VII Red River Flood Annex
 - Region IX Bay Area Earthquake Annex
 - Region X Model Tribal Annex

4.1.2 Planning for Space Programs

Although NASA does not serve as a Lead Agency within the National Planning Framework, the Agency has established NPR 8715.2B that specifies actions to support the NASA mission under emergency conditions and the response protocol in accordance with the National Response Framework (NRF). NASA is identified as a Support Agency under five of the Emergency Support Functions Annexes within the NRF. This planning document outlines procedural requirements for implementing the NASA Emergency Management Program per the NASA

Policy Directive 8710.1D, *Emergency Management Program*. The directive implements the NRF and complies with the requirements in the NIMS. Additionally, in accordance with the provisions of E.O. 12148, *Federal Emergency Management*, and E.O. 12656, *Assignment of Emergency Preparedness Responsibilities*, NASA establishes emergency preparedness, response, recovery, and continuity processes and procedures to be prepared to:

- Protect lives;
- Protect the environment;
- Minimize loss and damage to NASA resources;
- Provide for continuous operation or timely resumption of mission critical functions, services, and infrastructure;
- Aid in the recovery and timely resumption of normal operations;
- Assist in mitigating hazards and minimizing the effects of natural disasters, technological emergencies, and criminal acts, including terrorism; and
- Support local, state, and Federal agencies and appropriate emergency response authorities.

4.2 Critical Infrastructure Security and Resilience

PPD-21 directs the Secretary of Homeland Security to provide strategic guidance, promote a national unity of effort, and coordinate the overall Federal effort to promote the security and resilience of the Nation's critical infrastructure. PPD-21 also designates sector-specific agencies, which are responsible for coordinating day-to-day sector-specific activities; carrying out incident management responsibilities (consistent with applicable authorities, policies, regulations, and directives); providing, supporting or facilitating technical assistance and consultations for sectors to identify vulnerabilities and help mitigate incidents; and supporting the Secretary of Homeland Security by providing annual sector-specific critical infrastructure information.

The overarching framework for the critical infrastructure mission is outlined in the NIPP and supporting sector-specific plans. The NIPP serves as the foundation for the integrated risk-informed approach used by Government and private sector partners to identify, assess, and prioritize risks to critical infrastructure and implement programs to enhance critical infrastructure protection and resilience.

The NIPP, sector-specific plans, and the FIOPs provide a context for implementation of the DPA priorities and allocations authorities, when appropriate to address procurement of supplies needed to prevent, protect against, mitigate, respond to, or recover from events that threaten the national defense.

4.2.1 Space Program Critical Infrastructure Planning

NASA is implementing actions to meet the requirements of PPD-21 to enhance and maintain the security and resilience of the U.S. critical space architecture. NASA has developed and implemented a NASA Procedural Requirement, 1600.1A, Chapter 3 and Appendix F, *Identifying and Nominating NASA Assets for NASA Critical Infrastructure Identification, Prioritization, and Protection* in August 2013. NASA is coordinating PPD-21 requirements with corresponding Executive orders, such as E.O. 13653, *Preparing the United States for the Impacts of Climate Change* through the assessment of risks and development of actionable mitigation plans. NASA is continuously refining functional relationships across the Federal Government to advance the technologies and tactics to enhance the security and resiliency of U.S. space architecture survivability where it may be subject to malicious, accidental, or natural threats.

Appendix A
Federal Priorities and Allocations System Rules

Per the requirement of section 722 (d)(5) of the DPA, as amended, listed below are web links to final rules that establish standards and procedures by which the priorities and allocations authority is used to promote the national defense under both emergency and non-emergency conditions:

Department of Commerce, Defense Priorities and Allocations System:

<http://www.ecfr.gov/cgi-bin/text-idx?rgn=div5&node=15:2.1.3.2.1>

Department of Transportation, Transportation Priorities and Allocation System:

<http://www.ecfr.gov/cgi-bin/text-idx?rgn=div5;node=49:1.0.1.1.26>

Department of Energy, Energy Priorities and Allocations System: <http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=1&SID=82e1e190aff5d648852309765685d8c8&ty=HTML&h=L&n=10y3.0.1.1.10&r=PART>

Appendix B
DPAC Member Concurrences with the DPAC Report

Per the requirement of section 722 (d)(6) of the DPA, as amended, listed below are “short attestations signed by each member of the Committee stating their concurrence in the report.”

U.S. Department of State

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.

Anthony M. Deane, Acting DAS
[Name and title]

27 July 2015
Date



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 772(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.

Gary Grippo
Gary Grippo
Deputy Assistant Secretary
for Public Finance

8/25/2015
Date



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.



Mc Frank Kendall, USD(AT&L)

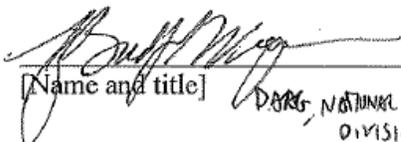
12 AUG 2015

Date

U.S. Department of Justice

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.



[Name and title] *DIR, NATIONAL SECURITY DIVISION*

7/31/15

Date

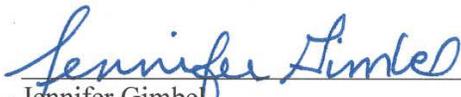


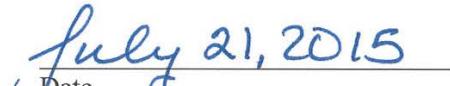
United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.

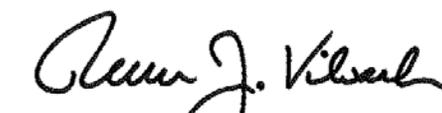

Jennifer Gimbel
Principal Deputy Assistant Secretary
for Water and Science


Date

U.S. Department of Agriculture

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.


[Name and title]

JUL 31 2015

Date



UNITED STATES DEPARTMENT OF COMMERCE
Under Secretary for Industry and Security
Washington, D.C. 20230

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.

Eric L. Hirschhorn
Under Secretary of Commerce
for Industry and Security

7/20/15.

Date

SECRETARY OF LABOR
WASHINGTON, D.C. 20210

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.

THOMAS E. PEREZ
Secretary of Labor

JUL 24 2015

Date



Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.


Schuyler Eldridge
Deputy Director of Acquisitions Management
Contracts and Grants, ASPR, HHS

8/5/2015
Date



U.S. Department of
Transportation
Office of the Secretary
of Transportation

1200 New Jersey Avenue, SE
Washington, DC 20590

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.


Michael Lowder
Director, Office of Intelligence, Security
and Emergency Response

7-30-15
Date



Department of Energy
Washington, DC 20585

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.

Patricia A. Hoffman

Patricia A. Hoffman
Assistant Secretary
Office of Electricity Delivery and Energy Reliability
U.S. Department of Energy

7/30/15

Date

Office of the Director of National Intelligence

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.

David A. Honey

David A. Honey, ADDM/I/S&T
[Name and title]

12 Aug 2015
Date



Attestation of a Member of the Defense Production Act Committee

I concur, on behalf of the Director of the Central Intelligence Agency in his role as a member of the Defense Production Act Committee (DPAC), and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], with the DPAC report to Congress for Calendar Year 2014.

Donna L MacEwen

14 Sep 2015

Donna L. MacEwen
Procurement Executive,
Central Intelligence Agency

Date

Council of Economic Advisers

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.

Andrea Taverna
Andrea Taverna, Chief of Staff
[Name and title]

08/19/2015
Date



Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.

Handwritten signature of Robert M. Lightfoot in black ink.

Robert M. Lightfoot, Associate Administrator

Handwritten date "7/15/15" in black ink.

Date



The Administrator

July 24, 2015

Attestation of a Member of the Defense Production Act Committee

As a member of the Defense Production Act Committee (DPAC) and in accordance with paragraph 722(d)(6) of the Defense Production Act of 1950, as amended [50 U.S.C. App. § 2171(d)(6)], I concur with the DPAC report to Congress for Calendar Year 2014.

Handwritten signature of Denise T. Roth in blue ink.

Denise T. Roth, Acting Administrator

Handwritten date "July 24, 2015" in blue ink.

Date

This page intentionally left blank.