

USACE OPERATIONS & REGULATORY

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KEY EMERGING TRENDS IN CIVIL WORKS

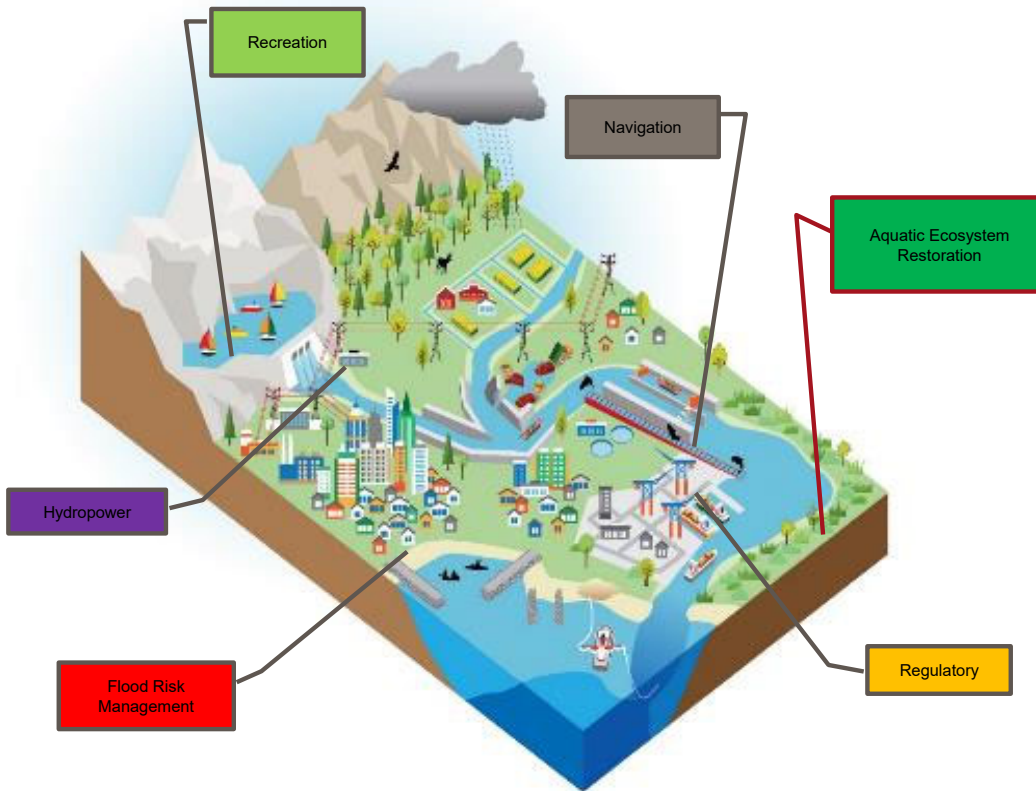


- **Improve Supply Chain Capacity**
 - IIJA Contributing \$4B towards O&M; \$4B in Construction
 - 15 Post Panamax Port Deepening Projects on-going or funded
 - 7 Lock and Dam Modernization/New Construction Projects on-going or funded
- **Environmental Justice**
 - considered in all phases of project planning and decision-making for our Civil Works missions
 - ensures that our actions do not cause any disproportionate impacts on disadvantaged communities
- **Focus on Climate Change**
 - FY 23 budget request for \$5.5 million for the Water Operations Technical Support remaining item; including \$5 million to continue work on forecast-informed reservoir operations
 - \$5 million for the Sustainable Rivers Program





Civil Works Program - 2022 Appropriations



Infrastructure Investment and Jobs Act: \$17.1B
(signed into law 15 Nov 2021)

FY22 Supplemental Appropriations: \$5.7B
(Disaster Relief Supplementation Appropriations Act)

FY22 Regular Appropriations: \$8.3B
(President's Budget - \$6.7B)

**FY22 Appropriations:
*approximately \$30B***



HYDROPOWER INITIATIVES



- **Addressing Non-Power Related Costs**
 - Quantified the impact of supplemental appropriations for non-power costs to hydropower costs and rate recovery
 - Verified costs attributable to hydropower through a review of all project cost allocation reports
 - Finalizing effort to credential all non-power costs
- **Improvements to Hydropower Acquisition and Delivery**
 - Performed case study for turbine replacements at Chief Joseph Dam to identify best practices for turbine runner replacements across the enterprise
 - Utilize the USACE Hydropower Acquisition Strategy Board to engage with Power Marketing Administrations and Federal Power Customers to quantify impacts of generation outages and delays
- **Operations and Maintenance Efficiencies**
 - Finalize USACE Policy detailing and directing the use of maintenance standards in the Hydropower Program
 - Continue with the implementation of centralized operations in multiple USACE regions



NAVIGATION KEY INITIATIVES



- **Modernizing and rehabilitating inland waterway infrastructure.**
 - Using the Capital Investment Strategy to identify opportunities for investment in the inland system.
 - Exploring remote lock operations
 - Leveraging consolidated/coordinated closures to complete necessary major lock maintenance and rehab
- **Executing historical investment using key principles of delivery**
 - Strategic stakeholder & industry engagements
 - Enterprise and Regional coordination and scheduling
 - Use best management practices for contracting process
 - Find environmentally friendly technology and innovation solutions to meet our increased maintenance, resiliency and beneficial use of dredged material goals.
- **Efficiently manage dredged material placement capacity**
 - Improve dredge material management policies and practices
 - Increase beneficial reuse of dredged material to and effectively manage sediment within the ecosystem.
 - Leverage 5-year dredged material management plans



Maintaining our Federal channels and waterways is essential for strengthening the economy, creating jobs, reducing risks, and bolstering our long-term global competitiveness and national security.



ASSET MANAGEMENT 2022 ACTIVITIES



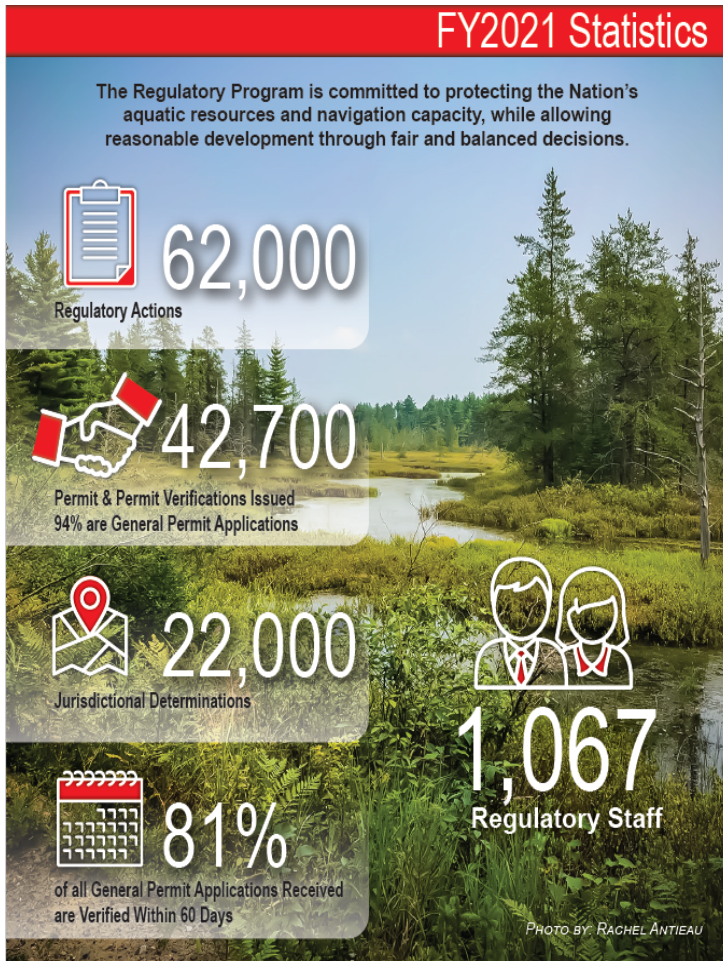
- **Budget and Investment Planning**
 - Total Maintenance Backlog Policy
 - Operations & Maintenance 20/20 Budget prioritization
 - Similar activities, similar cost, similar levels of performance analysis for Hydropower and Recreation
- **Other Asset Management Policy Initiatives**
 - Operational Condition Assessment Guidance (Flood Risk Management & Inland Navigation)
 - Commonality of Components Director's Policy
 - Screening Budget for design focus areas
 - Operational Status Reporting Policies and Reliability
 - Asset Criticality and Work Order Priority Policy



- **International Organization for Standardization (ISO) 55000 and Asset Information**
 - Establish Enterprise Asset Registry
 - Revising Flood Risk Management and Inland Navigation Component lists
 - Establish Enterprise Levels of Performance
 - Align investments with Enterprise value measures
 - Hydropower, Inland Navigation, Flood Risk Management Maintenance Standards
 - Integrating Asset Information systems



USACE REGULATORY PROGRAM



What We Deliver: Balanced, timely, predictable, consistent, and transparent regulatory decisions, rooted in sound science and compliant with applicable laws

USACE Current Events:

- Nationwide Permits – 57 issued in 2021, in effect until 2026
- Engaged in rulemakings efforts with others:
 - New EPA/Army Waters of the U.S. Rule expected late 2022
 - Proposed EPA 401 Water Quality Certification Rule
 - Proposed Phase 2 revisions to 2020 NEPA Rule by the Council on Environmental Quality
- Administration Priorities:
 - Environmental Justice
 - Climate Change
 - Tribal Engagement



NATURAL RESOURCES CHALLENGES/INITIATIVES

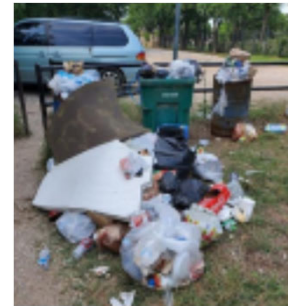


Challenges

- Increased visitor demand – up 17M visitors from 2020-2021
- Aging public access infrastructure
- Unstable budget levels
- Increasing land use requests
- More frequent storm damages
- Invasive Species

Initiatives

- \$120M in IJA/DRSA FY22 funding for repairs.
- Support underserved communities and their economies
- Contributor to America the Beautiful 30x30 conservation initiative
- Role in the National Travel and Tourism Strategy



2019-2021 Camping Reservation Increase Across USACE

Spending by Visitors (2019)

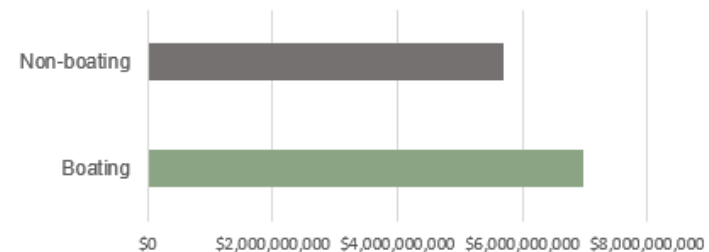


Figure 7 - Dollars Spent by Visitation Type.