

PRINCIPLES & GUIDELINES



3 February 1983

OBJECTIVES



- **Understand role of P&G in Corps planning process.**
- **Define NED Plan**
- **Identify steps in planning process.**

EVOLUTION OF NATIONAL PLANNING POLICY

- **1936-Flood Control Act**
- **1950-Green Book (Revised 1958)**
- **1962-Senate Document 97**
- **1965-Water Resources Planning Act**
- **1969-National Environmental Policy Act (NEPA)**

EVOLUTION OF NATIONAL PLANNING POLICY

- **1970 - Flood Control Act**
- **1973 - Principles and Standards**
- ***1983 - PRINCIPLES AND GUIDELINES***
- **1986 - Water Resources Development Act**

PRINCIPLES

- 1. Purpose and Objective**
- 2. FEDERAL OBJECTIVE**
- 3. State and local concerns**
- 4. International Concerns**
- 5. ALTERNATIVE PLANS**
- 6. PLAN SELECTION**
- 7. Accounts**

PRINCIPLES



- 8. Discount Rate**
- 9. Period of Analysis**
- 10. Risk and Uncertainty**
- 11. Cost Allocation**
- 12. Planning Guidance**
- 13. Effective Date**

PRINCIPLES: FEDERAL OBJECTIVE

Contribute to **National Economic Development** consistent with protecting the Nation's environment pursuant to national environmental statutes, applicable executive orders and other Federal planning requirements.

PRINCIPLES: ALTERNATIVE PLANS

- **Consider all reasonable alternatives**
- **Four Criteria:**
 - **Completeness**
 - **Effectiveness**
 - **Efficiency**
 - **Acceptability**
- **Mitigate for adverse impacts**

PRINCIPLES: PLAN SELECTION

	ANNUAL COSTS	ANNUAL BENEFITS	NET BENEFITS	BCR
PLAN A	1000	1500	500	1.5
PLAN B	3500	5000	1500	1.4
PLAN C	5000	6000	1000	1.4

PRINCIPLES: PLAN SELECTION

- **NED PLAN**
 - **Reasonably maximizes net benefits**
 - **Required to recommend**
 - **Is not the plan with highest BCR**
 - **Is not the plan with most benefits**

PRINCIPLES: PLAN SELECTION

- **EXCEPTIONS TO NED:**
 - **Locally Preferred Plan**
 - **National Ecosystem Restoration Plan (NER)**

GUIDELINES - STANDARDS



- 1. Introduction**
- 2. The Federal Objective**
- 3. Summary of Planning Process**
- 4. General Planning Considerations**
- 5. Inventory and Forecast of Without Plan Conditions**
- 6. Alternative Plans**

GUIDELINES - STANDARDS



- 7. Accounts**
- 8. Displays**
- 9. Cost Allocation**
- 10. Plan Selection**
- 11. Risk and Uncertainty**

GUIDELINES - STANDARDS

The Federal Objective

- **NED Plan**

- **NED Benefits = Increases in value of national output of goods and services expressed in monetary units.**

GUIDELINES - STANDARDS

Summary of Planning Process

Six steps for Planning:

- 1. Specify problems and opportunities**
- 2. Inventory, forecast and analysis**
- 3. Formulate alternative plans**
- 4. Evaluate effects of alternative plans**
- 5. Compare alternative plans**
- 6. Select recommended plan**

GUIDELINES - STANDARDS

General Planning Considerations

- **Federal, State, Local, International**
- **General Public**
- **Review and Consultation (NEPA)**
- **Interdisciplinary Planning**
- **Forecasting - Future without plan**

GUIDELINES - STANDARDS

General Planning Considerations

- **Price levels**
- **Discount Rate**
- **Period of Analysis**
- **Risk and Uncertainty**

GUIDELINES - STANDARDS

Inventory and Forecast of W/O Plan Conditions

- **Define existing conditions**
- **Forecast future without project problems and opportunities.**

GUIDELINES - STANDARDS

Alternative Plans

- **Structural and non-structural measures**
- **OK to consider plans of others**
- **Mitigation for adverse effects**
- **Staged construction**
- **Four criteria**

GUIDELINES - STANDARDS

Accounts



Four Accounts:

NED - National Economic Development

EQ - Environmental Quality

RED - Regional Economic Development

SWB - Social Well Being

GUIDELINES - STANDARDS

Cost Allocation

- **Multi-purpose projects**
- **Allocate costs among purposes**
- **Use separable costs/remaining benefits method**

GUIDELINES - STANDARDS

Plan Selection

- **NED PLAN**
 - Reasonably maximizes net benefits
 - Required to recommend
 - Is not plan with highest BCR
 - Is not plan with most benefits
- **Exceptions:**
 - **Locally Preferred Plan**
 - *Ecosystem Restoration*

GUIDELINES - STANDARDS

Risk and Uncertainty

- **Uncertainty and variability**
- **Sources**
- **Characterize degrees of R&U**
- **Quantify as possible**
- **Do sensitivity analysis**

SUMMARY

- **P&G - basic framework for Corps water resources planning process.**
- **NED Plan - plan that reasonably maximizes net NED benefits.**
- **Planning process = six steps.**