

Appraisal Summit- Public Sector Asset and Portfolio Management

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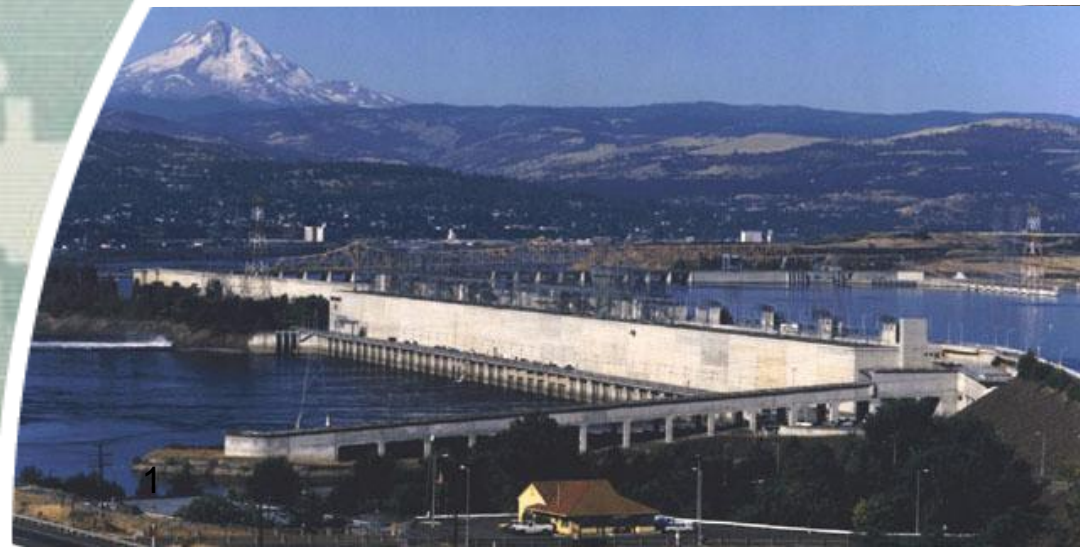
HQ USACE, Operations Directorate

20 July 2010



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US Army Corps of Engineers
BUILDING STRONG®





Civil Works Value to the Nation

US Army Corps of Engineers

Recreation areas
376 M Visitors/yr
Generate \$15 B in economic activity,
500,000 jobs



3% of Nation's
Electricity: \$500 M
+ in power sales



11,000 miles of
Commercial Inland
Waterways:
½ the cost of rail
1/10 the cost of
trucks

299 Deep Draft
Harbors



400 miles of
Shore protection
Destination for
75% of U.S.
Vacations



627 Shallow Draft
Harbors

8,500 Miles of
Levees



12 Emergency
Responses



Stewardship of
11.7 Million Acres
Public Lands

Environmental
Restoration



100,000 permits
Most in 14 days

- US Ports & Waterways convey > 2B Tons Commerce
- Foreign Trade alone creates > \$160 B Tax Revenues

One Corps, Serving the Army and the Nation

USACE Civil Works Assets

Buildings, Structures & Land

Plant Replacement Value (PRV)

1,007 Bldgs (9.8M SF)	\$2.72M
3,108 Structure categories	\$234B (examples: Locks, Dams, Powerplants)
Total annual operating costs:	\$757M

136K Govt-owned land tracts = 7.6M acres*

* USACE also has:

- 139K additional land tracts (4.0M acres) other real property interests (easements, licenses, permits)
- 52K acres of land in-leased for Govt use

Above assets located at 1,326 civil works sites



\$234B PRV Breakout

Predominant Uses of USACE Structures

▪ Flood Control & Navigation	\$167.1B
▪ Power Development	28.8B
▪ Harbors and Ports	17.4B
▪ Recreation	12.2B
▪ Utility Systems	2.7B
▪ Railroads	1.4B
▪ Roads & Bridges	731M
▪ Parking	8M
▪ All Other Categories	3.7B



Asset Management Approach

- USACE Asset Management (AM) has evolved and is maturing:
 - ▶ EO 13327, Federal Real Property Asset Management, Feb 2004
 - ▶ HQ AM organization established, 2008
 - ▶ Campaign Plan Goal 3(c), 2009
 - “risk-informed asset management strategy”
- AM driven by EO mandate yet Corps’ requirements go far beyond
 - ▶ Aging Infrastructure: 55% locks over service life; 77% by next decade
- Approach: condition assessment, probability of failure, consequences, risk
 - ▶ Risk-informed decision-making support



Operational Condition Assessment Baseline Risk Process for inland Navigation Structures

(still under development)

Establishes all risk metrics in relationship to two
primary criteria:

- Mission -- the combination of adverse conditions and consequences that would occur from a **component failure**, *resulting in an inability to lock traffic and/or maintain the navigation pool* and
- Safety -- the combination of adverse conditions and consequences that would occur from a **component failure**, *resulting in exposure of the project personnel and end users to life safety impacts*

Probability of Operational Failure X Consequence of Failure
(Unsatisfactory Performance)



What is USACE AM Vision

- A ***persistent catalyst*** for holistically integrating and enhancing the sustainment, restoration, modernization, and disposition of USACE water resources to continually serve the Nation.”



Questions?



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