Comments of the
Upper Mississippi River Basin Association
on the
Proposed National Objectives, Principles and Standards for
Water and Related Resources Implementation Studies

March 30, 2010

The Upper Mississippi River Basin Association (UMRBA) is pleased to offer its five member states' perspectives regarding the Proposed National Objectives, Principles and Standards for Water and Related Resources Implementation Studies, dated December 3, 2009. Formed by the Governors of Illinois, Iowa, Minnesota, Missouri, and Wisconsin in 1981, UMRBA represents its member states' common water resource interests and works collaboratively with both state and federal agencies. The federal government, particularly through the U.S. Army Corps of Engineers, has a long history of developing and managing water resources throughout the Upper Mississippi River Basin. As such, our states have a keen interest in the proposed Principles and Standards.

Promising Direction

At their core, the proposed Principles and Standards (P&S) offer an important refinement to the 1983 Principles and Guidelines (P&G). Explicitly directing federal agencies to consider factors beyond the National Economic Development (NED) account in formulating their recommendations should promote a more robust, comprehensive, and nuanced approach to addressing the nation's water resources needs. Elevating environmental and social benefits in the National Objective and requiring planners to address factors such as watershed considerations, nonstructural alternatives, and ecosystem services are examples of the proposal's potentially important contributions to improved planning.

Guidelines Needed

The proposed P&S include several significant points of departure from the 1983 P&G. However, it is difficult to assess the true implications of these changes in the absence of the interagency implementation Guidelines that will give dimension to the broad Principles and Standards being offered here. Without those Guidelines, it is unclear how planners on the ground will be instructed to pursue and balance various aspects of the P&S in the real world. Thus, UMRBA's comments at this juncture largely consist of a series of general observations and broad concerns, and we would encourage the federal government to provide an opportunity for interested parties to address the proposed planning framework in its entirety, from the National Objective to the interagency implementation Guidelines, at some point in the future.

National Objective

Our states absolutely concur that economic, environmental, and social costs and benefits all need to be considered in water resources planning. However, given the acknowledged differences in the ways that these will be measured, it is unclear how planners are to realize the new National Objective of maximizing net benefits across the three areas — i.e., economic, environmental, and social. Quite simply, how will net benefits be assessed, given the different units of measure that will be used? This is a prime example of the difficulty offering meaningful comments in the absence of interagency implementation Guidelines.

Also, in addition to net benefits, the National Objective should include room to consider return on investment, as focusing solely on net benefits does not fully inform investment decisions.

Finally, there are several unfortunate ambiguities in the section articulating the National Objective. First, is this a National Objective for water resources *planning* or for water resources *projects*? Second, is there one National Objective, or are there more (the draft uses both plural and singular)? Third, three of the 13 Principles are highlighted in the National Objective section. Does this confer some special status upon these three Principles relative to the other 10? If so, what is it? Given the paramount importance of the National Objective, it must be articulated as precisely and unambiguously as possible. The draft falls short in this regard.

National Economic Development

Many would agree that the 1983 P&G's reliance on the National Economic Development (NED) plan unduly limited the scope and focus of water resources planning in this country. And the proposed new National Objective makes it clear that the federal agencies should be evaluating environmental and social, as well as economic, benefits in their planning. However, in seeking to direct consideration of these other important factors, the proposed P&S seem to have relegated NED to an unwarranted secondary status. Nowhere is this more clear than in Section J(2) of the Planning Process overview, which identifies the No Action alternative, the primarily nonstructural alternative, and the environmentally preferable alternative as constituting the minimum final array of alternatives for analysis, with no mention of the NED alternative. From UMRBA's perspective, responsible water resources planning requires that the NED plan be among the final array of alternatives for comparison and screening. In addition, federal agencies should address state and local impacts through Regional Economic Development analysis in their alternatives evaluation.

Best Available Science

UMRBA's member states strongly support the use of sound science, and want to emphasize that the federal agencies in this region are already leaders in supplying high quality data and models to inform water resources planning at all levels of government. That being said, we have significant concerns with Chapter 2's articulation of the standards for best available science (i.e., Planning Standard E). How will planners be instructed to balance the laudable goal of using the best available science with the practical constraints that will inevitably exist — i.e., how is the planner to determine what is the most **appropriate available** science? In particular, the presumption against data over five years old appears arbitrary, and at best will require planners to devote considerable time to justifying the entirely appropriate use of older data in many instances.

In the field of water resources planning, it is always possible to improve the science, data, and analysis being used. But the question is, at what cost to the federal government, the non-federal sponsor, and the public for which project benefits may be delayed? The Corps' 11-year, approximately $70 million Navigation Feasibility Study for the Upper Mississippi River System is a prime example of this dilemma. While not without controversy during its execution, the ultimate study product was groundbreaking in the depth of its systemic analysis and its presentation of economic justification over a range of possible future conditions. However, following completion of the study and Congressional authorization of navigation improvements and ecosystem restoration measures, the Administration is still directing the Corps to complete additional analyses using models that do not exist and projections of probable future conditions that cannot reasonably be made. UMRBA is profoundly concerned that, without concrete guidelines to address issues like acceptable uncertainty, the role of adaptive management, and the valid uses of data older than five years, the "best available science" principle could be a recipe for planning paralysis and skyrocketing study costs. The default 5-year or newer data requirement is a particular concern in this regard, especially in light of declining federal investment in basic water science.

Floodplains and Flood Damage Reduction

UMRBA concurs that there is an important role for nonstructural alternatives in achieving flood damage reduction goals. The proposed P&S appropriately emphasize the importance of preserving floodplain function, relocating repetitive loss structures and key infrastructure, informing the public about risk, and encouraging communities to develop and use floodplain management and hazard mitigation plans. However, what seems to be missing is an explicit acknowledgement that sometimes structural measures will be needed to adequately address communities' risk reduction needs. A balanced approach that coordinates with state and local government and fully considers economic, environmental, and social benefits and costs is needed to address public safety, community cohesion, and environmental impacts in a cost-effective way.

Also, as written, Principle C appears to categorize all floodplains and flood-prone areas as "ecologically valuable." While many floodplains and flood-prone areas are indeed ecologically valuable (e.g., floodplain forests and wetlands), others may once have been ecologically valuable but are no longer so (e.g., chronically flooded urban areas). This Principle, which is articulated in both the National Objective statement and in Chapter 1, should be clarified.

Coordination with States

Principle M acknowledges the need to take a broad perspective and coordinate federal water resources planning with related planning efforts by the states and other entities. UMRBA certainly endorses this approach. However, this key concept needs to be integrated more consistently throughout the document, rather than being relegated to the final Principle. For example, there is no reference to coordinating with state and local governments in the discussion of flood damage reduction and economic development, areas where such coordination is of paramount importance. Moreover, the Planning Process discussion does not explicitly address such coordination, beyond a reference to information sharing during the scoping phase that equates state, local, and tribal governments with interested stakeholders.

There is a particular need to coordinate objectives between federal water resources development planning and areas such as water quality protection planning for which the states have primary responsibility. Too often in the past, there has been little or no integration between the federal agencies' and the states' water planning efforts. One specific area for integration is data collection and scientific analysis, where it is critical that state and federal efforts build upon, but not duplicate or preempt, one another.

Monetization

Monetization of environmental and social benefits holds a certain intuitive appeal in terms of its potential to simplify the assessment of net benefits, both within and across projects. However, there is a myriad of potential approaches to this, many of which are fraught with controversy. The proposed P&S seem to implicitly recognize this in choosing to place public safety risks from natural disasters in the non-monetary effects category, thereby avoiding the controversy of applying actuarial approaches to human life and welfare. At the same time, however, there is perhaps undue optimism regarding the potential to monetize environmental benefits in a meaningful way. It is an enormously challenging undertaking to monetize such benefits across the range of environmental factors within a single project, much less to create sound, scalable metrics that are comparable across ecosystems. Indeed, even the call for consistent metrics across non-monetary parameters will present significant challenges for some planning efforts. This is an area of the proposed P&S where considerably more detail and discussion is needed.

Cost Implications for the Federal Government

Broadening the scope of water resources planning studies, in terms of spatial extent, range of issues addressed, and number of alternatives evaluated, has the potential to significantly increase the time and money required to complete studies, as does the emphasis on best available science. Federal water resources planning already has the reputation of being expensive and slow. While Principle F offers something of a potential safeguard, it will be critical for the interagency implementation Guidelines to address in more detail how planners are to strike an appropriate balance.

Cost Implications for Non-Federal Sponsors

In aggregate, the changes proposed in the proposed P&S have the potential to profoundly alter the non-federal sponsor's role and costs. If there are no concomitant adjustments to cost sharing requirements, it is entirely possible that the new P&S could represent a significant barrier to non-federal sponsors' participation in studies. For example, federal agencies will be required to consider all reasonable structural and nonstructural alternatives, including those contained in water resources plans developed by other entities. They will also be required to fully evaluate all non-structural alternatives and alternatives that promote environmental justice, or supply a justification for not proceeding with full evaluation. Will study sponsors be required to pay to evaluate this expanded suite of options, even those for which they would not entertain cost sharing construction? The emphasis on broadening the geographic scope of analysis, the range of issues considered, and the number of study collaborators may well serve the federal government's interests, but it also has to potential to increase non-federal sponsors' costs under current study cost sharing requirements. How these new P&S approaches would be reconciled with study cost share requirements begs elucidation in the interagency implementation Guidelines.

Next Steps

As is evident in our comments, UMRBA's member states believe the proposed P&S leave many vital questions unanswered. These questions must be addressed before the implications of the document can be fully understood and fairly considered. We would urge the Council on Environmental Quality to reflect on the comments it has received, as well as the forthcoming input from the National Academy of Sciences, and then reissue a complete package that includes interagency implementation Guidelines. Only then can the states and others replace speculation and conjecture with a more informed assessment of this proposed new direction in water resources planning.

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