US Army Corps
of Engineers®

Vision Statement

Be the premier stewards of entrusted hydropower resources

US Army Corps
of Engineers®

Mission Statement

Provide reliable hydroelectric power services at the lowest possible cost, consistent with sound business principles, in partnership with other Federal hydropower generators, the Power Marketing Administrations, and Preference Customers, to benefit the Nation.

US Army Corps
of Engineers®

Mission Statement

Provide reliable hydroelectric power services at the lowest possible cost, consistent with sound business principles, in partnership with other Federal hydropower generators, the Power Marketing Administrations, and Preference Customers, to benefit the Nation.

US Army Corps
of Engineers®

Mission Statement

Provide reliable hydroelectric power services at the lowest possible cost, consistent with sound business principles, in partnership with other Federal hydropower generators, the Power Marketing Administrations, and Preference Customers, to benefit the Nation.

US Army Corps
of Engineers®

Mission Statement

Provide reliable hydroelectric power services at the lowest possible cost, consistent with sound business principles, in partnership with other Federal hydropower generators, the Power Marketing Administrations, and Preference Customers, to benefit the Nation.

US Army Corps
of Engineers®

Mission Statement

Provide reliable hydroelectric power services at the lowest possible cost, consistent with sound business principles, in partnership with other Federal hydropower generators, the Power Marketing Administrations, and Preference Customers, to benefit the Nation.

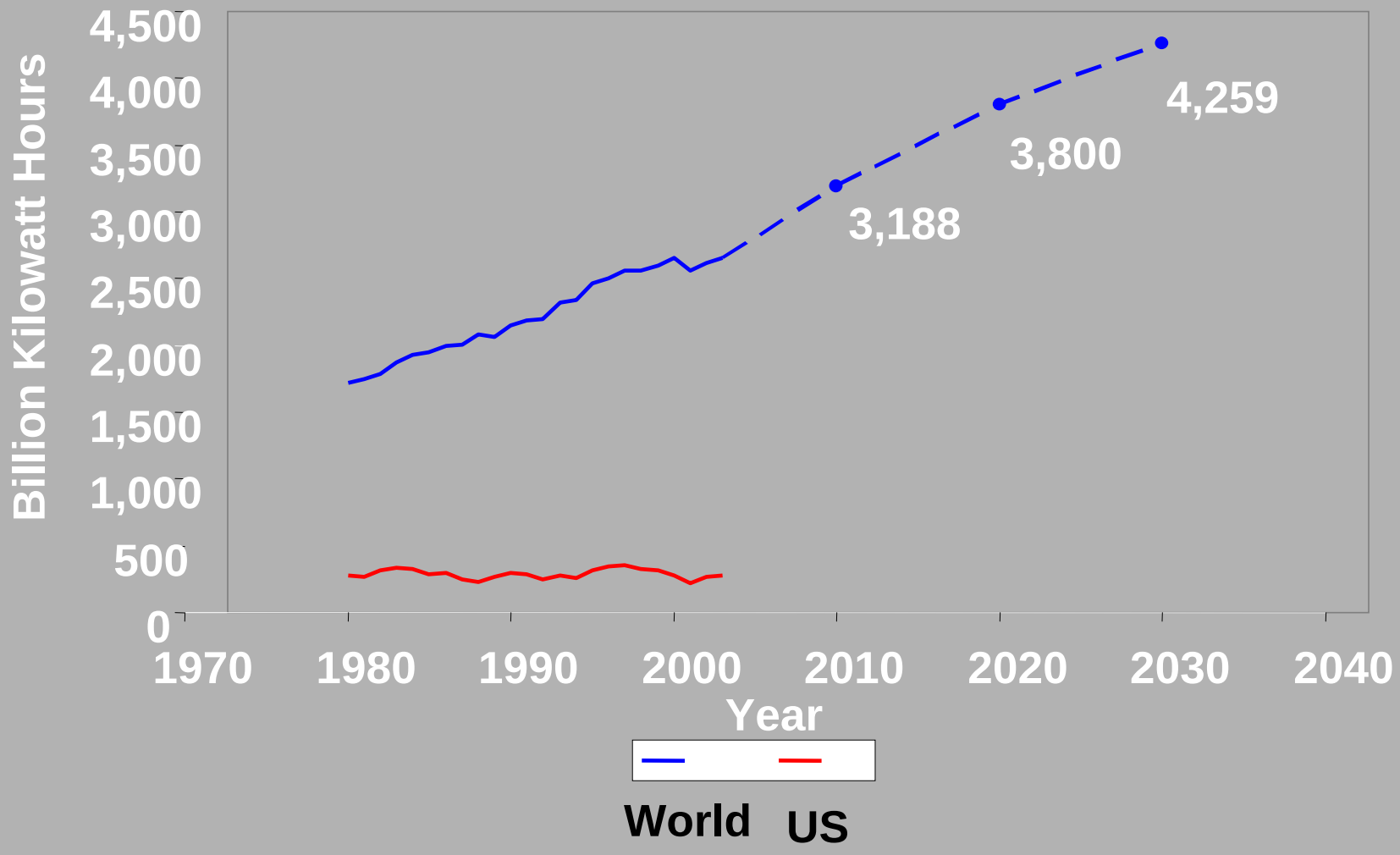
US Army Corps
of Engineers®

Mission Statement

Provide reliable hydroelectric power services at the lowest possible cost, consistent with sound business principles, in partnership with other Federal hydropower generators, the Power Marketing Administrations, and Preference Customers, to benefit the Nation.

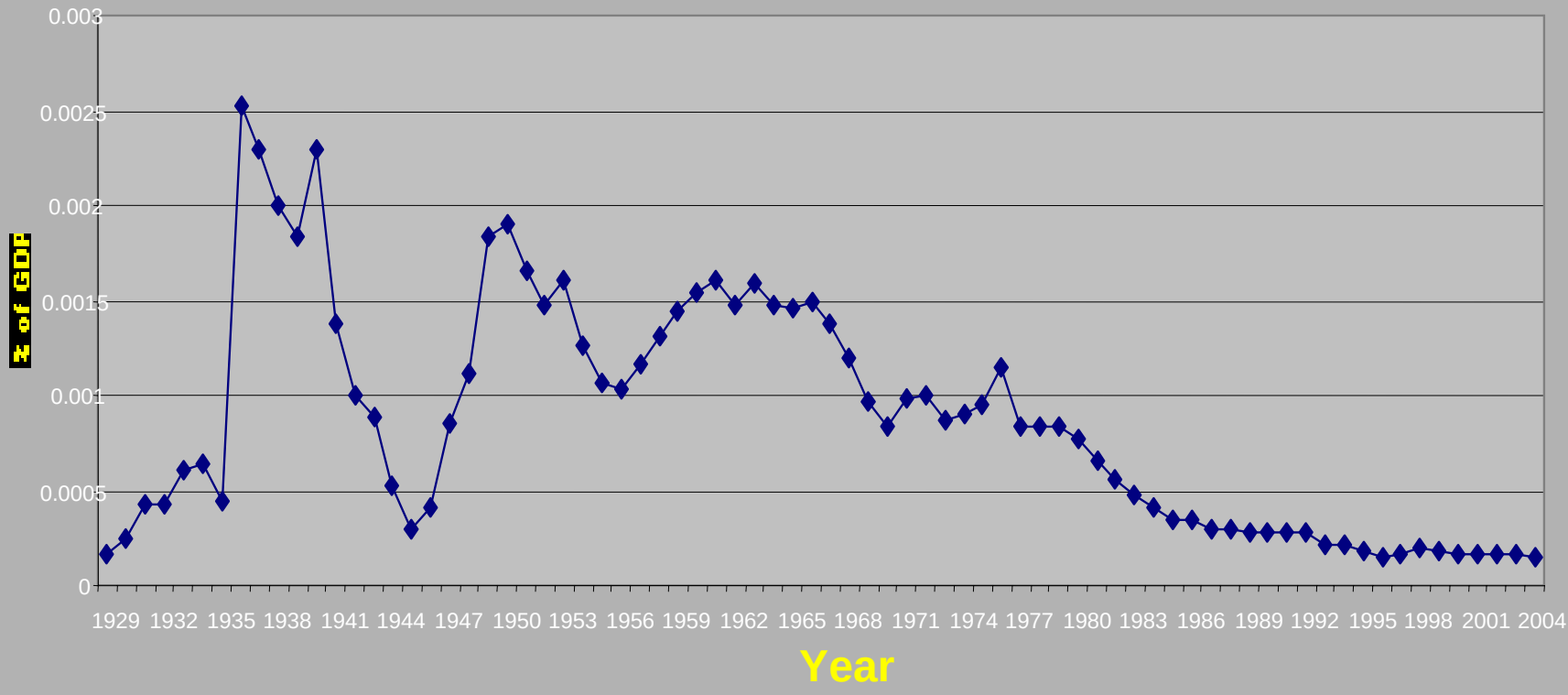
US Army Corps of Engineers®

World Hydropower Production Projected to 2030



US Army Corps
of Engineers®

US Civil Works Capital Investment as a Percentage of GDP



US Army Corps of Engineers®

Key Budget Development Drivers

- President's Management Agenda
  - PART
  - AEI
- ASA(CW) Guidance
- Civil Works Strategic Plan
  - Asset Mgt/Reliability
- Program Performance Measures

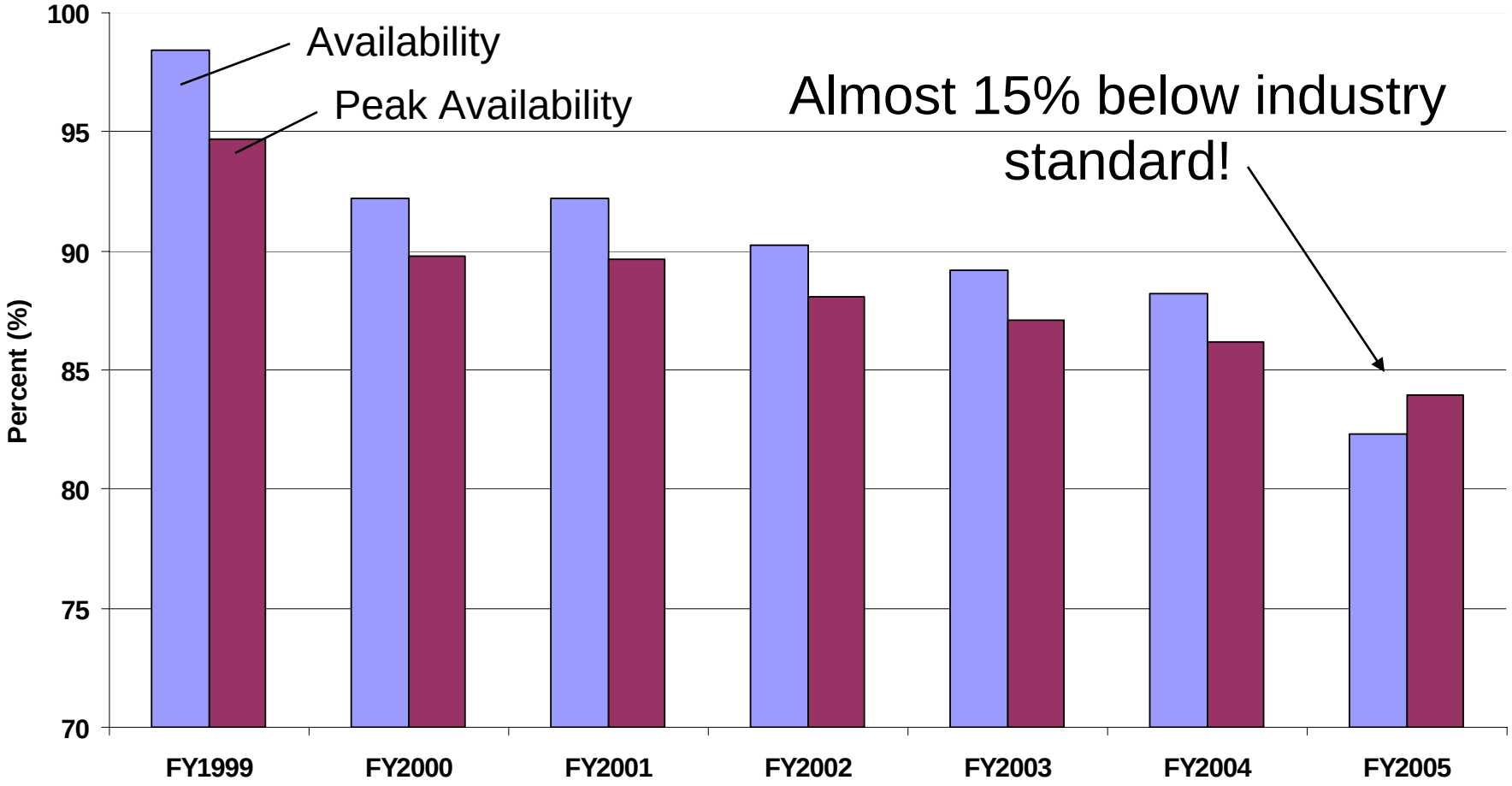
US Army Corps of Engineers®

Alignment of Program Objectives, Performance Measures & Budget Ranking Criteria

Civil Works Strategic Plan		
Program Objectives	**Performance Measures**	**Ranking Criteria**
1. Invest in hydropower rehabilitation projects when the benefits exceed the costs.	- Remaining BCR (project specific measure).	- Remaining Benefit to Remaining Cost Ratio. - Annual Net Benefits.
2. Future: Invest in environmentally sustainable hydropower infrastructure improvements where economically justified.	- (To Be Developed)	- Megawatt-Years of Benefit for Generation Improvement.
3. Provide reliable power. 4. Provide peaking power. 5. Maintain capability to provide power efficiently.	- Forced Outage Rate (FOR). - Physical condition/failure risk index.	- MW-Yrs of Benefit Life Extension Remove De-Rates Repair Outages - Improve Asset Condition

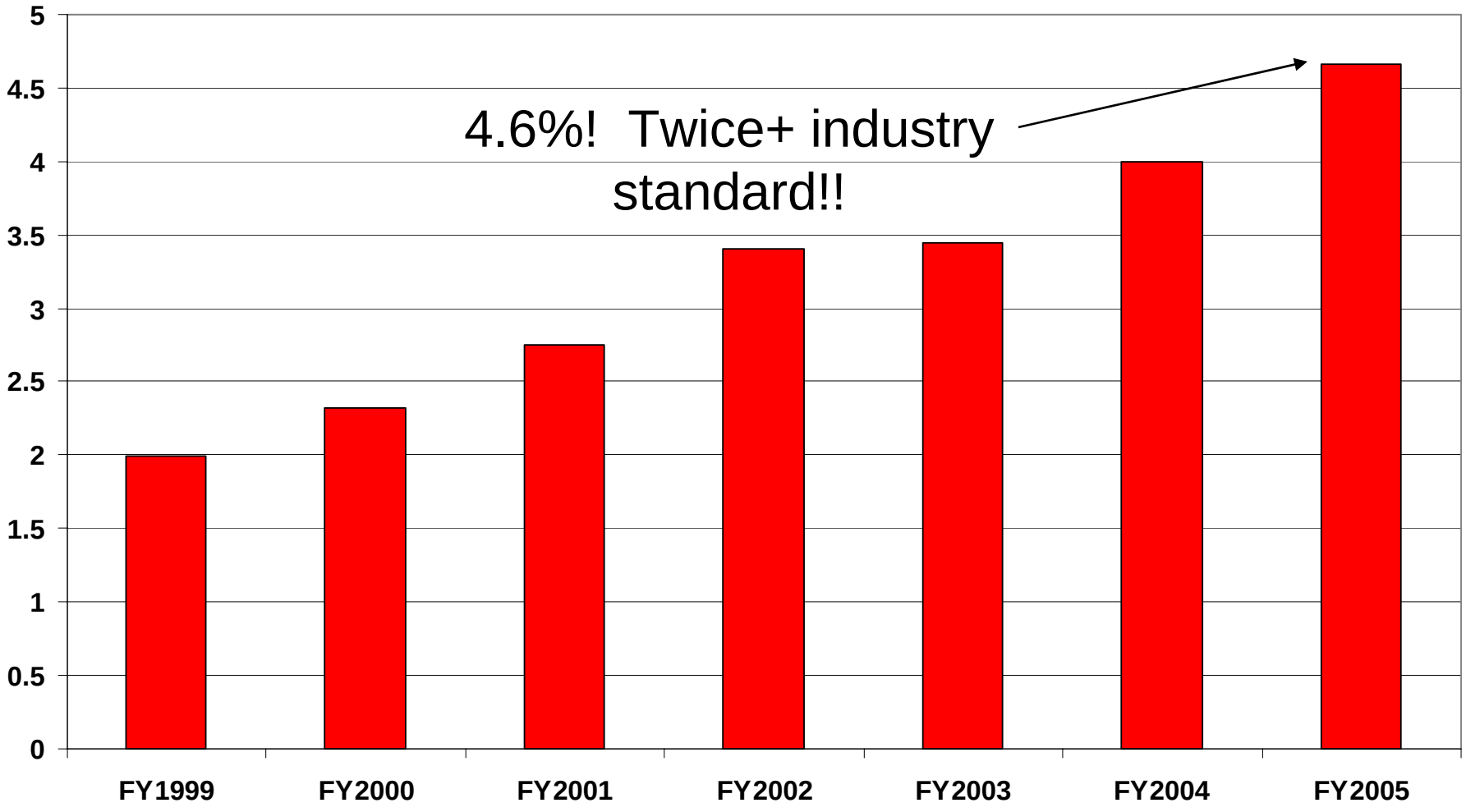
US Army Corps of Engineers®

Hydropower Business Program Availability & Peak Availability



US Army Corps of Engineers®

Hydropower Business Program Forced Outage Rate (%)



US Army Corps of Engineers®

Corps' Civil Works Budget Priorities

Supports the President's overall budget priorities to:

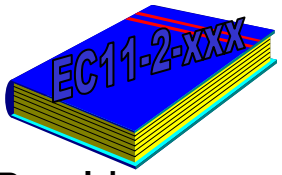
- **Continue long-term economic growth**
- **Rebuild and recover the Gulf Coast**
- **Win the Global War on Terrorism**
- **Secure the Homeland**

Budget Cycle

US Army Corps of Engineers®

OMB – ASA(CW) Provides Budget Guidance (Jan)

HQ Provides Budget Guidance (Mar)



Field Offices Develop Program Requirements (Apr - May)

HQ Review & Approval (May -Jun)

Budget Presented to Sec. Army (Jul - Aug)

Budget Submitted to OMB (Sep)

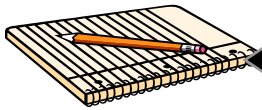
OMB Passback (Nov)

President's Budget to Congress (Feb)

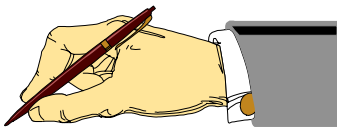
Cong. Hearings (Mar - Apr)

Budget Resolutions

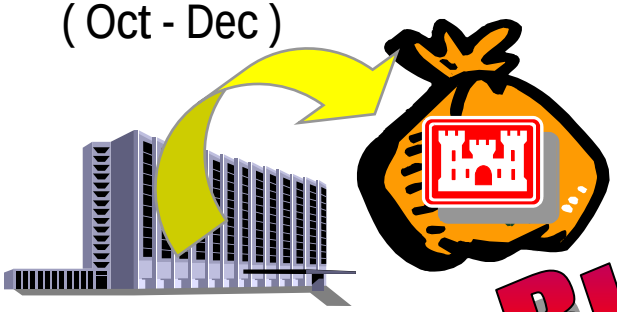
Appropriations Bills (Jul - Sep)



President Signs Approp. Bill (Sep - Oct)



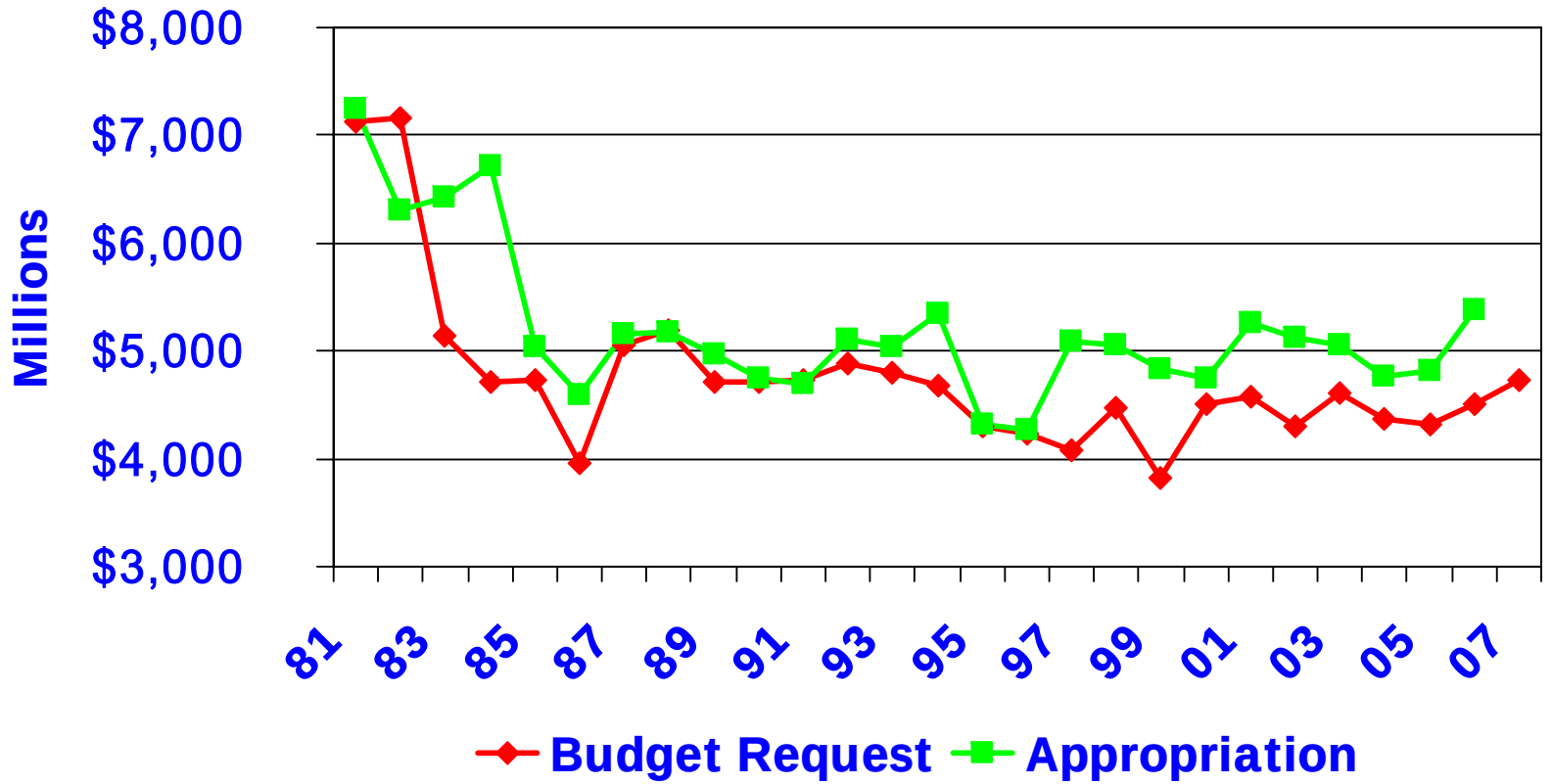
Funding Alloc. To Field Offices (Oct - Dec)



US Army Corps
of Engineers®

Civil Works Appropriations

($2006)



US Army Corps
of Engineers®

The Way Ahead

- Direct Funding
  - Lining up the political ducks
- Asset Management
  - Maintenance Management Systems
  - Condition based actions not time based cycles
- Performance, Performance, Performance!