

DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS

COMPLETE STATEMENT
OF

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BEFORE THE

COMMITTEE ON ENERGY AND NATURAL RESOURCES
SUBCOMMITTEE ON WATER AND POWER

UNITED STATES SENATE

On

“Issues Associated with Aging Water Resources
Infrastructure in the United States”

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Mr. Chairman and distinguished members of the Subcommittee, I am Jim Hannon, Chief of Operations and Regulatory for the U.S. Army Corps of Engineers (Corps). I am honored to appear before you today to discuss the issues associated with aging water resources infrastructure in the United States.

The Corps manages an extensive national water resources infrastructure portfolio. In this role, the Corps helps to maintain coastal ports and their channels; operate and maintain the inland waterways; support flood risk management activities; operate and maintain multipurpose dams and the reservoirs behind them; and restore aquatic ecosystems.

The Corps today is focused on the maintenance, repair, and replacement of the key features of our water resources infrastructure, and on the repair of the aquatic ecosystems. The overall budget for the program is primarily devoted to maintaining these systems so that they can continue to provide economic and environmental benefits to the Nation, and to address significant risks to safety. The operation and maintenance program, for example, provides significant funding to help maintain our coastal ports, our inland navigation, our hydropower projects, flood risk management projects, and our multipurpose dams. Similarly, the construction program gives priority to dam safety assurance, seepage control, and static instability control work, and also provides funding to rehabilitate the locks and dams on the inland waterways to support commercial navigation.

The infrastructure that the Corps helps to maintain includes 705 dams, 14,700 miles of levees, 13,000 miles of coastal harbors and channels, 12,000 miles of inland waterways, 241 locks at 197 sites, and hydropower plants at 75 sites with 353 generating units. These projects help provide protection and reduce risk to the Nation, facilitate approximately two billion tons of commerce to move on the Nation's waterways, and can provide up to 24 percent of the Nation's hydropower.

The Corps constructed much of this infrastructure in the first half of the twentieth century. Some of it is experiencing various stages of degradation and disrepair. Almost 60 percent of our locks are at least 50 years old. Almost half of our dams are more than 50 years old. However, in an attempt to address the aging infrastructure, we have rehabilitated many of the components of these locks and dams, hydropower facilities and other water resource infrastructure.

All structures age over time. With proper maintenance and periodic rehabilitation, we are attempting to extend the effective lifetime of the facilities owned or operated by, or on behalf of, the Corps of Engineers.

Maintaining the key features of our infrastructure is becoming more costly over time due to the condition of some of the components, as well as cost increases in the broader economy. Operational demands have also grown and changed, particularly over the past 30 years, creating additional stresses on this infrastructure.

Over the last three years, the Corps has been developing an approach that we call “Civil Works Transformation”. Transformation of the Civil Works program is intended to foster a more targeted delivery of the Civil Works program that provides the highest returns to the Nation. The goal of Civil Works transformation is to link national objectives, strategic goals and needs using a systems-based watershed approach to ensure that our water resources infrastructure continues to provide an appropriate level of service to the Nation.

A key pillar of Civil Works Transformation is the Corps infrastructure strategy. This strategy focuses on managing the Corps infrastructure projects more efficiently to improve asset performance levels and support our Nation’s water resource needs. It incorporates an integrated approach to manage existing assets and future investments throughout their lifecycle. The strategy also will include an evaluation to inform recommendations on whether an existing project or series of projects should, or should not, remain a Federal responsibility, prior to making a substantial further investment. The strategy also focuses on adjusting levels of service to make the best use of available funding.

This strategy also focuses on lifecycle portfolio management. As part of this effort, the Corps has developed a national inventory of Corps assets, and is assessing the condition of each major infrastructure component and the risks associated with these conditions. End of lifecycle analyses will support recommendations regarding which projects to repurpose, which projects to transfer to other parties, and which projects to de-authorization and decommission. Lifecycle portfolio management is already being used to inform funding priorities based on the risk and consequences of failures and unscheduled outages.

The Corps is also exploring alternative funding and financing options for water resources infrastructure, including public private partnerships and an infrastructure bank. The intent of this strategy is to facilitate the best use of Federal and non-Federal dollars in investing in the Nation’s water resources infrastructure. In some cases, non-Federal sponsors have expressed interest in contributing funds to enable work to occur more quickly. Before entering into an agreement to accept such funds, the Corps carefully evaluates its overall workload to ensure that execution of the proposed work will not adversely affect directly-funded programs, projects and activities.

The implementation of our infrastructure strategy will allow us to make informed recommendations to reduce risk and to improve the reliability of our infrastructure. Collaboration with our customers, stakeholders, and the public, including the Congress, will enable us to implement this approach.

Mr. Chairman, this concludes my statement. Again, I appreciate the opportunity to testify today. I would be pleased to answer any questions you may have.