



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
441 G STREET, NW
WASHINGTON, DC 20314-1000

CECW-P

25 November 2024

MEMORANDUM FOR PLANNING COMMUNITY OF PRACTICE

SUBJECT: Economic Guidance Memorandum, 25-03, Deep Draft Vessel Operating Costs Fiscal Year 2022 Price Levels

1. Deep-draft vessel operating costs (DDVOCs) have been developed by the Institute for Water Resources and are published for use by analysts of the U.S. Army Corps of Engineers (USACE) for assessment of potential economic benefits associated with waterway improvement projects. The DDVOC estimates are for limited release and distribution to USACE analysts for development and review of USACE waterway project analyses. The DDVOC estimates are not posted or distributed for public access as some or much of the information integral to the estimates is considered sensitive or proprietary by commercial sources and is protected from open or public disclosure under Section 4 of the Freedom of Information Act.
2. Recent years have seen dramatic fluctuations in oil prices that have had remarkable effects on the DDVOCs. To mitigate for these effects, Economic Guidance Memorandum (EGM) 17-04, Supplemental Guidance instituted a year-to-year cap equal to five percent per year. The intent of this cap was to "...allow a trend to develop in the costs, if one exists...". At the time of this publication, no clear long-term trend has been established. Therefore, the five percent per year maximum cap is still in effect for the Fiscal Year 2022 Price Levels. That cap is still considered temporary and will be re-evaluated for future EGMs.
3. Questions related to this memorandum should be addressed to Mr. Jeremy LaDart, CECW-PC, at Jeremy.M.LaDart@usace.army.mil or by telephone at (251) 305-9330.

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