

Explaining The Navigation Economics Black Box

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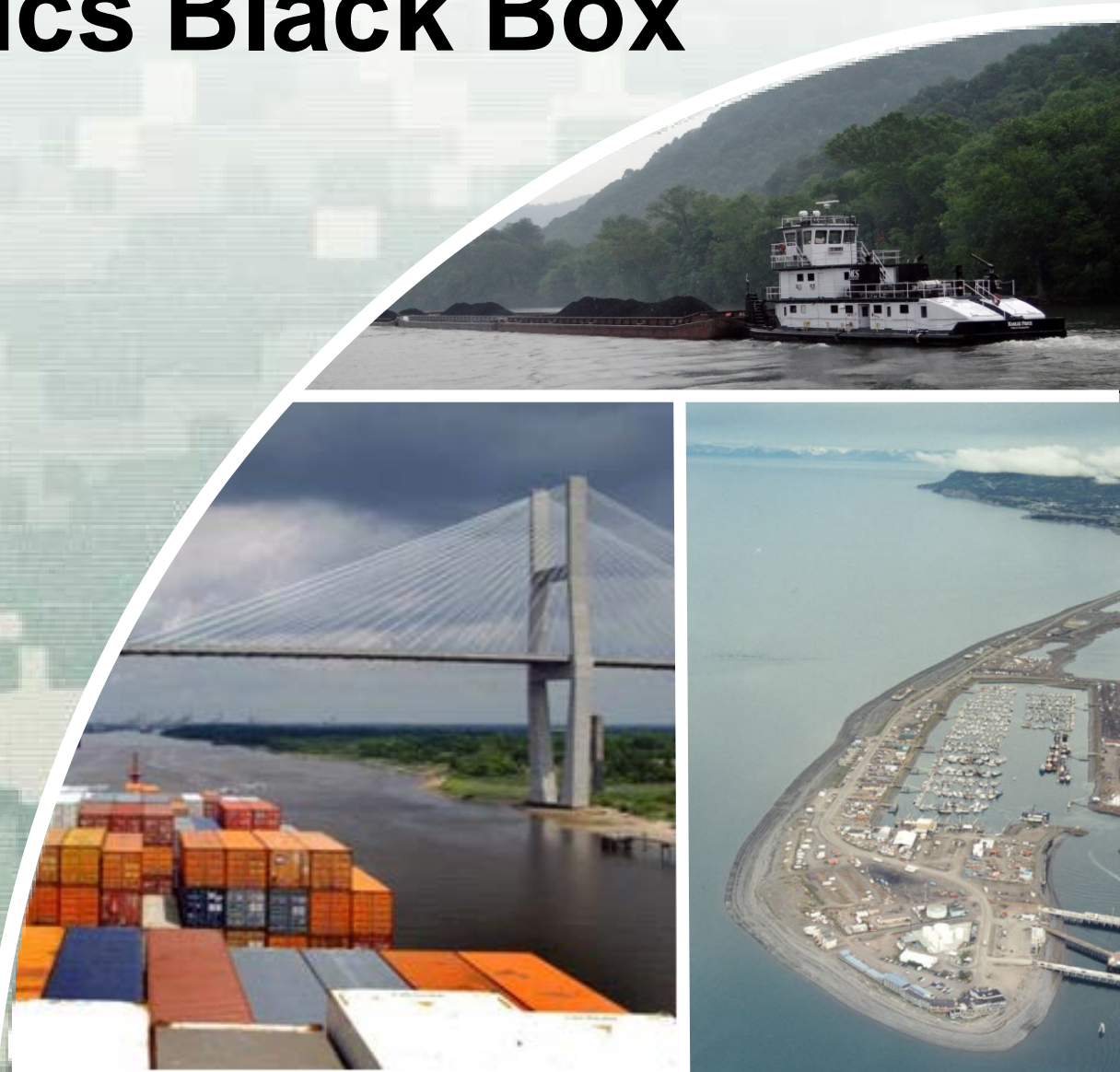
LRHPCXIN-RED

31 August 2015



US Army Corps of Engineers
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Pictures from AEP 2015 (top), Nettles 2015 (bottom left), Norris 2015 (bottom right)



OVERVIEW

- Present a Problem Statement
- Provide Examples to Support the Problem Statement
- Discuss Why Further Investigation of the Problem is Important to USACE
- Present Some Sources of Problem
- Propose Solutions



PROBLEM STATEMENT

USACE does not effectively communicate to decision makers, stakeholders, and the public the value of U.S. navigation system, how it determines this value, and the uncertainty with value.



INCOMPLETE COMMUNICATION

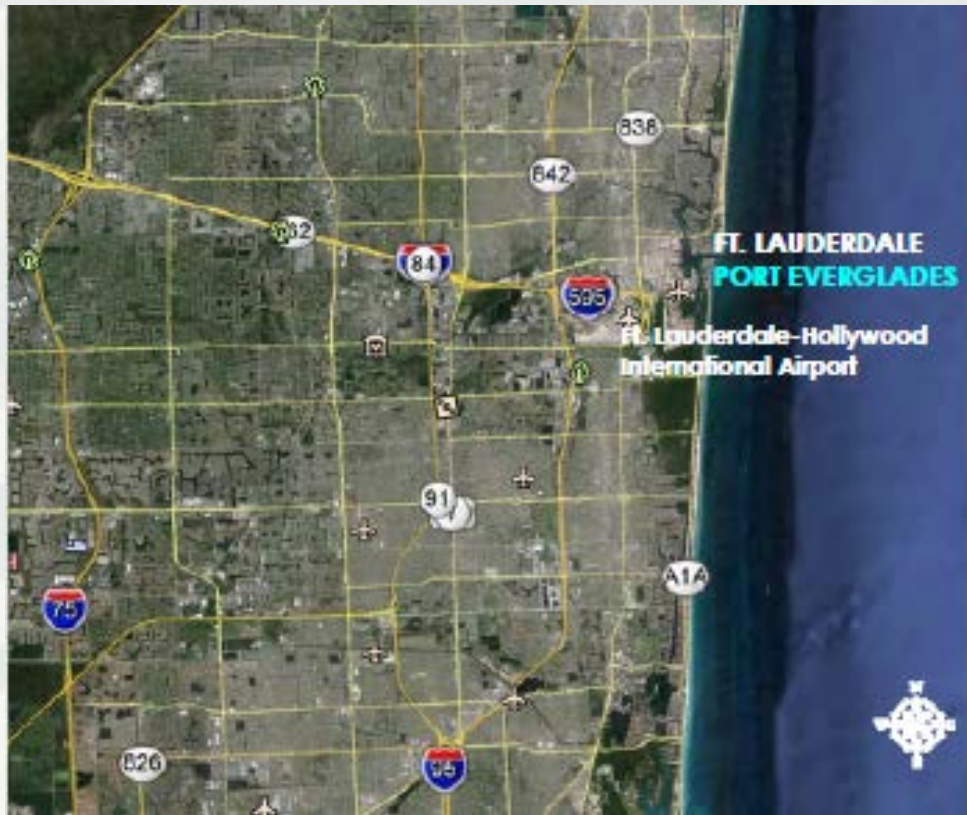


Figure from Port Everglades Civil Work Review Board (27 Feb 2015)

- February 2015 - CAWS Advisory Committee
- February 2015 – Port Everglade CWRB, Major General Peabody and Gary Waxman (OMB)
- August 2015 - IWUB
- August 2015 - U.S. Sen. Lamar Alexander (Tenn)



DOES IT MATTER?

Developing a sound infrastructure investment plan requires decision makers to know the

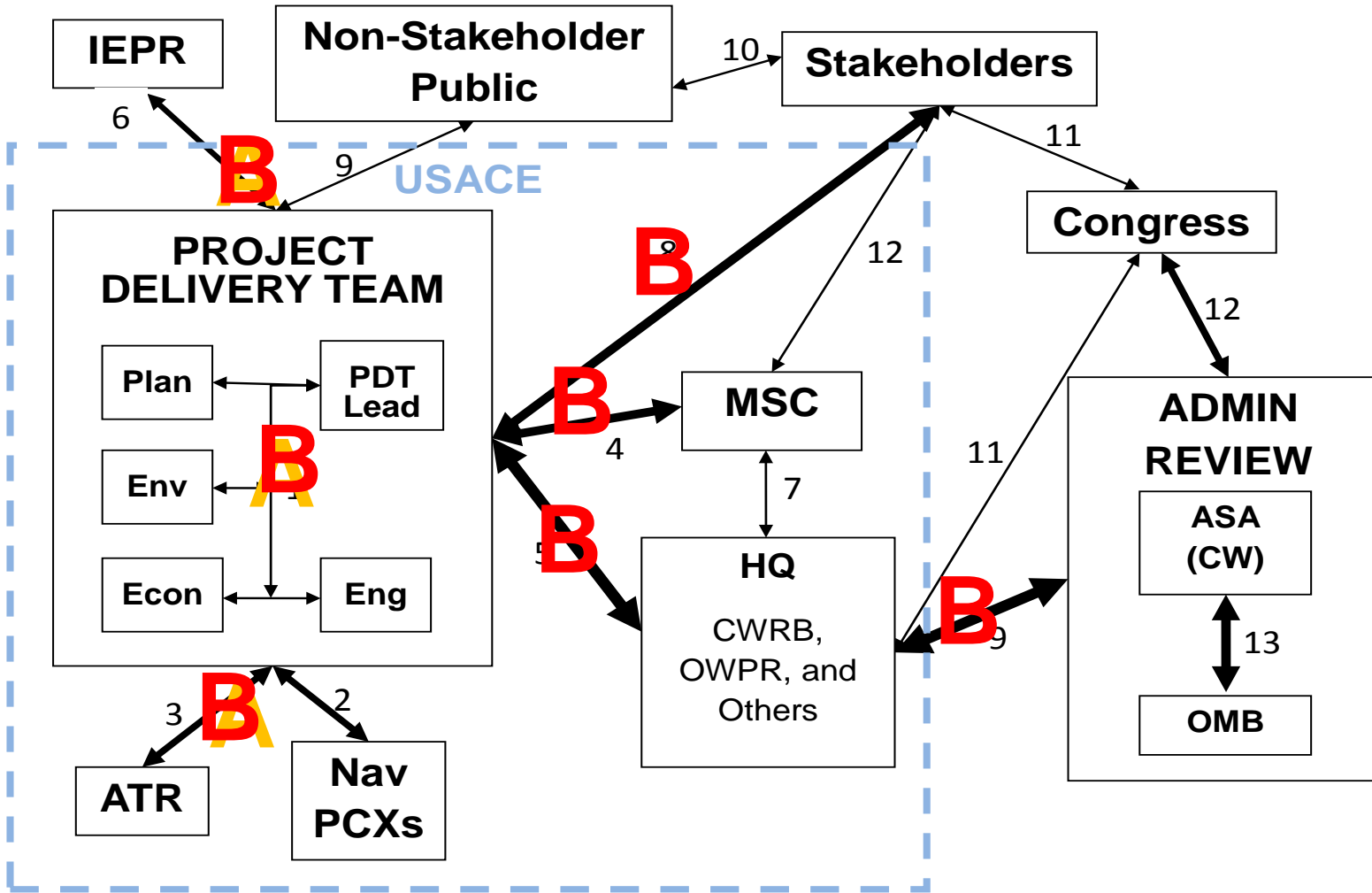


Estimation and communication of the VTN provided by navigation requires efficient and cost effective **Process**

Figure from Value to Nation home page; Definition of 4 P's is from Hughes, 2015



SOURCES OF MISUNDERSTANDING



1. Ineffective Interaction of PDT (A)

2. Jargon (J)

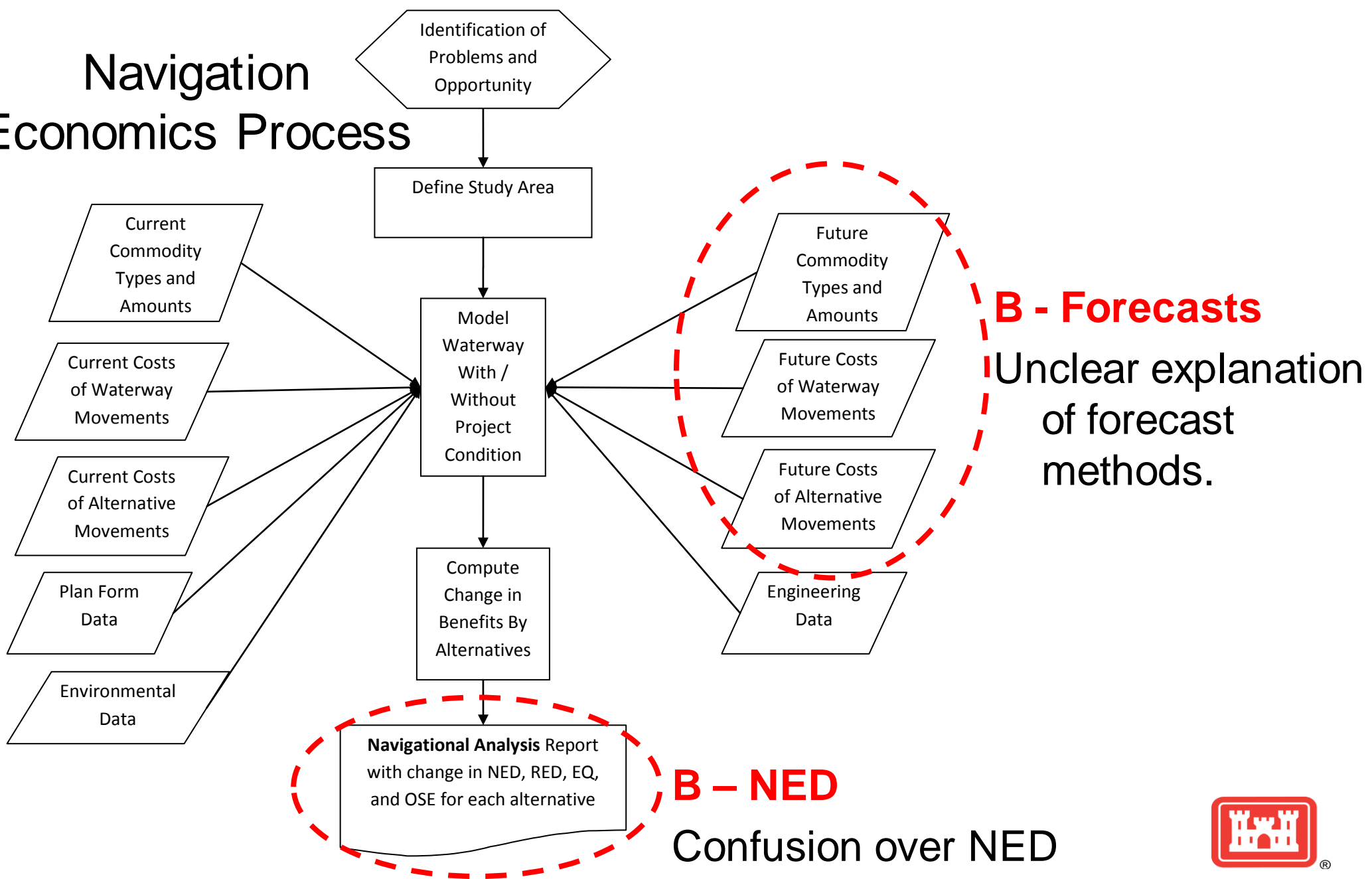
3. Incomplete Explanation of Methods (B)

Jargon (J)



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Navigation Economics Process



PROPOSED SOLUTION

Develop products that improves communication by explaining benefits, uncertainty, and methods for navigation economics to PDT members, decision makers, and stakeholders.



SPECIFIC SOLUTIONS

- Write a white paper of simplified navigation terms (**J**), methods (**A**, **B**), and the role of risk and uncertainty play in navigation economics (**B - Forecasts**).*
 - Develop presentations that explain navigation simply (**J**).
 - Re-work the Inland Navigation NED Manual (**B - NED confusion**).
 - PMP template for inland navigation, deep draft, and small boat harbor** (**A**).
 - Establish a library of information (**A**, **J**, **B**) .
1. Ineffective Interaction of PDT (**A**)
 2. Jargon (**J**)
 3. Incomplete Explanation of Methods (**B**)

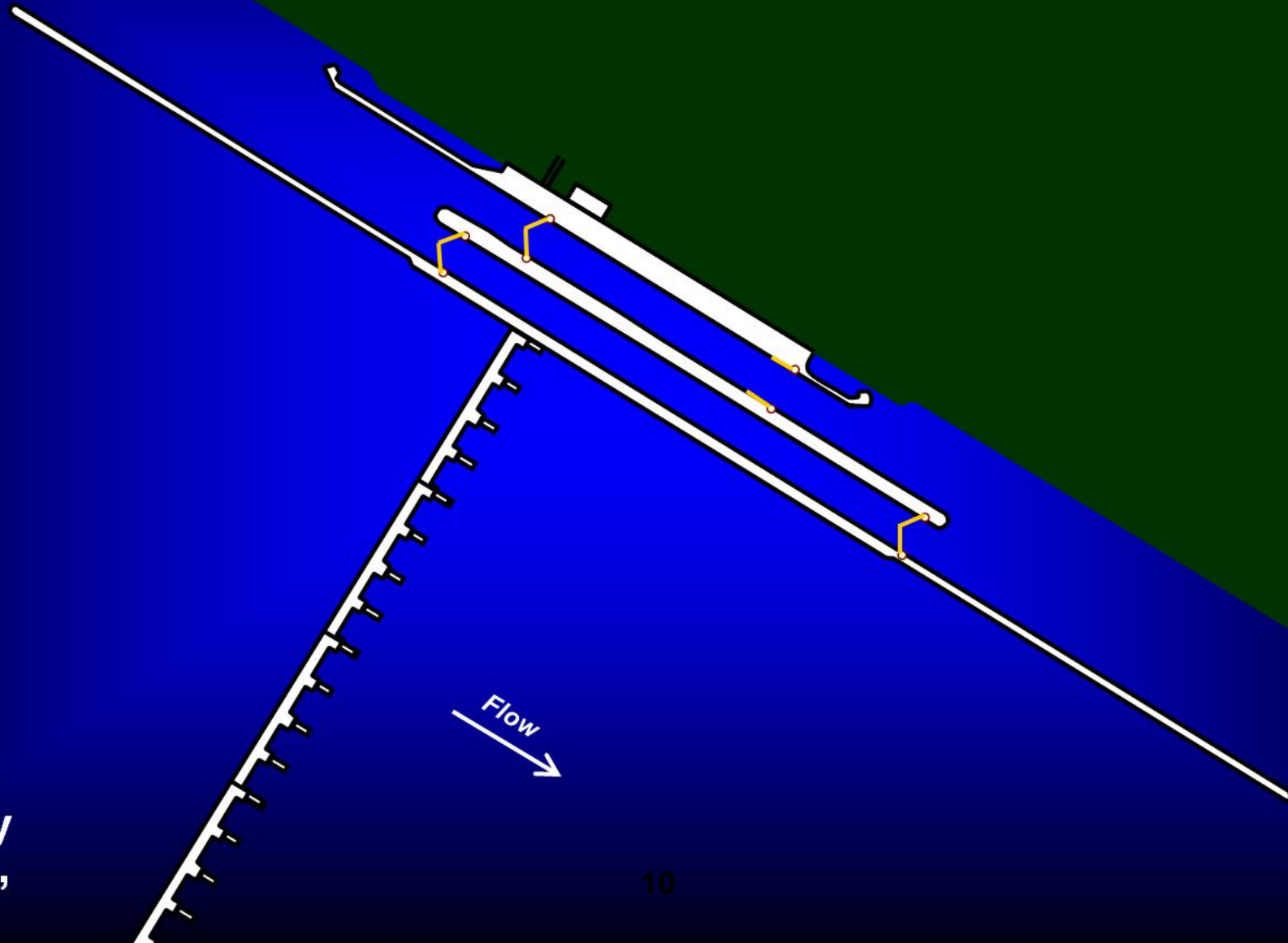


* Inclusion of uncertainty was idea from Brian Harper,

** PAB recommendation (March 2015)

EXAMPLE OF PRODUCT

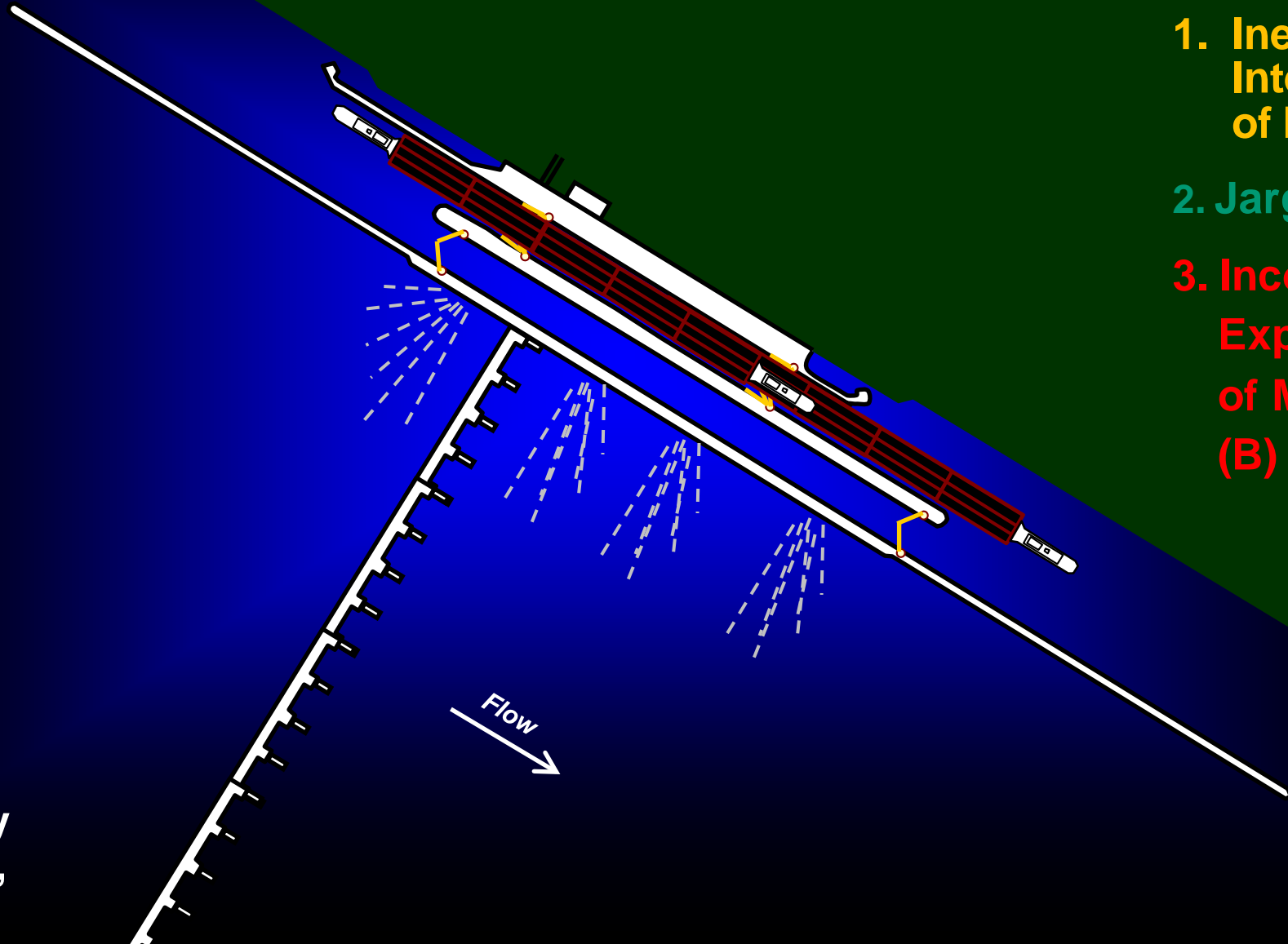
Two cut – 15 barge tow animation



EXAMPLE OF PRODUCT

Two cut – 15 barge tow animation

1. Ineffective Interaction of PDT (A)
2. Jargon (J)
3. Incomplete Explanation of Methods (B)



CONCLUSION AND RECOMMENDATIONS

- USACE can improve the ways it communicates the value it provides, how it determines this value, and the uncertainty regarding its value
- What is the path forward?
 - ▶ Permissions to work with website owners (PCX) to make modifications to sites.
 - ▶ Funding (~\$50,000) and time (1 year) to develop the products.
 - ▶ Assistance (PCXs, IWR, HQ) in ensuring the quality of the products and making sure they are useful.



A photograph of a sunset over a body of water, likely a lake or river. The sky is filled with orange and yellow clouds, reflecting on the water's surface. In the foreground, the dark silhouette of a boat's railing and part of its structure is visible on the right side. The text "Thank You for Your Time." is centered over the image in a black, sans-serif font.

Thank You for Your Time.