

**U.S. Department of the Interior
Frequently Asked Questions**

Water Resources Principles, Requirements and Guidelines (Revisions to the Principles and Guidelines)

What is the purpose of the Principles, Requirements and Guidelines (PR&Gs)? The PR&Gs provide a common framework for evaluating federal water resource investments. This framework includes an ecosystem service and watershed-based approach; using the best available science; taking advantage of opportunities for collaboration with other federal agencies as well as with tribal and other non-federal entities; identifying and quantifying, where possible, areas of risks and uncertainties; and addressing healthy and resilient ecosystems; sustainable economic development; floodplains; public safety; and environmental justice. In particular:

- The PR&Gs are designed to change the focus for federal water resource investments from essentially an economic-based analysis to encompass a much broader perspective. Under the 1983 Principles & Guidelines (P&Gs) the alternative recommended for implementation was the one with the “greatest net economic benefit consistent with protecting the Nation's environment,” i.e., the National Economic Development (NED) Plan. The 1983 P&Gs provided guidance for evaluating and displaying the effects of a plan in four different “accounts,” or categories: (1) the NED account, (2) the Regional Economic Development (RED) account, (3) the Environmental Quality (EQ) account, and (4) the Other Social Effects (OSE) account. Although the 1983 P&Gs allowed for evaluating effects within these four separate categories, only the NED account required evaluation to justify implementation.
- The PR&Gs require that economic development, environmental, and social effects all be considered and evaluated in determining which alternative to recommend for implementation. The P&Rs state that agencies “should strive to maximize public benefits, with appropriate consideration of costs.” Public benefits are defined as encompassing environmental, economic, and social goals, including “monetary and non-monetary effects and allow for the consideration of both quantified and unquantified measures.”

Are the PR&Gs a regulation? The PR&Gs are a statement of policy, are not regulations, and concern only expectations for the internal management of the Department of the Interior. Although the PR&Gs do not impose any legally binding requirements on Federal agencies or the public and they are not regulations, they are intended to provide a clear articulation of the expectations for the internal management of the Executive Branch agencies. Adherence to the Departmental-level Agency Specific Procedures (ASPs) may be waived or modified in writing by the Assistant Secretary-PMB.

How were the PR&Gs developed? The Council on Environmental Quality (CEQ) led an interagency effort to revise the *Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies* (P&Gs) pursuant to the Water Resources Development Act of 2007. This effort led to the development of the PR&Gs, and the Interagency Guidelines (IGs). The PR&Gs and the IGs called for each agency to develop Agency Specific Procedures (ASPs).

What agencies are affected by the revised PR&Gs? The revised PR&Gs apply to: the Departments of the Interior, Agriculture, and Commerce; the Environmental Protection Agency; the Army Corps of Engineers; the Federal Emergency Management Agency; and the Tennessee Valley Authority.

What are the different parts of the PR&Gs? The revised PR&Gs consist of: 1) the Principles and Requirements (P&Rs, published in March 2013); 2) the Interagency Guidelines (IGs, published in December 2014); and 3) DOI Agency Specific Procedures (ASPs, under development). Collectively the set of revised guidelines is known as the *Principles, Requirements, and Guidelines* (PR&Gs). The Principles and Requirements and the IGs require that the ASPs be in place by mid June 2015.

What activities need to be analyzed under the PR&Gs? The PR&Gs apply to federal water resource infrastructure investments including ecosystem restoration or land management activities as well as grant and funding programs; studies or investigations leading to construction of infrastructure, including new facilities or modernization of existing facilities, dam safety or operational modifications; and proposals and plans that affect the management of Federal assets including National Wildlife Refuges, National Parks, National Forests and National Grasslands. Normal operations and maintenance, regulatory programs, research and monitoring activities, and emergency actions involving loss of life are excluded, as are projects or programs costing less than \$10 million annually. However, the cumulative effects of many small or routine actions may potentially require program-level analysis. These program-level requirements are less specific than project-level evaluations; however, the Guidelines state that the program approach must include the same key elements as those performed for project-level analysis. The Guidelines also state that agencies need to describe how they determined the appropriate levels of analyses in the ASPs.

Can a PR&G analysis be tailored to the scope and nature of the issued being analyzed?

- The PR&Gs allow for analyses to be scaled to the scope and nature of the activity. Funding thresholds also will allow many projects and programs to be exempt from any analysis. The Interagency Guidelines provide direction to agencies regarding applicability criteria and thresholds, as well as minimum evaluation requirements for both projects and programs. The Guidelines allow for simplified analyses to be performed, allowing substantial flexibility in determining what is required in a simplified evaluation.
- The PR&Gs also provide that if an agency has an “equivalent pathway,” (e. g., an existing planning process that includes the elements of a PR&G analysis) that the analysis conducted under this process would be sufficient.

Does each federal agency have its own agency specific guidance? Each federal agency will develop its own ASPs; the Interior ASPs will provide more detailed guidance for how Interior bureaus will implement the PR&Gs and will include a list programs or activities subject to the PR&Gs. Interior

bureaus may also develop their own guidance that provides additional details beyond what is covered in the DOI Agency Specific Guidance. ASPs will be peer reviewed through an interagency effort and approved by the Council on Environmental Quality.

How do the PR&Gs compare to the P&Gs in terms of their applicability? The P&Gs have been in place since 1983. The update will modify the original guidance in several ways:

- The intent of the PR&Gs is that they will be applied to “a broad range of Federal investments that by purpose, either directly or indirectly, affect water quality or water quantity, including ecosystem restoration or land management activities.”
- The PR&Gs are also intended to apply to all federal agencies that engage in projects or programs that affect water quantity or quality, as stated above, rather than just the four water resource agencies identified in the 1983 P&Gs (Reclamation, NRCS, TVA, and the Corps).
- The scope of projects and programs requiring application of the PR&Gs include, but are not limited to: (1) grant programs; (2) funding programs; (3) studies or investigations leading to construction of infrastructure, including new facilities or modernization of existing facilities, dam safety or operational modifications, and ecosystem protection and restoration projects; and (4) proposals and plans that affect the management of Federal assets including National Wildlife Refuges, National Parks, National Forests and National Grasslands.

What are the implications of the PR&Gs for Interior? The extent to which the PR&Gs affect Interior bureaus depends on the scale and nature of their activities and whether the programs and activities “...by purpose, either directly or indirectly, affect water quality or water quantity, including ecosystem restoration or land management activities.” . Historically, the P&Gs applied only to the Bureau of Reclamation among the Interior bureaus, and Reclamation should be able to adapt its existing review processes to address the revisions to the PR&Gs. Most other Interior bureaus will need to determine where and how the PR&Gs will apply. Ultimately, many activities may be excluded from analysis under the PR&G because they fall below financial thresholds, they may not have a water resources purposes, or the agency may have an "equivalent pathway" for project review in place.

How will agencies implement PR&G analysis? Where the PR&Gs apply to bureau activities, the agencies will integrate the PR&G analysis into their existing planning processes and specifically into the National Environmental Policy Act (NEPA) process. For instance, agencies could integrate their PR&G and NEPA analyses by including both in a single analytical document.

Where can I get additional information? The full text of the PR&Gs can be found on CEQ’s web site: www.whitehouse.gov/administration/eop/ceq/initiatives/PandG.