

## Part 502 – Reviews and Approvals

### Subpart A – Approval for NED Exceptions

#### 502.0 Exceptions to the NED Plan Requirement

For water resource plans, a plan recommending Federal action must be the alternative plan that reasonably maximizes net economic benefits consistent with protecting the nation's environment, unless an exception is granted. Exceptions to the National Economic Development (NED) plan can only be granted by the Chief. Exceptions will be considered based on other Federal, State, local or international concerns not fully addressed by the NED plan. An exception is not required for non-water-resource plans that meet the requirements of Title 390, National Watershed Program Manual (NWPM), Part 501, Subpart B, Section 501.11B(1) (of this manual).

#### 502.1 Timing and Documentation

The State Conservationist (STC) must request an exception to the NED plan through the Deputy Chief for Science and Technology at the earliest possible stage in the development of the watershed project plan. Exceptions must be supported by sufficient documentation, as set forth in principle 6 of Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies (P&G). The request for an exception will be forwarded to the Chief, subject to review by the Science and Technology deputy chief area, as necessary.

#### 502.2 Watershed Rehabilitation Projects

**The following only applies to the Watershed Rehabilitation Program:** In cases where human life is at risk in the event of catastrophic failure of an existing dam that does not meet current safety and performance standards, an overriding reason for an exception to the NED plan requirement exists.

- (1) To avoid seeking individual exceptions in such cases, the NED plan is defined as the federally assisted alternative with the greatest net economic benefits. Thus, for rehabilitation projects, the no-action alternative may not be identified as the NED alternative, but will continue to be included to allow a valid comparison of the reasonable alternatives.
- (2) Rehabilitation alternatives, required by legislation and policy to be evaluated, include no action, decommissioning, rehabilitation, and, where applicable, relocation of at-risk dwellings, as well as additional alternatives, as appropriate.
- (3) If all reasonable alternatives result in the same benefits, use a least-cost analysis to evaluate alternatives and select the NED plan. If benefits of all alternatives are not the same, a benefit-cost analysis will be completed for all reasonable alternatives. A project-specific exception would be required if the policy-identified NED plan is not selected.

### **502.3 NED and Projects Requiring Congressional Approval**

For projects that require congressional approval, the decision regarding an exception will be finalized before a watershed project plan is forwarded for additional review to the USDA and the Office of Management and Budget.