

Industry Listening Session



U.S. Port and Inland Waterway Modernization Strategy: Options for the Future

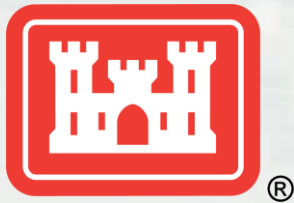
Keith Hofseth
USACE Institute for Water Resources

15 March 2012



US Army Corps of Engineers
BUILDING STRONG®





U.S. Port and Inland Waterways Modernization Strategy: Options for the Future

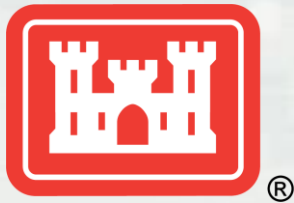


As directed by Congress:

Within the funds provided, the Institute for Water Resources is directed to submit to the Senate and House Committees on Appropriations within 180 days of enactment of this Act, **a report on how the Congress should address the critical need for additional port and inland waterway modernization to accommodate post-Panamax vessels.** This study will not impede nor delay port or inland waterway projects already authorized by Congress. Factors for **consideration should include costs** associated with deepening and widening deep-draft harbors; the **ability of the waterways and ports to enhance the nation's export initiatives** benefitting the agricultural and manufacturing sectors; the current and projected population trends that **distinguish regional ports and ports that are immediately adjacent to population centers;** the availability of inland **intermodal access;** and the **environmental impacts** resulting from **the modernization of inland waterways and deep-draft ports.**

- Conference Report on the Consolidated Appropriations Act for Fiscal Year 2012





U.S. Port and Inland Waterways Modernization Strategy: Options for the Future



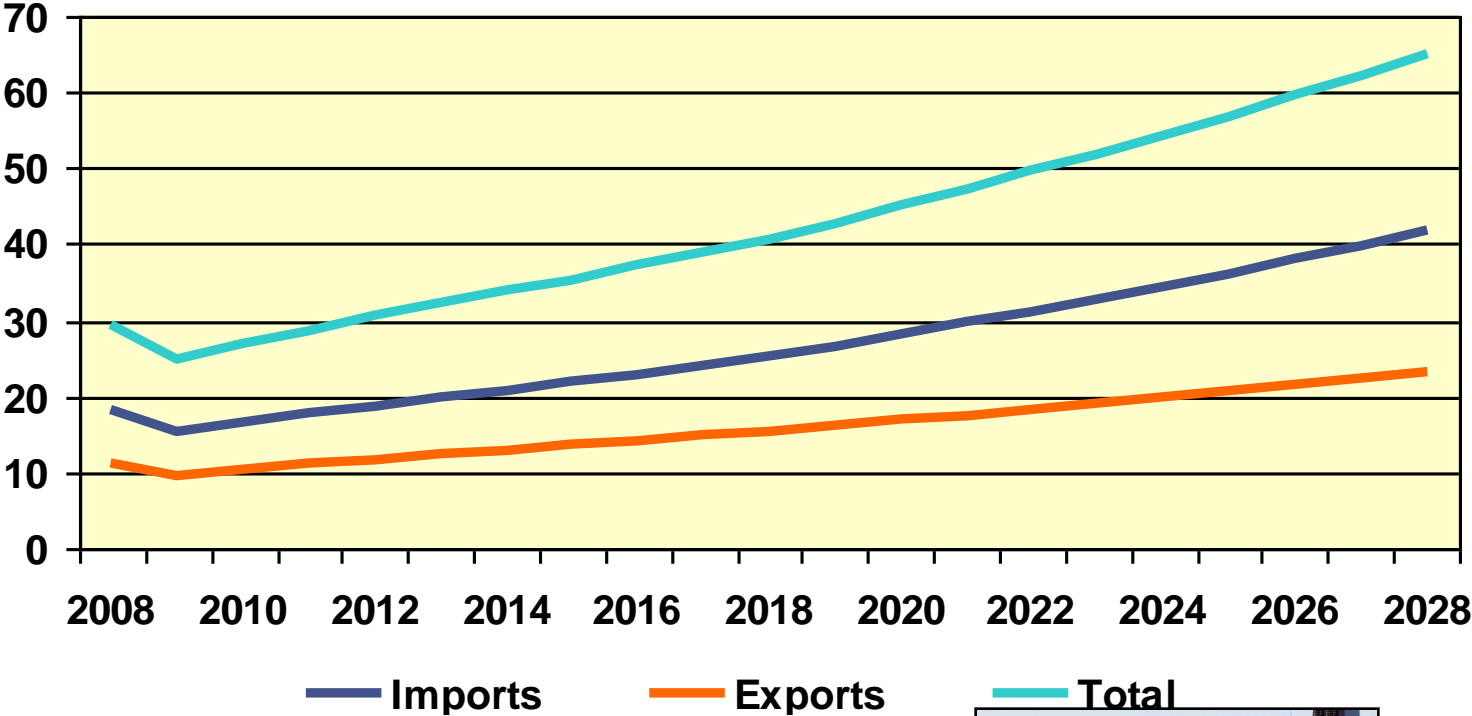
- Focus: How Congress should address critical need for additional port and inland waterway modernization to accommodate post-Panamax vessels.
- Factors to address:
 - Costs associated with deepening and widening deep-draft harbors;
 - Ability of waterways and ports to enhance export initiatives benefitting the agricultural and manufacturing sectors;
 - Current and projected population trends that distinguish regional ports and ports that are immediately adjacent to population centers;
 - Inland intermodal access;
 - Environmental impacts resulting from modernization of inland waterways and deep-draft ports.



Forecast: U.S. Trade More Than Doubles

2008 - 2028

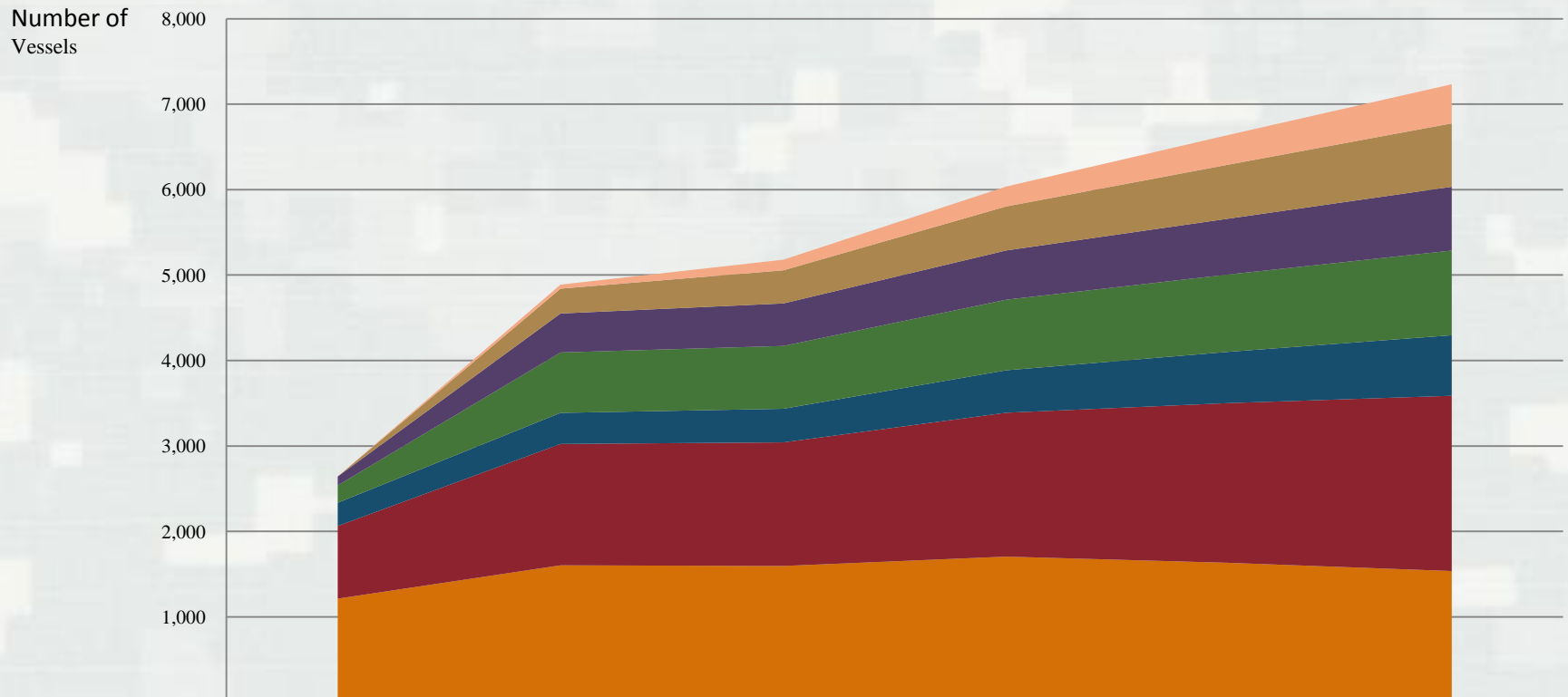
Millions of TEUs



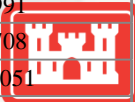
Source: I H S G I World Trade Service



World Fleet: Historical and Forecasted Fully Cellular Container Vessels by TEU Class 2000-2030

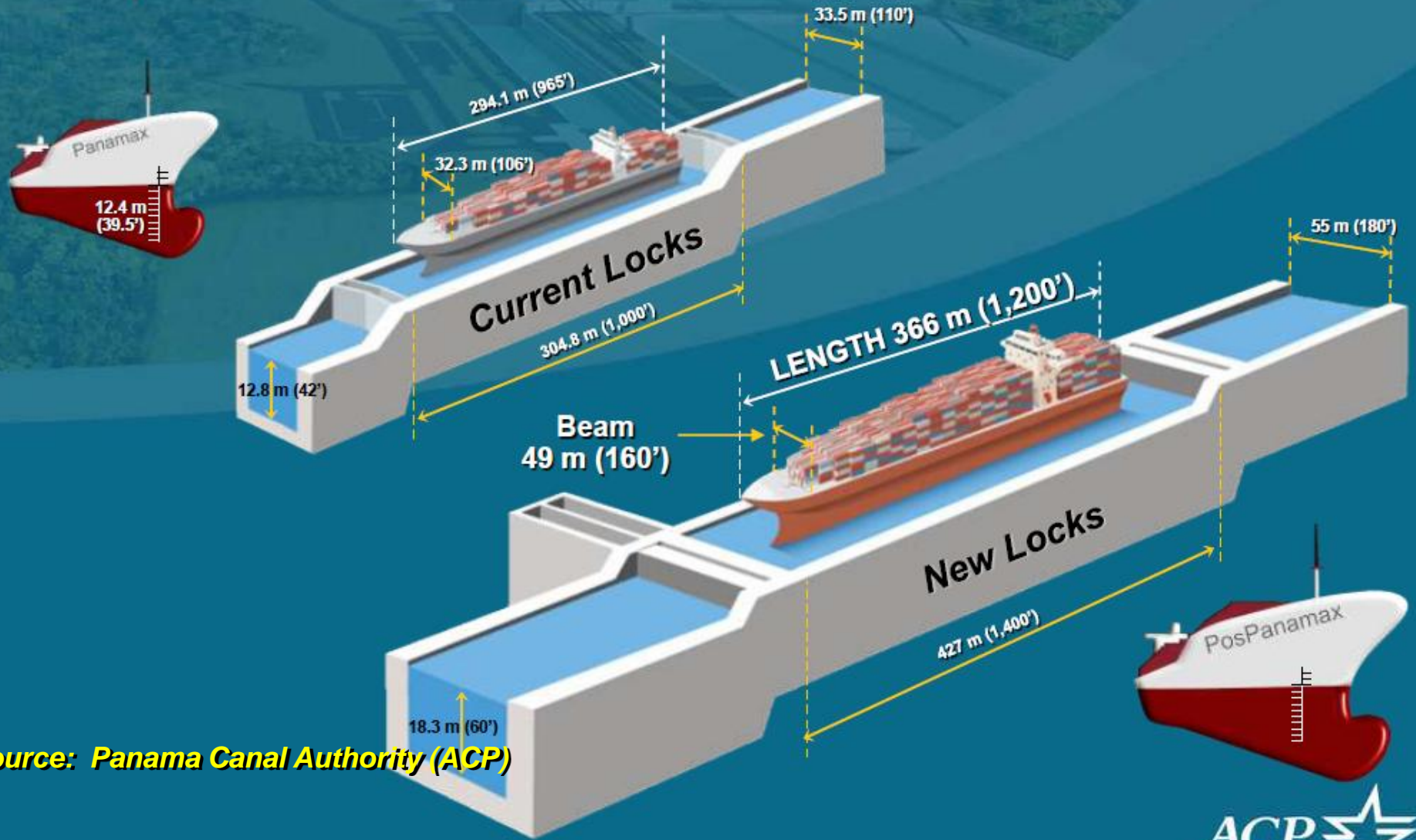


	2000	2011	2015	2020	2025	2030
12 k TEU +	-	47	124	232	348	458
7.6 k to 12 k TEU	-	291	388	515	632	742
5.2 k to 7.6 k TEU	104	456	498	577	654	747
3.9 k to 5.2 k TEU	203	707	735	826	905	991
2.9 k to 3.9 k TEU	272	364	393	497	600	708
1.3 k to 2.9 k TEU	850	1,420	1,446	1,684	1,869	2,051
0.1 k to 1.3k TEU	1,214	1,604	1,596	1,706	1,633	1,537



Dimension of Locks and New-Panamax vessels

Existing Locks Max Vessel: **4,400 TEU's**



Source: Panama Canal Authority (ACP)

New Locks Max Vessel: **12,600 TEU's**





Stakeholder Engagement & Public Communications



- Goal – transparency, no surprises, elicit information to make sure we don't miss things
- Information Out – Study website, Press Release, Talking Points, HQ website & FB page
- Conference Outreach – Materials distributed at multiple conferences (e.g. Waterways Council Inc.'s Legislative Fly-in, National Waterways Legislative Summit, AAPA Spring Conference; Listening session planned for ITTS Freight in the Southeast (Norfolk) Mar 14
- Listening Sessions – Galveston 8 Mar; IWR Environmental 13 Mar; IWR **Industry 15 Mar**. Others upon request.
- Coordination w/MARAD Panama Canal Study & Short Shipping Listening Sessions
- Congress – Initial call w/staff; trying to set up briefing.



Teams

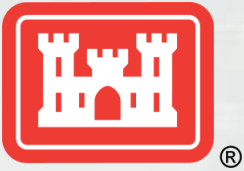
- Deep Draft Center of Expertise
- Inland Center of Expertise
- Environmental Team
- Dredging/costing Team
- AIS Team
- Port Capacity Team
- Public Communications Team



U.S. Port and Inland Waterways Modernization Strategy: Options for the Future

- Congress has directed the Institute for Water Resources to submit to the Senate and House Committees on Appropriations a report on how the Congress should address the critical need for additional port and inland waterway modernization to accommodate *post-Panamax* vessels.
- Post-Panamax vessels are calling at U.S. ports in increasing numbers. Completion of the Panama Canal expansion in 2014 will accelerate this trend, significantly impacting global and U.S. trade.
- The expansion will almost triple the size of vessels able to transit the Panama Canal.
- Export of key U.S commodities such as agricultural products will be affected.
- There is a critical need to modernize U.S. ports & waterways to accommodate increased commerce & recapitalize aging facilities.
- The study will produce a vision for the nation's navigation system and options for a strategy to meet the nation's critical needs for port and inland waterways modernization.
- A report will highlight issues and provide information, data, opinion and options. It will not make any recommendations.





Schedule



Major Milestones:

- PDT assembled, PMP, report outline – completed
- Website, fact sheet, talking points – completed
- Mock Draft Report – 7 March
- Stakeholder Engagement & Public Communications – ongoing
 - Listening Sessions
 - ✓ SWG Ports – 8 Mar
 - ✓ Environmental Interests – 13 Mar
 - ✓ ITTS - 14 Mar; Nav Industry Mtg - 15 Mar; AAPA - 16 Mar
 - ✓ Mtgs. with MARAD, Congressional staff, others being set
- 80% draft report – 1 April (**Stakeholder Engagement Continues!**)
- PDT, IWR, USACE & EPR Review, Report Revision – 1 May
- Formal Final Draft to HQ – 1 May
- Concurrent EPR, HQ, OASA (& OMB?) Review – 22 May
- Report Revision, Completion, OMB & Interagency Review – 1 June
- Transmit Final Report to Congress – June 20



Questions and Comments?

Contacts

- Study Manager: Kevin Knight, IWR Kevin.P.Knight@usace.army.mil
- Technical Director: Keith Hofseth, IWR Keith.D.Hofseth@usace.army.mil
- Communications and Public Engagement Lead: Hal Cardwell, IWR Hal.E.Cardwell@usace.army.mil
- Contact the team: Portandwaterways@usace.army.mil

Website

www.iwr.usace.army.mil/portandwaterways

